



Dave Yost • Auditor of State

**CITY OF ELYRIA
LORAIN COUNTY**

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CITY OF ELYRIA
LORAIN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2016

FEDERAL GRANTOR/ <i>Pass-Through Grantor/ Program Title</i>	Pass Through Entity Number	CFDA Number	Passed through to subrecipients	Expenditures
<u>U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT</u>				
<i>Direct Federal Assistance Program:</i>				
CDBG - Entitlement Grants				
Neighborhood Stabilization Program	N/A	14.218		16,988
Community Development Block Grant	N/A	14.218	30,288	668,528
<i>Passed Through the Lorain County Office of Community Planning and Development</i>				
Neighborhood Stabilization Program 3	B-11-UN-39-0012	14.218		490
Total CDBG - Entitlement Grants			30,288	686,006
<i>Passed Through the Ohio Department of Development:</i>				
HOME - Home Investment Partnership Program	A-C-13-2HA-2	14.239		178,609
Total HOME - Home Investment Partnership Program				178,609
Total U.S. Department of Housing & Urban Development			30,288	864,615
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
<i>Passed Through United Way of America:</i>				
Emergency Food and Shelter National Board Program	679000-036	97.024		634
Total U.S. Department of Homeland Security				634
<u>U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES</u>				
<i>Passed Through Ohio Department of Health:</i>				
Maternal and Child Health Services Health Block Grant				
Child and Family Health Services	47-2-001-1-MC-0916	93.994		273,588
Total Maternal and Child Health Services Block Grant				273,588
<i>Passed Through Ohio Department of Health:</i>				
Dental Sealant Program	47-2-001-1-DS-0816	93.236		46,010
Total Dental Sealant Program				46,010

(Continued on the next page.)

CITY OF ELYRIA
LORAIN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2016

FEDERAL GRANTOR/ <i>Pass-Through Grantor/ Program Title</i>	Pass Through Entity Number	CFDA Number	Passed through to subrecipients	Expenditures
<u>U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES (continued)</u>				
<i>Passed Through Ohio Department of Health:</i>				
Public Health Emergency Preparedness	47-1-001-2-PH-0716	93.074		8,074
	47-1-001-2-PH-0817	93.074		8,558
Total Public Health Emergency Preparedness				<u>16,632</u>
Total U.S. Department of Health & Human Services				<u>336,230</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
<i>Passed Through the Ohio Department of Justice:</i>				
Victims of Crime Act	N/A	16.575		<u>103,543</u>
Total U.S. Department of Justice				<u>103,543</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
<i>Passed Through the Ohio Department of Transportation</i>				
Highway Planning and Construction Grants				
Highway Planning and Construction / State Project No. 91031	N/A	20.205		<u>114,730</u>
<i>Passed Through the Ohio Department of Transportation</i>				
Highway Planning and Construction Grants				
Highway Planning and Construction / State Project No. 98728	N/A	20.205		<u>466,789</u>
Total Highway Planning and Construction				<u>581,519</u>
<i>Passed Through the Ohio Department of Justice</i>				
Alcohol Impaired Driving Countermeasures Incentive Grants	IDEP-2016-47-00-00-00371-02	20.601		<u>3,000</u>
Total Alcohol Impaired Driving Countermeasures				<u>3,000</u>
Total U.S. Department of Transportation				<u>584,519</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>				
<i>Direct Federal Assistance Program:</i>				
Brownfield Assessments and Cleanup Cooperative Agreements				
Brownfield Hazardous Materials Assessments	N/A	66.818		3,412
Brownfield Petroleum Materials Assessments	N/A	66.818		<u>3,185</u>
Total Brownfield Assessments and Cleanup Cooperative Agreements				<u>6,597</u>
Total U.S. Environmental Protection Agency				<u>6,597</u>
TOTAL FEDERAL ASSISTANCE			<u>\$ 30,288</u>	<u>\$ 1,896,138</u>

See Notes to the Schedule of Expenditures of Federal Awards.

**CITY OF ELYRIA
LORAIN COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Elyria (the City's) under programs of the federal government for the year ended December 31, 2016. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments* (codified in 2 CFR Part 225), or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - SUBRECIPIENTS

The City passes certain federal awards received from the U.S. Department of Housing & Urban Development to other governments or not-for-profit agencies (subrecipients). As Note B describes, the City reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the City has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE D - HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT PROGRAM WITH REVOLVING LOAN CASH BALANCE

The current cash balance on the City's local program income account as of December 31, 2016 is \$45,013.

NOTE E - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

CFDA – Catalog of Federal Domestic Assistance.

N/A – Not applicable.

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Elyria
Lorain County
131 Court Street
Elyria, Ohio 44035

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Elyria, Lorain County, Ohio (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 31, 2017.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2016-001 to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

City's Response to Finding

The City's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the City's response and, accordingly, we express no opinion on it.

Purpose of this Report

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



Dave Yost
Auditor of State
Columbus, Ohio

August 31, 2017



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

City of Elyria
Lorain County
131 Court Street
Elyria, Ohio 44035

To the City Council:

Report on Compliance for Each Major Federal Program

We have audited the City of Elyria's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of the City of Elyria's major federal programs for the year ended December 31, 2016. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal programs.

Management's Responsibility

The City's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for each of the City's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on each of the City's major programs. 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 of Elyria complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2016.

Report on Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on the major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

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

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

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

Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Elyria, Lorain County, Ohio, (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated August 31, 2017. We conducted our audit to opine on the City's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State
Columbus, Ohio

August 31, 2017

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CITY OF ELYRIA
LORAIN COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2016

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Highway Planning and Construction Grants / CFDA #20.205 Community Development Block Grant – Entitlement Grants / CFDA #14.218
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

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

FINDING NUMBER 2016-001

Unrecorded Contracts Payable and Capital Assets - Material Weakness

Sound financial reporting is the responsibility of the City Finance Director and the City Council and is essential to ensure the information provided to the readers of the financial statements is complete and accurate. The following weakness and subsequent correction was made to the financial statements and footnotes by Management:

CITY OF ELYRIA
LORAIN COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2016
(Continued)

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

FINDING NUMBER 2016-001 (Continued)

Unrecorded Contracts Payable and Capital Assets - Material Weakness (Continued)

- The City did not present \$39,732 in contracts payable and \$24,054 in capital assets in the Storm Water Fund at December 31, 2016. Not all contracts payable and capital assets were presented because the City determined contracts payable and the related capital assets based on invoice dates versus service dates. These corrections were reflected in the financial statements and footnotes.
- The City did not present \$598,871 in contracts payable and \$598,871 in capital assets in the Water Fund at December 31, 2016. Not all contracts payable and capital assets were presented because the City determined contracts payable and the related capital assets based on invoice dates versus service dates. These corrections were reflected in the financial statements and footnotes.

The lack of controls over financial reporting and footnote disclosure resulted in material errors and irregularities that decrease the reliability of financial data.

We recommend the City perform a search for unrecorded contracts payable and capital assets to ensure that all items are properly recorded in their annual year-end financial report.

Official's Response:

In addition to the accounts payable report that we run for the conversion from cash to GAAP, I will run an Expense Ledger Listing with Detail to make sure that we covered all of the payables at year-end.

3. FINDINGS FOR FEDERAL AWARDS

None.

**CITY OF ELYRIA
LORAIN COUNTY**

**CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
DECEMBER 31, 2016**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2016-001	Review Expense Ledger Analysis with Detail	Completed	Ted Pileski

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Elyria, Ohio

Comprehensive Annual Financial Report



For the year ended December 31st, 2016

Ted M. Pileski, CPA, CPFA

Finance Director

CITY OF ELYRIA, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended
December 31, 2016

Prepared by:

Department of Finance Administration
Ted M. Pileski, CPA, CPFA, Elyria City Finance Director
John T. Farrell, Elyria City Assistant Finance Director

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City of Elyria, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended, December 31, 2016

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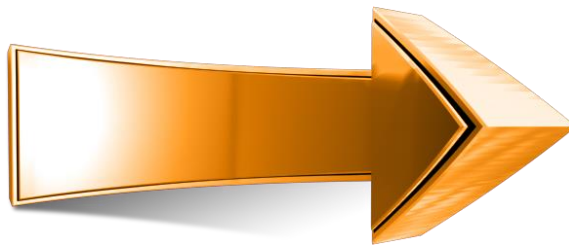
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Introductory Section





TED M. PILESKE, CPA, CPFA
Finance Director

JOHN T. FARRELL
Assistant Finance Director

August 31, 2017

**HONORABLE MAYOR,
MEMBERS OF CITY COUNCIL,
AND THE CITIZENS OF ELYRIA, OHIO**

As the elected Finance Director of the City of Elyria (the “City”), I am pleased to present the Comprehensive Annual Financial Report (“CAFR”) of Elyria, Ohio for the year ended December 31, 2016. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to both protect the City’s assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City’s financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance the financial statements will be free from material misstatement. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the governmental and business-type activities and various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City’s financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Elyria’s MD&A can be found immediately following the report of the Independent Auditor’s Report.

GOVERNMENTAL STRUCTURE

The City was incorporated on February 23, 1833 under the laws of the State of Ohio. The City operates under a Mayor-Council form of government as provided by its Charter adopted on November 2, 1965.

The City provides a full range of services. These services include: police and fire protection, the construction and maintenance of highways, streets and infrastructure, recreational activities, family and child health care, community planning, zoning and development, and water, sewer and sanitation services. In addition, the Elyria Municipal Court is included in the reporting entity. The Elyria City

School District, the Elyria Memorial Hospital and the Elyria Public Library have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

ECONOMIC CONDITION & OUTLOOK

The City is located on the Black River approximately ten miles south of Lake Erie.

The City developed as an industrial community in the early 1800's. As the seat of Lorain County, the City's economy continued to diversify throughout the early 1900's. Another large industrial expansion took place during the late 1940's and early 1950's. In recent years, the face of Elyria's economy has begun to change. Throughout the 1980's and 1990's, the largest employers in the City were manufacturing firms such as Invacare, General Motors and York International. Today, Invacare Corporation is the only one of these companies that still remains in Elyria. As a result, a shift of the largest employers in the City from manufacturing to service oriented employers has taken place. Bendix Commercial Vehicle Systems/Knorr Brake Truck Systems Company was the largest employer in regards to income tax revenues received by the City in 2016, followed by University Hospital, Lorain County Government, Invacare Corporation and Lorain County Community College. Unfortunately, more manufacturing jobs will be leaving the City in the not too distant future. The City, largest income tax contributor in 2016, Bendix Commercial Vehicle Systems/Knorr Brake Truck Systems Company has announced that they will be closing their Elyria facility which has been in existence for 75 years to build a new facility in Avon, Ohio. This departure will mean the loss of approximately 550 jobs and significant income tax revenues for Elyria and could come as early as 2019. In addition, The Riddell Corporation, a manufacturer and reconditioner of athletic equipment, has also announced that it will move its long time Elyria operation to bordering North Ridgeville, Ohio. This move has been reported to take place in early 2017. As it now stands, Elyria's economy remains diversified with a stable income tax base. Following a significant drop in income tax collections in 2009, income tax collections receipted in the General Fund rebounded in years 2010 thru 2013, before decreasing 1.11% in 2014. In 2015, income tax collections began another rebound with a 2.78% increase in income tax collections receipted in the General Fund, followed by a 6.51% increase in 2016 with \$20,836,317 receipted in the General Fund as compared to \$19,562,961 in 2015 .

FINANCIAL POLICIES

As the chief financial officer of the City for the past 24 years, I have approached revenue estimates each year in a very conservative nature. This policy has enabled some revenues to go unappropriated and therefore unspent, which has gone a long way in the recovery of the City's General Fund since the great recession. Due to the recession, the City's General Fund fund balance dropped \$1,469,922 in 2009 to \$571,509. Due to the aforementioned policy of conservative revenue estimates and cost-cutting measures, the General Fund fund balance rebounded by \$2,056,052 to \$2,627,561 in 2010, by \$1,268,490 to \$3,896,051 in 2011, by \$1,034,817 to \$4,930,868 in 2012 and by \$396,078 to \$5,326,946 in 2013. In 2014, the General Fund fund balance declined by \$1,114,366 from \$5,326,946 in 2013 to \$4,212,580 in 2014. This decline was partially due to the drop in income tax revenues as mentioned earlier, the repeal of the estate tax by the State of Ohio and by the harsh winter in 2014. In 2015, the General Fund fund balance dropped \$161,786, but increased by \$117,873 in 2016.

MAJOR INITIATIVES

FOR THE YEAR:

The City addressed the following infrastructure problems in 2016.

The Taylor Street/Fairlawn Avenue Water Main project was completed in 2016. The cost of this project was \$819,295 and was funded by 25-year self-supporting general obligation bonds which will be repaid by users of the City's water system.

The Wet-Weather Storage Modification project was completed at the City's Wastewater Pollution Control Plant on Gulf Road in 2016. The cost of this project was \$596,586 and was funded by 25-year self-supporting general obligation bonds which will be repaid by the users of the City's sanitary sewer system.

The resurfacing of Duffey Street and portions of Bell Avenue, Chapel Court, Court Street, Georgetown Avenue, Lorain Boulevard, Ninth Street, Stanford Avenue, Temple Court, Windsor Drive and Woodland Avenue were all completed in 2016. The cost of these improvements totaled \$554,994 and was funded by license plate fees received in the City's Muni Motor Vehicle Tax Fund.

FOR THE FUTURE:

Infrastructure upgrade continues to be a priority of the City. For example:

The repair and reconstruction of Third Street from the entrance to the old York Plant to East Avenue will begin in 2017. The estimated cost of this project is \$3,856,057 and will be funded by a \$2,761,626 grant from the Federal Highway Administration administered by the Northeast Ohio Area-wide Coordinating Agency(NOACA), a \$691,226 grant from the Ohio Public Works Commission and \$403,205 from license plate fees received in the City's Muni Motor Vehicle Tax Fund.

The improvement of State Route 57 from the entrance to the Ohio Turnpike to State Route 113 will begin in 2017. The estimated cost of this project is \$1,200,000 and will be funded by a \$590,462 grant from the Federal Highway Administration administered by NOACA, \$290,000 of Ohio Turnpike Mitigation funds and \$319,538 from monies in the City's Insurance Demutualization Capital Projects Fund.

The construction of the Solids Dewatering Facility at the City's Water Pumping Plant is scheduled to begin in 2017. The estimated cost of this project is \$4,584,368 and will be funded with fees paid by the users of the City's water system received in the City's Water Enterprise Fund.

Phase 1 of the City's plan to replace all of its water meters is scheduled to begin in 2017. The estimated cost of Phase 1 of this effort is \$2,895,148 and will be funded with fees paid by the users of the City's water and sanitary sewer systems received in the City's Water and Wastewater Pollution Control Enterprise funds.

Phase II of the Westside Water Main Project is scheduled to begin in 2017. The estimated cost of this project is \$1,101,694 and will be funded with fees paid by the users of the City's water system received in the City's Water Enterprise Fund.

Phase 1A of the City's East Side Relief Sewer Project will begin in 2017. The estimated cost of this phase of the East Side Relief Sewer is \$2,527,285 and will be funded by 25-year self-supporting general obligation bonds which will be repaid with fees paid by users of the City's sanitary sewer system.

GENERAL GOVERNMENTAL FUNCTIONS - The general governmental functions of the City consist of six functions / activities: public safety, health, culture and recreation, community environment, highways and streets, and general government.

The function of public safety consists of the operation of the City's police, fire, safety service, communications, prisoner support, and traffic lights departments. The function of health consists of the operation of the City's health and cemetery departments. The function of culture and recreation consists of the operation of the City's parks and recreation, swimming pools and ice rink departments. The function of community environment consists of the operation of the City's community planning and zoning, community development, housing codes enforcement, block grant administration and rehab operations and comprehensive housing improvement program departments. The function of general government consists primarily of the various administrative departments and municipal court departments.

ENTERPRISE OPERATIONS – The City's enterprise operations consist of five separate funds:

Water, Special Parks and Recreation, Sanitation, Wastewater Pollution Control and Storm Water. Several of the City's major initiatives listed previously are directly related to these operations. The City has recently had a study completed of its entire water and sewer systems. The end result of the study was a report that outlines the necessary capital improvements needed to improve and keep the water and sewer systems running efficiently and effectively. The report suggests an estimated \$154 million in improvements are necessary for Water Fund operations which include the replacement of the old 4" and 6" waterlines in the City as well as the replacement of the main transmission lines from the City's Water Pumping Plant in Lorain to the City. For the City's Wastewater Pollution Control Fund operations, the report identifies approximately \$105 million in capital improvements which include several conveyance expansion phases among other items. The report suggests that these improvements be completed over a 20-year period and realizing the importance of these improvements, Elyria City Council has enacted a series of annual rate increases over the next 20 years which began in 2009 to fund these improvements. These improvements should keep and improve the City's water and wastewater operations at levels that will be appreciated by our citizens of today and for generations to come.

The City's **Sanitation Department** continues to provide its citizens with excellent trash collection services at the lowest possible price. The City purchased five new garbage trucks with automated arms and implemented the cart system of trash collection late in 2010. This allows for only one person to man each truck and is believed to lower workers compensation claims in the future as well as dumping fees as more residents will be forced to recycle thus reducing the amount of trash sent to the independently-owned landfill. The City also purchased three new recycling garbage trucks in 2010 to provide better service to its residents. A series of five (5) annual increases which began in 2009 provided the necessary resources to pay for these new trucks. Elyria City Council approved three new annual rate increases beginning in 2015 through 2017 for replacement trucks as needed and on-going needs of the Sanitation Department.

The City's **Special Parks and Recreation Fund**, is fairly minor in nature and is used to account for the operations of concession stands and athletic programs in the City's parks and recreation facilities.

The City added a new enterprise fund entitled the **Storm Water Fund** and is used to account for a new fee established by City Council effective January 1, 2016. This separate storm water fee is a result of a study performed by a consultant to identify storm water issues in the City and the monies generated from this fee will be used to address these issues as required by the Ohio and US EPA.

INTERNAL SERVICE OPERATIONS – The City has two internal service funds relating to risk management. Those funds are the **Employees’ Health Insurance Fund** and **Workers’ Compensation Fund**.

The **Employees’ Health Insurance Fund** is used to account for the operations of the City’s self-insured health plan for all full-time employees and their dependents. Other City funds are charged a premium amount per employee covered by the Employees’ Health Insurance Fund. The Employees’ Health Insurance Fund pays claims and administration costs. The City has specific stop-loss insurance coverage to insure against catastrophic claims.

The **Workers’ Compensation Fund** is used to account for the City’s participation in the State of Ohio workers’ compensation fully insured plan. Under the plan, the City reimburses the State of Ohio for claims paid, administration fees, and premiums for insurance coverage on catastrophic claims. Other City funds are charged a premium amount based on the wages paid to covered employees.

FIDUCIARY OPERATIONS – The City has several agency funds under its jurisdiction. These funds are used to account for assets held by the City as an agent for individuals, private organizations, other governmental units, or other funds.

DEBT ADMINISTRATION – In April 2017, Moody’s Investor Services reviewed the City’s bond rating and issued a downgrade from an A1 which was received in 2013 to an A2 with a negative outlook. According to Moody’s Investor Services the downgrade to A2 was driven by narrowing of the City’s reserves, exposure to economically sensitive and declining income tax revenues and a weak economic profile. In May 2017, S&P Global affirmed its rating of AA- on the City which was originally assigned to the City in May 2014 and affirmed in March 2015, but revised its outlook from stable to negative primarily as a result of the loss of Riddell Corporation and the upcoming closure of the 3M Plant in Elyria.

The City had a number of debt issues outstanding at December 31, 2016. These issues include \$41,225,000 in general obligation bonds, \$12,600,000 in general obligation notes, \$1,840,000 in special assessment bonds, \$27,513,637 in Ohio Water Development Authority loans, \$696,717 in State Infrastructure Bank loans and \$1,409,072 in Ohio Public Works Commission interest free loans. Under the Uniform Bond Act of the Ohio Revised Code, the City has a legal limitation on unvoted general obligation debt based on 5.5% of the assessed valuation of real and personal property. At December 31, 2016, the City’s net debt (as defined in the Ohio Revised Code) of \$36,788,846 was below the legal limit of \$44,553,339.

INDEPENDENT AUDIT – State statutes require an annual audit. This year the City’s audit was performed by Auditor of State, **Dave Yost**. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act of 1984, and subsequent amendments and the related OMB Circular A-133 and Uniform Guidance. The independent auditor’s report on the basic financial statements is included in the financial section of this report and is unmodified.

AWARDS

The GFOA awarded a **CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING** to the City of Elyria for its comprehensive annual financial report for the fiscal year ended December 31, 2015. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Elyria has received a Certificate of Achievement for the last **THIRTY CONSECUTIVE YEARS** (fiscal years ended 1986-2015). We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA.

ACKNOWLEDGMENTS

I would like to extend a special thank you to Assistant Finance Director John T. Farrell who assisted me in preparing this report. I would also like to thank my entire staff whose dedicated service made this report possible.

In closing, I would also like to thank the Mayor and members of Elyria City Council, for without your continued support, the preparation of this report to help ensure the continued financial integrity of the City, would not have been possible.

Sincerely,



Ted M. Pileski, CPA, CPFA
Elyria City Finance Director



Government Finance Officers Association

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

Presented to

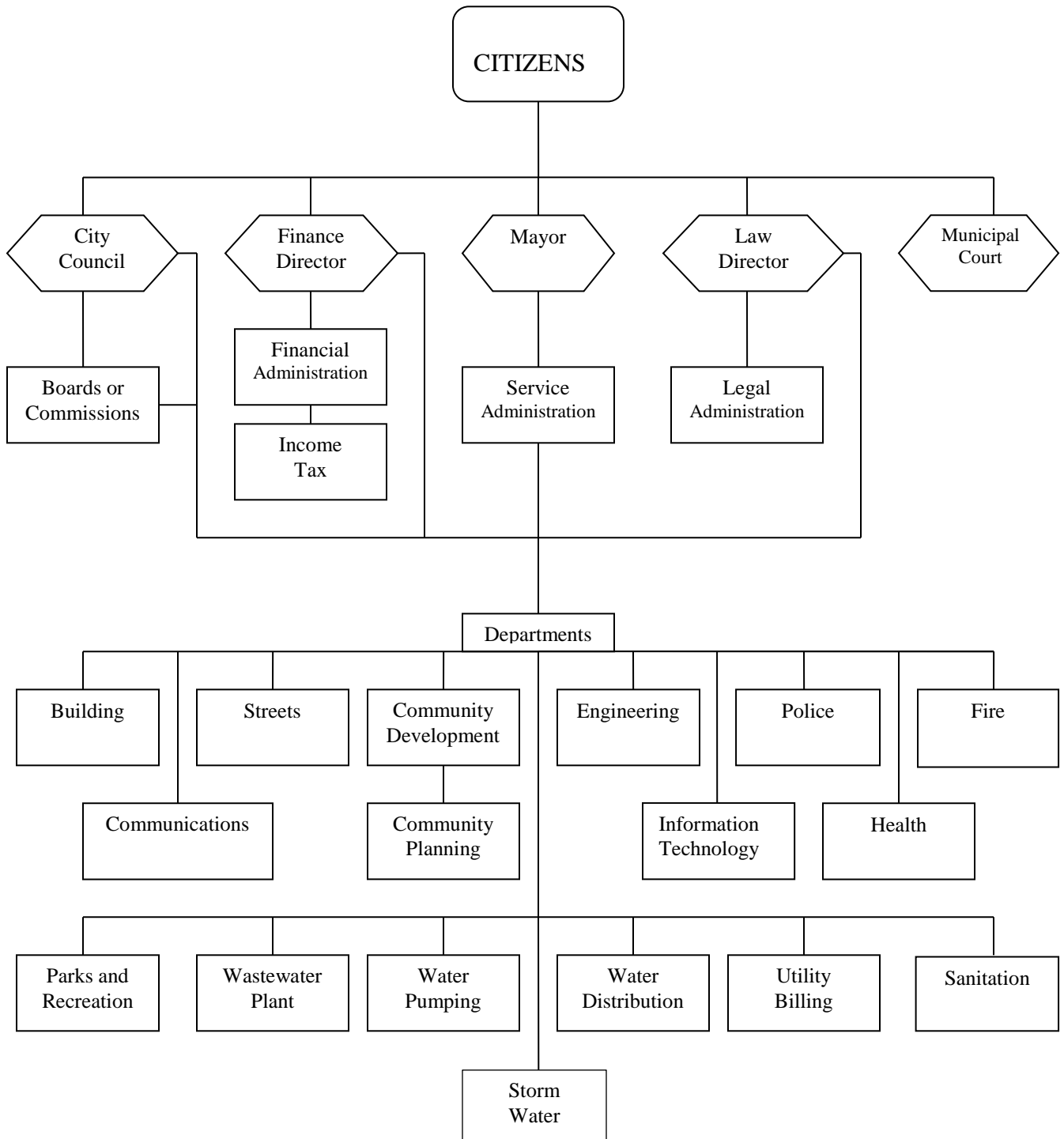
**City of Elyria
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

City of Elyria, Ohio Organizational Chart



City of Elyria, Ohio
List of Elected and Appointed Officials
December 31, 2016

Elected Officials

Mayor
Finance Director
Law Director
Judge
Judge
Court Clerk
Council Member – Ward 1
Council Member – Ward 2
Council Member – Ward 3
Council Member – Ward 4
Council Member – Ward 5
Council Member – Ward 6
Council Member – Ward 7
Council Member – At large
Council Member – At large
Council Member – At large
Council Member – At large

Holly C. Brinda
Ted M. Pileski
Scott F. Serazin
Lisa A. Locke-Graves
Gary C. Bennett
Eric J. Rothgery
Larry W. Tanner
Brenda K. Davis
Mark N. Jessie
Mark F. Craig
Marcus D. Madison
Donna Mitchell
Jack Cerra
Jack A. Baird
Thomas G. Callahan
Michael J. Lotko III
Victor F. Stewart III

Appointed Officials

Administrative Assistant
Safety Service Director
Administrative Assistant
Assistant Safety Service Director
EEO-MBE Coordinator
Administrative Legal Counsel to the Mayor
Assistant Finance Director
Chief of Staff – Law Director
Assistant Law Director
Prosecutor
Prosecutor
Prosecutor
Assistant Prosecutor
Assistant Prosecutor
Council Clerk
Assistant Council Clerk

Scott E. Buzaleski
Mary F. Siwierka
Regan L. Phillips
Kevin A. Brubaker
LaTaunya V. Conley
Geoffrey R. Smith
John T. Farrell
Amanda R. Deery
Erik A. Breunig
Joseph J. Bott
Michelle D. Nedwick
Scott A. Strait
John R. Keys
Honey Rothschild
Forrest L. Bullocks
Nell A. Fike

Department Heads

Central Maintenance Garage Senior Manager
Communications Senior Manager
Community Development
Engineer
Fire Chief
Health Commissioner
Income Tax Administrator
Medical Director
Parks and Recreation Director
Police Chief
Sanitation Senior Manager
Utilities Superintendent
Wastewater Plant Superintendent
Water Distribution Senior Manager
Water Pumping Plant Superintendent

Joseph L. Strohsack
Larry A. Showalter
Ashley Scott
Timothy J. Ujvari
Richard A. Benton
Kathryn C. Boylan
Ted M. Pileski
Dr. Douglas M. McDonald
Lisa A. Bowman
Duane P. Whitely
Rodney A. Eye
Sherman C. Jones
Terry Korzan
David M. Rothgery
Samuel F. Jacob

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Financial Section





Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Elyria
Lorain County
131 Court Street
Elyria, Ohio 44035

To the City Council:

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 Elyria, Lorain County, Ohio (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Elyria, Lorain County, Ohio, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

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

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

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2017 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

August 31, 2017

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As management of the City of Elyria, we offer readers of the City of Elyria's financial statements this narrative overview and analysis of the financial activities of the City of Elyria for the fiscal year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 - 6 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Elyria exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$84,545,183 (*net position*). The net investment in capital assets amounted to \$90,048,121 at December 31, 2016 leaving an unrestricted net position of (\$17,423,764). This deficit unrestricted net position is due to the result of the City's implementation of Governmental Accounting Standards Board Statement No. 68, "*Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27 (GASB 68)*". The City's total net position increased \$1,707,232 in 2016. Net position of the governmental activities decreased \$1,423,337 and net position of the business-type activities increased \$3,130,569.
- The General Fund balance increased by \$117,873 in 2016.
- The City of Elyria's short-term debt increased by \$7,500,000 as the City issued \$7,300,000 in one-year general obligation bond anticipation notes for improvements to the City's sanitary sewer system and \$900,000 in one-year general obligation bond anticipation notes for improvements to the City's storm sewer system. The City retired the remaining \$300,000 of principal on a one-year general obligation bond anticipation note for two new fire trucks, \$100,000 in principal on a one-year general obligation bond anticipation note for the Energy Conservation Project and \$300,000 in principal on a one-year general obligation bond anticipation note for the acquisition of new trucks and garbage carts for the City's Sanitation Department. The City re-issued one-year general obligation bond anticipation notes for \$2,800,000 for the Energy Conservation Project and \$1,600,000 in one-year general obligation bond anticipation notes for the acquisition of new trucks and carts for the City's Sanitation Department.
- The City's long-term obligations increased by \$6,324,101 as the City's net pension liability increased \$10,114,012. The City retired long-term bonds and construction loans by \$4,072,927 and capital lease obligations by \$75,536. The City also entered into two capital lease obligations for two new sewer vector trucks in the amount of \$710,112 and amortized \$56,494 of premiums on long-term bonds. The City's long-term compensated absences decreased by \$295,066.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Elyria's basic financial statements. The City of Elyria's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The *government-wide statements* are designed to provide readers with a broad overview of the City of Elyria's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of Elyria's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Elyria is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Elyria that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Elyria include public safety, health, culture and recreation, community environment, highways and streets, and general government. The business-type activities of the City of Elyria include water, special parks & recreation, sanitation, wastewater pollution control operations and storm water.

The government-wide financial statements can be found on pages 31 - 32 of this report.

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 of Elyria, 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 of Elyria can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

CITY OF ELYRIA, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2016
Unaudited

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 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, 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 of Elyria maintains fifty-five (55) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Energy Conservation Fund, both of which are considered to be major funds under generally accepted accounting principles. Data from the other fifty-three (53) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Elyria adopts an annual appropriated budget for all governmental funds. A budgetary comparison statement has been provided for the General Fund in the basic financial statements to demonstrate compliance with its budget. Budgetary comparison schedules for other funds are provided elsewhere in this report.

The basic governmental fund financial statements can be found on pages 33 - 41 of this report.

Proprietary funds. The City of Elyria maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Elyria uses enterprise funds to account for its Water, Sanitation, Wastewater and Storm Water utilities, and for its Special Parks & Recreation programs. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally among the City of Elyria's various functions. The City of Elyria uses Internal Service funds to account for its worker's compensation and employee health insurance expenditures. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide

CITY OF ELYRIA, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2016
Unaudited

separate information for the Water, Special Parks and Recreation, Sanitation, Wastewater Pollution Control operations and Storm Water, all of which are considered to be major funds of the City of Elyria. Conversely, our Employee Health Insurance and Worker's Compensation internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* on pages 182 - 184 of this report.

The basic proprietary fund financial statements can be found on pages 42 - 45 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Of these classifications, the City utilizes only agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Elyria's own programs.

The basic fiduciary fund financial statement can be found on page 46 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. The notes to the basic financial statements can be found on pages 47 - 94 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Elyria, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$84,545,183 at the close of the most recent fiscal year.

By far, the largest portion of the City of Elyria's net position reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure) to provide services to citizens, less any related debt used to acquire those assets; consequently, these assets are *not* available for future spending. Although the City of Elyria's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. A condensed statement of net position follows in Table 1.

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Unaudited

Table 1
CITY OF ELYRIA'S
Condensed Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015 - Restated	2016	2015	2016	2015
Current and other assets	\$ 28,886,947	\$ 28,184,610	\$ 35,791,322	\$ 26,934,741	\$ 64,678,269	\$ 55,119,351
Capital assets	79,067,862	81,681,313	83,234,181	80,759,610	162,302,043	162,440,923
Total assets	<u>107,954,809</u>	<u>109,865,923</u>	<u>119,025,503</u>	<u>107,694,351</u>	<u>226,980,312</u>	<u>217,560,274</u>
Deferred outflow of resources						
Refunding	1,040,451	1,135,343	408,377	443,691	1,448,828	1,579,034
Pension	11,523,520	4,995,917	4,433,454	1,369,342	15,956,974	6,365,259
Total deferred outflow of resources	<u>12,563,971</u>	<u>6,131,260</u>	<u>4,841,831</u>	<u>1,813,033</u>	<u>17,405,802</u>	<u>7,944,293</u>
Current liabilities	5,244,168	5,533,830	12,413,757	3,578,716	17,657,925	9,112,546
Non-Current liabilities	70,799,960	66,789,048	65,510,753	63,197,564	136,310,713	129,986,612
Total liabilities	<u>76,044,128</u>	<u>72,322,878</u>	<u>77,924,510</u>	<u>66,776,280</u>	<u>153,968,638</u>	<u>139,099,158</u>
Deferred inflow of resources						
Property taxes	3,598,427	3,270,094			3,598,427	3,270,094
Pension	2,050,724	155,373	223,142	141,991	2,273,866	297,364
Total deferred inflow of resources	<u>5,649,151</u>	<u>3,425,467</u>	<u>223,142</u>	<u>141,991</u>	<u>5,872,293</u>	<u>3,567,458</u>
Net position:						
Net investment in capital assets	55,763,829	55,767,212	34,284,292	33,893,956	90,048,121	89,661,168
Restricted	11,376,720	9,957,192			11,376,720	9,957,192
Nonexpendable	544,106	531,869			544,106	531,869
Unrestricted	(28,859,154)	(26,007,435)	11,435,390	8,695,157	(17,423,764)	(17,312,278)
Total net position	<u>\$ 38,825,501</u>	<u>\$ 40,248,838</u>	<u>\$ 45,719,682</u>	<u>\$ 42,589,113</u>	<u>\$ 84,545,183</u>	<u>\$ 82,837,951</u>

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

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

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

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

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

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

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

An additional portion of the City of Elyria’s net position at December 31, 2016 (14.10%) represents resources that are subject to external restrictions on how they may be used. The remaining net position of \$ (17,423,764) at December 31, 2016 is unrestricted and may be used to meet the City’s ongoing obligations to citizens and creditors.

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Table 2 on page 21 indicates the changes in net position for the years ended December 31, 2016 and 2015.

Governmental activities. In 2016, the net position for the governmental activities of the City decreased by \$1,423,337.

The City's direct charges to users of governmental services made up \$3,659,672 or 8.73% of total governmental revenue. These charges are for fees related to health department activities, fees related to parks and recreation activities, fines and forfeitures related to Elyria Municipal Court activities and various licenses and permits. Total charges to users increased \$101,620 or 2.86 %.

The major recipients of intergovernmental revenues from state and federal sources (i.e. grants, contributions, gasoline and motor vehicle taxes) were the General Fund receiving \$1,984,036, the Street Construction Maintenance and Repair Fund receiving \$1,772,225 and the Block Grant Fund receiving \$636,244.

Public safety which includes police and fire protection, safety service, communications and the fees charged to house prisoners at the Lorain County Jail accounts for \$21,776,896 of the \$43,362,743 total expenses for governmental activities or 50.22%. The next largest program is general government, which equals \$8,600,830 or 19.83% of total governmental expenses.

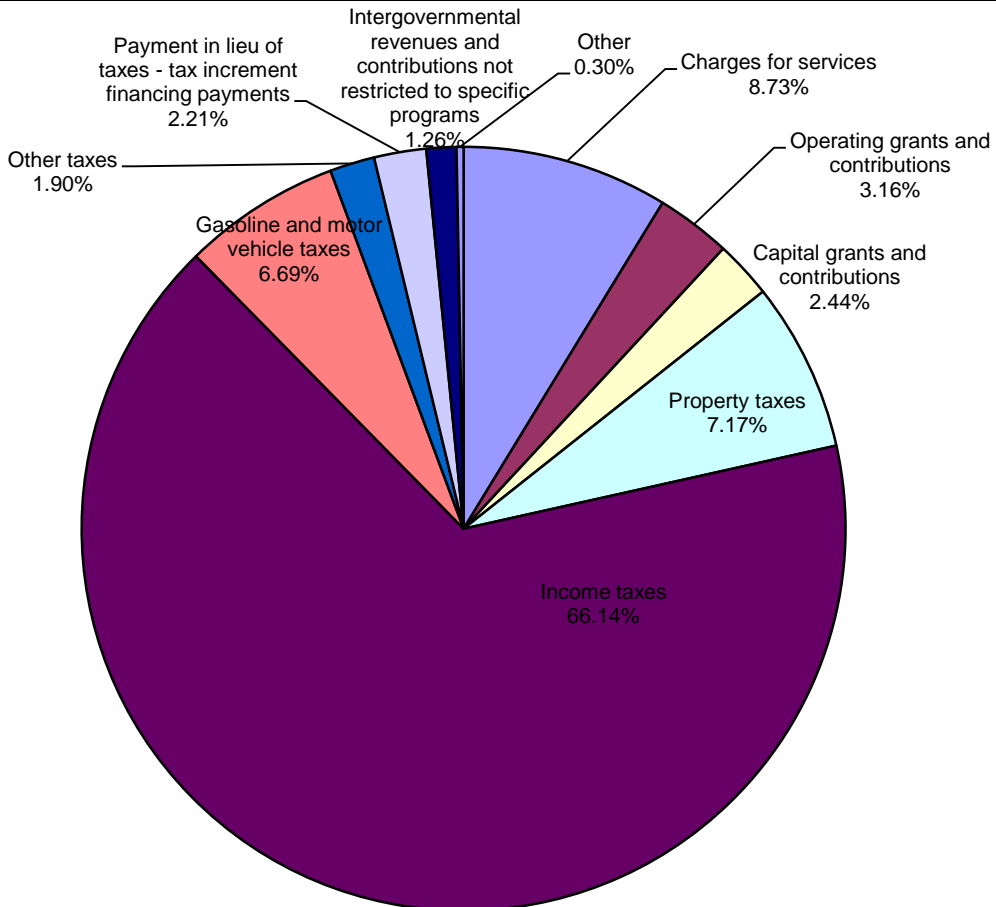
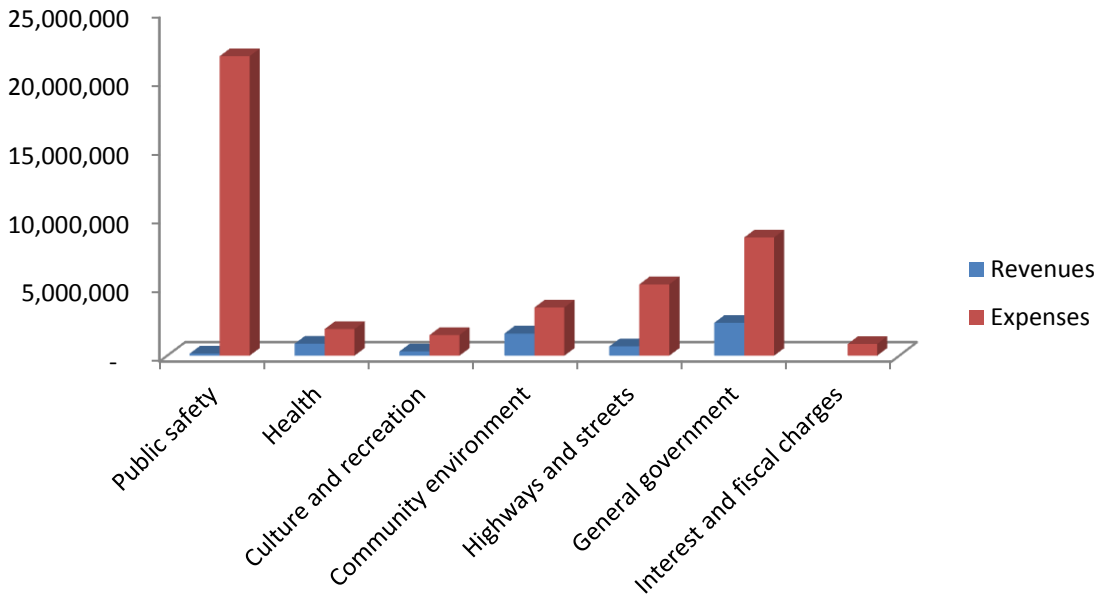
CITY OF ELYRIA, OHIO
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Table 2
CITY OF ELYRIA'S Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 3,659,672	\$ 3,558,052	\$ 29,833,362	\$ 29,419,252	\$ 33,493,034	\$ 32,977,304
Operating grants and contributions	1,330,583	1,450,918	101,252	121,381	1,431,835	1,572,299
Capital grants and contributions	1,022,763	3,633,599	26,058	30,000	1,048,821	3,663,599
General revenues:						
Property taxes	3,006,283	2,969,421			3,006,283	2,969,421
Income taxes	27,738,478	23,160,357			27,738,478	23,160,357
Gasoline and motor vehicle taxes	2,806,386	3,417,278			2,806,386	3,417,278
Other taxes	794,892	789,626			794,892	789,626
Payment in lieu of taxes	925,085	903,479			925,085	903,479
Grants and contributions not restricted to specific programs	530,310	2,133,459			530,310	2,133,459
Other	124,954	121,867	159,247	231,121	284,201	352,988
Total revenues	<u>41,939,406</u>	<u>42,138,056</u>	<u>30,119,919</u>	<u>29,801,754</u>	<u>72,059,325</u>	<u>71,939,810</u>
Expenses:						
Public safety	21,776,896	21,105,665			21,776,896	21,105,665
Health	1,933,906	1,843,181			1,933,906	1,843,181
Culture and recreation	1,499,490	1,469,765			1,499,490	1,469,765
Community environment	3,509,496	2,000,896			3,509,496	2,000,896
Highways and streets	5,192,267	5,144,138			5,192,267	5,144,138
General government	8,600,830	9,374,927			8,600,830	9,374,927
Interest and fiscal charges	849,858	779,349			849,858	779,349
Water			9,870,079	10,024,236	9,870,079	10,024,236
Special Parks & Recreation			356,212	331,968	356,212	331,968
Sanitation			4,668,753	4,151,460	4,668,753	4,151,460
Wastewater Pollution Control			11,933,695	11,493,660	11,933,695	11,493,660
Storm Water			160,611		160,611	
Total expenses	<u>43,362,743</u>	<u>41,717,921</u>	<u>26,989,350</u>	<u>26,001,324</u>	<u>70,352,093</u>	<u>67,719,245</u>
Increase (decrease) in net position	(1,423,337)	420,135	3,130,569	3,800,430	1,707,232	4,220,565
Net position - beginning - Restated	40,248,838	39,828,703	42,589,113	38,788,683	82,837,951	78,617,386
Net position - ending	<u>\$ 38,825,501</u>	<u>\$ 40,248,838</u>	<u>\$ 45,719,682</u>	<u>\$ 42,589,113</u>	<u>\$ 84,545,183</u>	<u>\$ 82,837,951</u>

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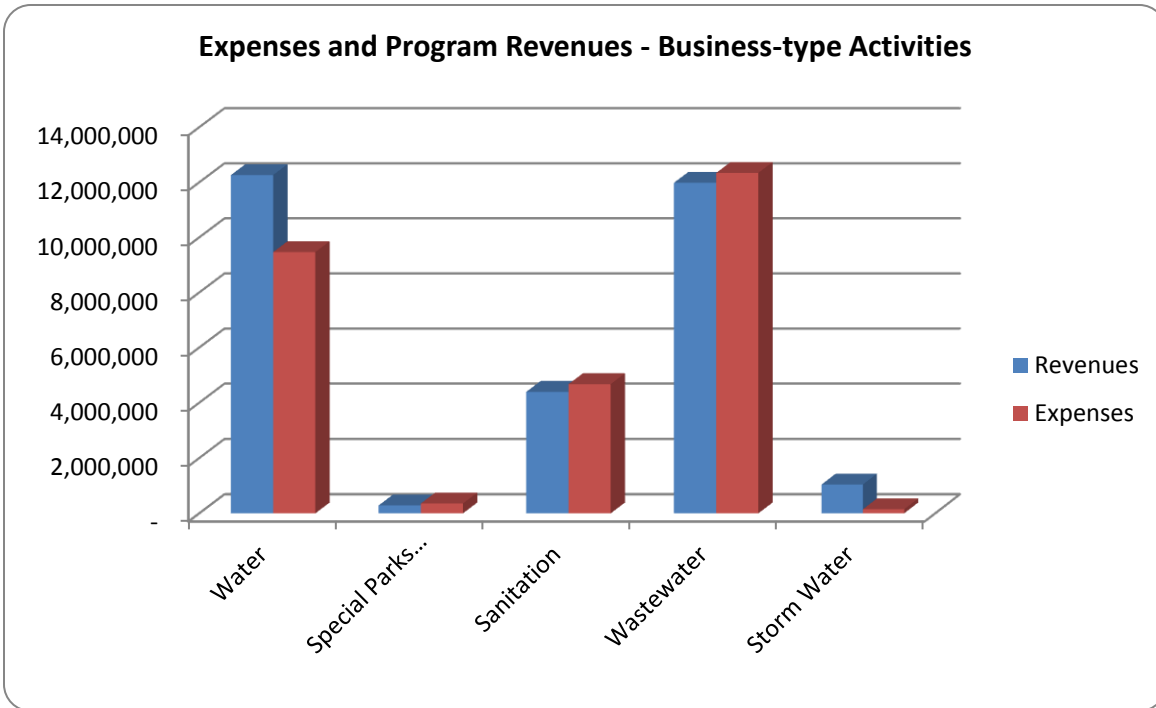
Expenses and Program Revenues - Governmental Activities

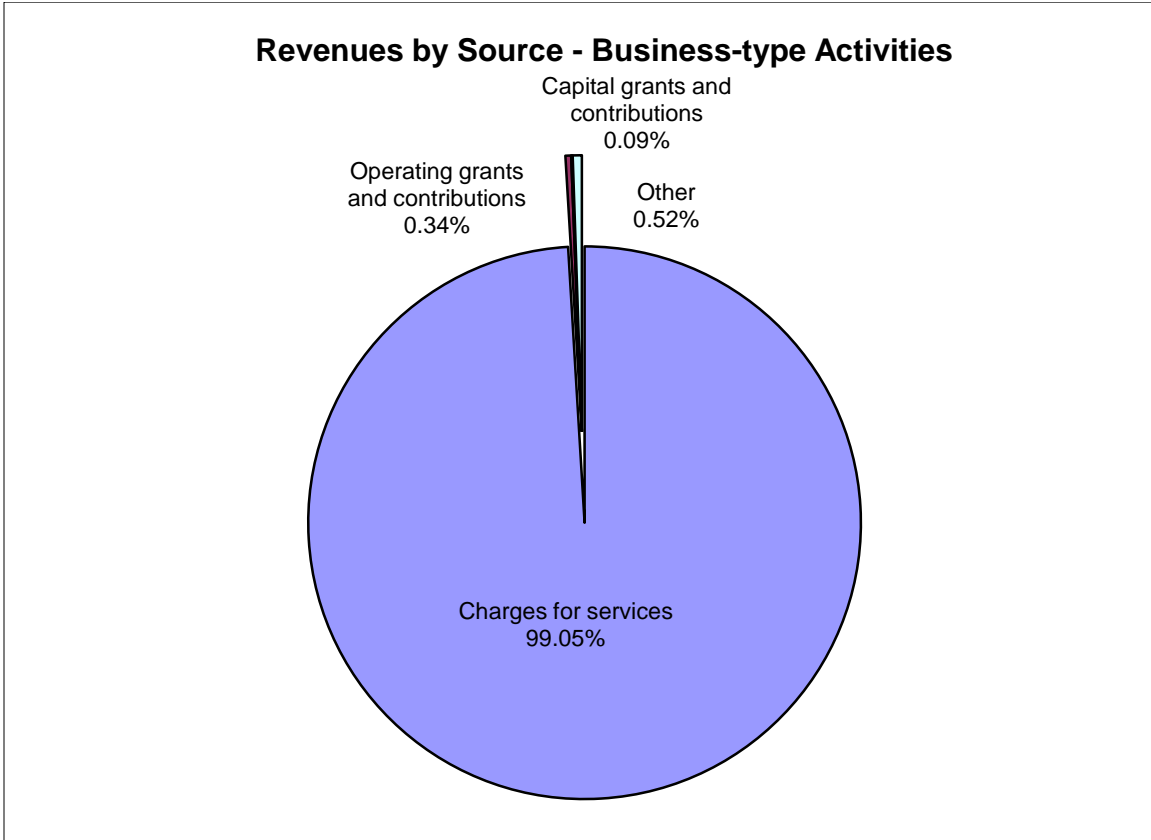


Revenues by Source - Governmental Activities

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Business-type activities. The net position for the business-type activities of the City increased by \$3,130,569 in 2016. Elyria City Council on January 5, 2009, approved annual increases for water and sewer rates beginning in 2009 through 2028. Water rates, measured against a 2008 baseline, increased 120% in 2013, and will increase approximately 187% by 2018, 249% by 2023 and 325% by 2028. Sewer rates, measured against a 2008 baseline, increased 26% in 2013, and will increase approximately 55% by 2018, 91% by 2023 and 136% by 2028. These rate increases have moved the City in the right direction in regards to bringing the net position of the business-type activities to a more appropriate level. Elyria City Council on March 16, 2015, also approved annual increases for sanitation rates beginning in 2015 through 2017. Sanitation rates were increased 7.56% effective June 1, 2015 and 3.47% effective January 1, 2016 and will increase another 3.48% on January 1, 2017. The major revenue source of the business-type activities was charges for services of \$29,833,362 which was \$414,110 higher than charges for services in 2015 or a 1.41% increase.





Financial Analysis of the City's Funds

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

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term outflows, inflows and balances of expendable resources. Such information is useful in assessing the City's financing requirements. In particular, an unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$14,585,844, which represents an increase of \$921,274 in comparison with the prior year. Approximately 97% of this total amount is classified as nonspendable, restricted, committed or assigned to indicate that it is not readily available for new spending since it is reserved for specific purposes. The unassigned fund balance of (\$2,802,970) for the capital project funds includes a negative balance of (\$2,800,000) due to the one year general obligation bond anticipation notes that were issued for various capital projects and reported as a liability in the individual capital project funds because the capital projects do not represent current financial resources and they are not reported in the governmental funds financial statements. The negative fund balances will be

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eliminated in the capital project funds upon the issuance of long-term general obligation bonds, the proceeds of which will retire the short-term notes.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the General Fund unassigned fund balance was \$3,248,090 while the total fund balance was \$4,168,667. As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund balance to total fund expenditures. Unassigned fund balance represents 12.13% of total General Fund expenditures, while total fund balance represents 15.56% of that same amount.

The General Fund balance increased from \$4,050,794 at December 31, 2015 to \$4,168,667 at December 31, 2016. The following schedule presents a summary of General Fund revenues for the fiscal year ended December 31, 2016 and a comparison to prior year's revenues.

<u>Revenues</u>	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 2015</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$ 22,632,331	83.97%	\$ 1,294,171	6.06%
Intergovernmental revenues	1,984,036	7.36%	259,771	15.07%
Charges for services	1,253,220	4.65%	(14,200)	(1.12)%
Licenses and permits	607,626	2.25%	136,462	28.96%
Investment income	44,152	0.16%	29,511	201.56%
Special assessments		0.00%	(6,641)	(100)%
Fines and forfeitures	341,783	1.27%	(91,826)	(21.18)%
Contributions	35,282	0.13%	34,213	3,200.47%
Miscellaneous revenues	<u>57,096</u>	<u>0.21%</u>	<u>5,707</u>	11.11%
Totals	<u>\$ 26,955,526</u>	<u>100.00%</u>	<u>\$ 1,647,168</u>	6.51%

The increase in tax revenues is primarily due to increased income tax collections. The increase in intergovernmental revenues is due to the receipt of a grant from the Ohio Facilities Commission for the acquisition of a building adjacent to the old City Hall site. The increase in licenses and permits is due to increases in building permit fees. The increase in investment income is due to more cash available to sweep into the City's overnight sweep account and the increase in contributions and donations is due to increases in contributions for parks and recreation programs. The decrease in fines and forfeitures is primarily due to more offenses charged under the Ohio Revised Code as opposed to the municipal code.

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The following schedule presents a summary of General Fund expenditures for the fiscal year ended December 31, 2016 and a comparison to prior year expenditures.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 2015</u>	<u>Percent of Increase (Decrease)</u>
Current:				
Public safety	\$ 16,418,604	61.30%	\$ 1,858,026	12.76%
Health	1,411,392	5.27%	61,207	4.53%
Culture and recreation	1,163,982	4.35%	(20,910)	(1.76)%
Community environment	842,744	3.15%	16,574	2.01%
General government	6,347,117	23.70%	(832,294)	(11.59)%
Capital outlay	552,265	2.05%	102,282	22.73%
Debt service	<u>49,319</u>	<u>.18%</u>	<u>49,319</u>	100%
Total	<u>\$ 26,785,423</u>	<u>100.00%</u>	<u>\$ 1,234,204</u>	4.83%

The increase in public safety was primarily due to increases in overtime in the Elyria Police and Fire Departments in 2016 as well as increased health care costs. The decrease in general government was primarily due to a reduction of transfers out in 2016 and a reduction of wages and benefits in the Legal Administration Department as a portion of some employees' salaries and benefits were shifted to the Enterprise Funds.

The other major governmental fund of the City is the Energy Conservation Fund. The fund balance for the Energy Conservation Fund increased by \$100,000 as a result of a transfer in from the General Bond Retirement Fund to retire principal on the outstanding general obligation bond anticipation notes.

Enterprise funds. The City's enterprise funds financial statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Water, Special Parks and Recreation, Sanitation and Wastewater Pollution Control funds at the end of the year amounted to \$9,905,931, (\$35,372), (\$480,096) and 954,931, respectively. The unrestricted net position of the Water, Special Parks and Recreation, Sanitation and the Wastewater Pollution Control funds were all significantly affected by the change in the net pension liability as reported by the Ohio Public Employees Retirement System. The increase/(decrease) in net position for these enterprise funds was \$2,475,731, (\$45,427), (\$471,257) and \$(92,791), respectively, during 2016. A new enterprise fund entitled the Storm Water Fund was established in 2016 and the unrestricted net position for this enterprise fund was \$881,629 at December 31, 2016. Elyria City Council has approved annual rate increases for 2009 through 2028 for users of the water and wastewater pollution control systems to increase net position in the future. Elyria City Council has also approved annual rate increases for sanitation service for 2015 through 2017. Other factors concerning the operations and financial condition of these funds have been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

As required by State statute, Elyria City Council adopts an annual appropriation (budget) ordinance for all City funds under its control. In addition to the City's General Fund, fifty-six (56) funds representing various governmental, proprietary and fiduciary activities were included in the 2016 appropriation process.

The City's General Fund is organized and structured upon the basis of five (5) functions or activities, each with its own group of departments. Each department is appropriated funds at the major account level (personal services, fringe benefits, operation and maintenance, capital outlay, debt service, transfers out and reimbursements). These major accounts are broken down to minor line items for internal control purposes.

In terms of the total General Fund and diversity of services offered to the public, the following function/activities are as follows:

<u>Function/Activity</u>	<u>2016 Annual Expended*</u>	<u>% Expended</u>
Public Safety	\$16,285,843	55.57%
Health	1,400,984	4.78%
Culture and Recreation	1,178,603	4.02%
Community Environment	842,937	2.88%
General Government	<u>9,597,230</u>	<u>32.75%</u>
Total Expenditures	<u>\$29,305,597</u>	<u>100.00%</u>

* - under the budgetary basis of accounting

Net differences between the original expenditure budget amount of \$28,802,127 and the final budget amount of \$30,594,851 (\$1,792,724 increase in appropriations) were significant with the largest change being an increase to transfers out as monies were needed for the purchase of road salt. The next largest change was in the Fire Department for personnel costs and related fringe benefits followed by a change to the Buildings & Lands department for the appropriation of grant monies awarded for the purchase of the building adjacent to the old City Hall site and site preparation for the Pioneer Plaza project.

Capital Assets and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2016 amounts to \$162,302,043 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements other than buildings, utility distribution and collection systems, infrastructure, machinery and equipment and construction in progress. The total decrease in the City's investment in capital assets for the current fiscal year was \$138,880 (a decrease of \$2,613,451 for governmental activities and an increase of \$2,474,571 for business-type activities), net of depreciation expense of \$9,499,681.

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Major capital asset events during the fiscal year included the following:

- Completion of the Taylor Street/Fairlawn Avenue Water Main project totaling \$819,295 with \$751,395 capitalized in 2016.
- Completion of the Wet-weather Storage Modification project at the Wastewater Pollution Control Plant totaling \$596,586.
- Purchase of the building adjacent to the old City Hall site totaling \$225,000 with grant monies.
- Purchase of ten (10) Ford Explorers for the Elyria Police Department totaling \$341,610.
- Purchase of eight (8) Chevrolet Impalas for the Elyria Police Department totaling \$181,907.
- Resurfacing and repair of Duffey Street and portions of Bell Avenue, Chapel Court, Court Street, Georgetown Avenue, Lorain Boulevard, Ninth Street, Stanford Avenue, Temple Court, Windsor Drive and Woodland Avenue totaling \$554,994.
- Additional work completed on the Middle Avenue Improvement project totaling \$258,105.

Additional information on the City's capital assets can be found in Note 8 on pages 67-68 of this report.

Long-term Debt. At the end of the current fiscal year, the City had total long-term bonded debt outstanding of \$43,065,000. Of this amount, \$16,679,000 comprises debt backed by the full faith and credit of the City, \$1,840,000 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment and \$24,546,000 is business-type activity debt that is retired by user fees collected for business-type activities and also backed by the full faith and credit of the City.

In addition to general obligation bonds and notes outstanding at December 31, 2016, the City also had \$27,513,637 of Ohio Water Development Authority loans outstanding to finance sewer and water projects, \$1,409,072 of State Issue II Ohio Public Works Commission loans outstanding to finance various infrastructure projects and \$696,717 of State Infrastructure Bank Loans to finance the City's share of the State Route 57 Rehabilitation Project.

The City's most recent bond rating of AA- was obtained from Standard & Poor's Rating Services in March, 2015.

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State statutes limit the amount of unvoted general obligation debt the City may issue to 5.5% of its total assessed valuation. The current debt limitation for the City of Elyria is \$44,553,339 which is in excess of the City's outstanding unvoted general obligation debt that is subject to the limitation of \$36,788,846.

Additional information on the City's long-term debt can be found in Note 13 on pages 82-88 of this report.

Short-term Debt. At the end of the current fiscal year, the City also had total short-term bond anticipation general obligation notes outstanding of \$12,600,000. Of this amount, \$2,800,000 for the Energy Conservation project and \$1,600,000 for the acquisition of six new sanitation trucks and residential trash and recycling carts were re-issues of notes on existing projects. The balance of the short-term debt is a \$7,300,000 note for the improvement of the City's sanitary sewer system and a \$900,000 note for the improvement of the City's storm water sewer system.

Economic Factors and Next Year's Budget and Rates

The unemployment rate for the City is currently 6.00%, which is .60% higher than it was a year ago. This compares higher than the state's average unemployment rate of 4.90% and is also slightly higher than the national average rate of 4.90%

During the current fiscal year, assigned fund balance in the General Fund decreased from \$1,137,389 to \$920,577 leaving an unassigned fund balance at December 31, 2016 of \$3,248,090 for a total fund balance of \$4,168,667. The City has appropriated the assigned fund balance amount for spending in the 2017 fiscal year budget.

The City is currently projecting a decrease of 3.00% in income tax collections in 2017 as compared to collections in 2016 as the Riddell Corporation is scheduled to cease operations at their Elyria facility in May 2017 and the expectation that the 3M corporation will close their Elyria facility in August 2017.

The City is estimating a decrease in estate tax revenue of \$69,466 in 2017 as compared to estate tax revenue received in 2016, as the State of Ohio has repealed the estate tax effective January 1, 2013, and with the expectation that all estates that involved deaths prior to January 1, 2013 were cleared in 2016.

The City was awarded a \$200,000 grant from the Ohio Department of Development in 2015 for work associated with the Old General Industries site. The City incurred the expenditures during 2015 and will receive reimbursement for these in the form of this grant in 2017.

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All of these factors were considered in preparing the City's budget for the 2017 fiscal year and all of the reductions of revenue aforementioned, particularly the reductions imposed by the State of Ohio, will make it very difficult to maintain city services at their current levels in years to come.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the City Finance Director, City of Elyria, 131 Court Street, Elyria, Ohio 44035.

City of Elyria, Ohio
Statement of Net Position
December 31, 2016

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Equity in pooled cash and cash equivalents	\$ 6,957,564	\$ 23,341,740	\$ 30,299,304
Investments	3,080,855	10,222,816	13,303,671
Receivables:			
Property tax	3,230,217		3,230,217
Income tax	7,398,444		7,398,444
Other local tax	86,351		86,351
Accounts	156,478	2,019,211	2,175,689
Accrued interest	9,325	24,651	33,976
Rehabilitation loans	4,488,881	247,035	4,735,916
Special assessments	122,903		122,903
Tax increment financing payments	614,559		614,559
Due from other governments	2,052,866		2,052,866
Internal balances	500,000	(500,000)	
Inventory of supplies		347,135	347,135
Prepaid expenses	188,504	88,734	277,238
Capital assets (net of accumulated depreciation):			
Land	6,782,244	719,958	7,502,202
Buildings and systems	20,073,378	8,529,760	28,603,138
Improvements	663,873	602,347	1,266,220
Utility distribution and collection systems	4,283,996	61,617,074	65,901,070
Infrastructure	42,535,019		42,535,019
Machinery and equipment	2,269,002	4,818,388	7,087,390
Construction in progress	2,460,350	6,946,654	9,407,004
Total assets	<u>107,954,809</u>	<u>119,025,503</u>	<u>226,980,312</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts on refunding	1,040,451	408,377	1,448,828
Pension	11,523,520	4,433,454	15,956,974
Total deferred outflows of resources	<u>12,563,971</u>	<u>4,841,831</u>	<u>17,405,802</u>
LIABILITIES			
Accounts payable	371,690	266,917	638,607
Contracts payable	326,084	1,225,430	1,551,514
Accrued wages and benefits	1,038,282	345,580	1,383,862
Claims payable	643,563		643,563
Accrued interest payable	64,549	517,438	581,987
Unearned revenue		258,392	258,392
General obligation notes payable	2,800,000	9,800,000	12,600,000
Non-current liabilities:			
Due within one year	2,511,705	2,103,252	4,614,957
Net pension liability	46,123,286	11,548,618	57,671,904
Other amounts due in more than one year	22,164,969	51,858,883	74,023,852
Total liabilities	<u>76,044,128</u>	<u>77,924,510</u>	<u>153,968,638</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes	3,598,427		3,598,427
Pension	2,050,724	223,142	2,273,866
Total deferred inflows of resources	<u>5,649,151</u>	<u>223,142</u>	<u>5,872,293</u>
NET POSITION			
Net investment in capital assets	55,763,829	34,284,292	90,048,121
Restricted for:			
Expendable:			
Public safety	1,940,739		1,940,739
Health	114,684		114,684
Culture and recreation	102,028		102,028
Community environment	4,966,023		4,966,023
Highways and streets	1,038,085		1,038,085
Debt service	326,220		326,220
General government	2,888,941		2,888,941
Nonexpendable:			
Health	544,106		544,106
Unrestricted	(28,859,154)	11,435,390	(17,423,764)
Total net position	<u>\$ 38,825,501</u>	<u>\$ 45,719,682</u>	<u>\$ 84,545,183</u>

The notes to the basic financial statements are an integral part of this statement.

City of Elyria, Ohio
Statement of Activities
For the Year Ended December 31, 2016

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>		
					<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Governmental activities:							
Public safety	\$ 21,776,896	\$ 29,027	\$ 119,973	\$	\$ (21,627,896)	\$	\$ (21,627,896)
Health	1,933,906	531,555	336,760		(1,065,591)		(1,065,591)
Culture and recreation	1,499,490	214,771	99,789		(1,184,930)		(1,184,930)
Community environment	3,509,496	593,503	670,151	348,335	(1,897,507)		(1,897,507)
Highways and streets	5,192,267			674,428	(4,517,839)		(4,517,839)
General government	8,600,830	2,290,816	103,910		(6,206,104)		(6,206,104)
Interest and fiscal charges	849,858				(849,858)		(849,858)
Total governmental activities	<u>43,362,743</u>	<u>3,659,672</u>	<u>1,330,583</u>	<u>1,022,763</u>	<u>(37,349,725)</u>		<u>(37,349,725)</u>
Business-type activities:							
Water	9,870,079	12,261,744				2,391,665	2,391,665
Special parks & recreation	356,212	244,567	40,089			(71,556)	(71,556)
Sanitation	4,668,753	4,330,432	61,163			(277,158)	(277,158)
Wastewater pollution control	11,933,695	11,955,972		26,058		48,335	48,335
Storm Water	160,611	1,040,647				880,036	880,036
Total business-type activities	<u>26,989,350</u>	<u>29,833,362</u>	<u>101,252</u>	<u>26,058</u>		<u>2,971,322</u>	<u>2,971,322</u>
Total primary government	<u>\$ 70,352,093</u>	<u>\$ 33,493,034</u>	<u>\$ 1,431,835</u>	<u>\$ 1,048,821</u>	<u>(37,349,725)</u>	<u>2,971,322</u>	<u>(34,378,403)</u>
General revenues:							
Property taxes					3,006,283		3,006,283
Municipal income taxes					27,738,478		27,738,478
Gasoline and motor vehicle taxes					2,806,386		2,806,386
Other local taxes					794,892		794,892
Payment in lieu of taxes - tax increment financing payments					925,085		925,085
Intergovernmental revenues and contributions not restricted to specific programs					530,310		530,310
Investment earnings					60,459	2,819	63,278
Miscellaneous					64,495	156,428	220,923
Total general revenues					<u>35,926,388</u>	<u>159,247</u>	<u>36,085,635</u>
Change in net position					(1,423,337)	3,130,569	1,707,232
Net position - beginning, Restated (See Note 3)					40,248,838	42,589,113	82,837,951
Net position - ending					<u>\$ 38,825,501</u>	<u>\$ 45,719,682</u>	<u>\$ 84,545,183</u>

The notes to the basic financial statements are an integral part of this statement.

**City of Elyria, Ohio
Balance Sheet
Governmental Funds
December 31, 2016**

	<u>General</u>	<u>Energy Conservation</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Equity in pooled cash and cash equivalents	\$ 916,267	\$	\$ 4,474,081	\$ 5,390,348
Investments			2,579,615	2,579,615
Accounts receivable	70,747		85,731	156,478
Rehabilitation loans receivable			4,488,881	4,488,881
Accrued interest receivable	322		7,546	7,868
Due from other funds	551,110			551,110
Due from other governments	786,523		1,266,343	2,052,866
Income tax receivable	5,240,436		2,158,008	7,398,444
Property tax receivable	1,101,628		2,128,589	3,230,217
Other local tax receivable	14,422		71,929	86,351
Special assessments receivable			122,903	122,903
Tax increment financing payments receivable			614,559	614,559
Total assets	<u>\$ 8,681,455</u>		<u>\$ 17,998,185</u>	<u>\$ 26,679,640</u>
LIABILITIES				
Accounts payable	\$ 100,564		\$ 62,759	\$ 163,323
Contracts payable	91,725		234,359	326,084
Accrued wages and benefits	842,659		195,623	1,038,282
Due to other funds			51,110	51,110
Notes payable		2,800,000		2,800,000
Total liabilities	<u>1,034,948</u>	<u>2,800,000</u>	<u>543,851</u>	<u>4,378,799</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	1,224,676		2,373,751	3,598,427
Unavailable revenues - special assessments			122,903	122,903
Unavailable revenues - other	2,253,164		1,740,503	3,993,667
Total deferred inflows of resources	<u>3,477,840</u>		<u>4,237,157</u>	<u>7,714,997</u>
FUND BALANCES				
Nonspendable			544,106	544,106
Restricted			6,118,068	6,118,068
Committed			6,560,473	6,560,473
Assigned	920,577			920,577
Unassigned (deficit)	3,248,090	(2,800,000)	(5,470)	442,620
Total fund balances (deficit)	<u>4,168,667</u>	<u>(2,800,000)</u>	<u>13,217,177</u>	<u>14,585,844</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,681,455</u>	<u>\$</u>	<u>\$ 17,998,185</u>	<u>\$ 26,679,640</u>

The notes to the basic financial statements are an integral part of this statement.

City of Elyria, Ohio
Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
December 31, 2016

Governmental Fund Balances		<u>\$ 14,585,844</u>
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		<u>79,067,862</u>
Other assets are not available to pay for current period expenditures and therefore are deferred in the funds.		<u>4,116,570</u>
Deferred amounts on refunding are reported as deferred outflows of resources in the government-wide statements but are not reported in the governmental fund statements.		<u>1,040,451</u>
Internal service funds are used by management to charge the costs of employee health insurance and workers' compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		<u>1,217,983</u>
Long-term liabilities, including loans payable, are not due and payable in the current period and therefore are not reported in the funds.		<u>(24,676,674)</u>
Accrued interest on long-term debt is not normally expected to be liquidated with available financial resources and therefore is not reported in the funds.		<u>(64,549)</u>
The expenditures for prepaid items are recognized immediately in the funds and therefore are not reported as an asset in the funds.		<u>188,504</u>
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows / outflows are not reported in governmental funds:		
Deferred Outflows - Pension	\$ 11,523,520	
Deferred Intflows - Pension	(2,050,724)	
Net Pension Liability	<u>(46,123,286)</u>	<u>(36,650,490)</u>
Net position of governmental activities		<u>\$ 38,825,501</u>

The notes to the basic financial statements are an integral part of this statement.

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

	General	Energy Conservation	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Property	\$ 1,001,122	\$	\$ 2,005,161	\$ 3,006,283
Income	20,836,317		6,902,161	27,738,478
Other Local	794,892		890,467	1,685,359
Tax increment financing payments			925,085	925,085
Intergovernmental revenues	1,984,036		3,977,880	5,961,916
Charges for service	1,253,220		335,445	1,588,665
Licenses and permits	607,626		49,687	657,313
Investment income	44,152		16,307	60,459
Special assessments			9,983	9,983
Fines and forfeitures	341,783		1,203,852	1,545,635
Contributions	35,282		95,515	130,797
Miscellaneous revenues	57,096		7,399	64,495
Total Revenues	26,955,526		16,418,942	43,374,468
EXPENDITURES				
Current:				
Public safety	16,418,604		4,295,737	20,714,341
Health	1,411,392		468,931	1,880,323
Culture and recreation	1,163,982		144,187	1,308,169
Community environment	842,744		2,494,746	3,337,490
Highways and streets			1,954,704	1,954,704
General government	6,347,117		989,175	7,336,292
Capital outlay	552,265		2,376,394	2,928,659
Debt service:				
Principal retirement	35,756		2,238,672	2,274,428
Interest and fiscal charges	13,563		753,033	766,596
Total expenditures	26,785,423		15,715,579	42,501,002
Excess (deficiency) of revenues over (under) expenditures	170,103		703,363	873,466
OTHER FINANCING SOURCES (USES)				
Transfers in	300,000	100,000	664,695	1,064,695
Transfers out	(388,500)		(676,195)	(1,064,695)
Premium on sale of bonds/notes			11,538	11,538
Gain from sale of capital assets	36,270			36,270
Total other financing sources (uses)	(52,230)	100,000	38	47,808
Net change in fund balances	117,873	100,000	703,401	921,274
Fund balances (deficit) - beginning	4,050,794	(2,900,000)	12,513,776	13,664,570
Fund balances (deficit) - ending	\$ 4,168,667	\$ (2,800,000)	\$ 13,217,177	\$ 14,585,844

The notes to the basic financial statements are an integral part of this statement.

City of Elyria, 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, 2016

Net change in fund balances - total governmental funds	<u>\$</u>	<u>921,274</u>
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense. This is the amount by which capital expenditures exceeded depreciation in the current period.		<u>(2,613,451)</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds until such amounts are measurable and available.		<u>(504,260)</u>
Cash activity pertaining to bonded indebtedness, construction loans and compensated absence obligations is recorded as revenues and expenditures of the funds but is applied directly to the obligations in the government-wide financial statements and is not recorded in the statement of changes in net position. In addition, increases in the compensated absence liability are recorded in the statement of changes in net position but are not recorded in the funds.		<u>2,636,862</u>
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		<u>12,443</u>
Governmental funds report prepaid items such as insurance coverage as expenditures. However, in the Statement of Activities, the rest of those assets are expensed during the period to which the benefits relate.		<u>(17,985)</u>
In the Statement of Activities, deferred amounts on refunding of debt are amortized over the life of the new debt or old debt, whichever is shorter, whereas the entire amount of the deferred amounts on refunding are shown as an other financing use in the statement of changes in net position.		<u>(94,892)</u>
Internal service funds are used by management to charge the costs of employees' health insurance and workers' compensation insurance. The net expense of certain activities of internal service funds is reported with governmental activities.		<u>252,194</u>
Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.		<u>3,656,327</u>
Except for amounts reported as deferred: inflows / outflows, changes in the net position liability are reported as pension expense in the statement of activities		<u>(5,671,849)</u>
Change in net position of governmental activities.	<u>\$</u>	<u>(1,423,337)</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF ELYRIA, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
GENERAL FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 22,192,336	\$ 23,640,761	\$ 23,875,156	\$ 234,395
Intergovernmental revenues	476,200	638,500	443,476	(195,024)
Charges for services	1,248,950	1,178,950	1,219,177	40,227
Licenses and permits	420,700	592,300	609,626	17,326
Interest earnings	15,200	13,200	14,711	1,511
Special assessments	6,500	30,500	30,900	400
Fines and forfeitures	437,200	361,900	371,647	9,747
Miscellaneous revenues	467,683	648,683	649,798	1,115
TOTAL REVENUES	25,264,769	27,104,794	27,214,491	109,697
EXPENDITURES				
PUBLIC SAFETY				
Police				
Personal services	5,097,516	5,097,516	5,074,664	22,852
Fringe benefits	1,813,330	1,927,330	1,924,176	3,154
Operation and maintenance	426,705	436,538	414,235	22,303
Capital outlay	199,593	199,760	199,760	
Total Police	7,537,144	7,661,144	7,612,835	48,309
Fire				
Personal services	5,109,989	5,483,989	5,483,839	150
Fringe benefits	2,060,008	2,202,008	2,201,641	367
Operation and maintenance	542,421	498,421	484,466	13,955
Capital outlay	49,319	49,319	49,319	
Total Fire	7,761,737	8,233,737	8,219,265	14,472
Communications				
Personal services	91,237	90,287	84,507	5,780
Fringe benefits	39,681	40,631	40,504	127
Operation and maintenance	21,025	21,025	18,959	2,066
Total Communications	151,943	151,943	143,970	7,973
Safety Service				
Personal services	265,662	216,102	213,997	2,105
Fringe benefits	82,666	57,676	57,212	464
Operation and maintenance	16,650	16,650	13,155	3,495
Total Safety Service	364,978	290,428	284,364	6,064
Prisoner Support				
Operation and maintenance	25,000	30,000	25,409	4,591
Total Prisoner Support	25,000	30,000	25,409	4,591
TOTAL PUBLIC SAFETY	15,840,802	16,367,252	16,285,843	81,409

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CITY OF ELYRIA, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
GENERAL FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
HEALTH				
Health Center				
Personal services	608,011	608,011	598,403	9,608
Fringe benefits	185,573	198,573	197,213	1,360
Operation and maintenance	232,195	247,195	193,512	53,683
Total Health Center	1,025,779	1,053,779	989,128	64,651
Health - Solid Waste				
Personal services	43,316	44,816	44,765	51
Fringe benefits	14,768	14,268	13,645	623
Operation and maintenance	7,140	6,140	5,033	1,107
Total Health - Solid Waste	65,224	65,224	63,443	1,781
Cemetery				
Personal services	297,318	241,318	238,880	2,438
Fringe benefits	102,439	100,539	99,391	1,148
Operation and maintenance	13,188	13,188	10,142	3,046
Total Cemetery	412,945	355,045	348,413	6,632
TOTAL HEALTH	1,503,948	1,474,048	1,400,984	73,064
CULTURE AND RECREATION				
Parks and Recreation				
Personal services	475,605	475,605	469,594	6,011
Fringe benefits	210,726	202,726	200,081	2,645
Operation and maintenance	227,714	227,714	206,769	20,945
Total Parks and Recreation	914,045	906,045	876,444	29,601
Summer Camp				
Personal services	30,000	30,000	27,412	2,588
Fringe benefits	5,643	5,643	4,839	804
Operation and maintenance	20,500	20,500	19,887	613
Total Summer Camp	56,143	56,143	52,138	4,005
Swimming Pools				
Personal services	63,500	62,500	62,450	50
Fringe benefits	11,831	11,431	11,366	65
Operation and maintenance	67,850	67,850	62,865	4,985
Total Swimming Pools	143,181	141,781	136,681	5,100
Ice Rink				
Personal services	45,000	45,000	34,554	10,446
Fringe benefits	9,000	9,000	6,289	2,711
Operation and maintenance	77,300	77,300	72,497	4,803
Total Ice Rink	131,300	131,300	113,340	17,960
TOTAL CULTURE AND RECREATION	1,244,669	1,235,269	1,178,603	56,666

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CITY OF ELYRIA, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
GENERAL FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
COMMUNITY ENVIRONMENT				
Community Planning and Zoning				
Personal services	28,875	54,935	48,482	6,453
Fringe benefits	5,955	20,401	18,913	1,488
Operation and maintenance	4,115	4,115	2,395	1,720
Total Community Planning and Zoning	38,945	79,451	69,790	9,661
Community Development				
Personal services	45,606	42,906	40,495	2,411
Fringe benefits	13,196	14,741	14,279	462
Operation and maintenance	5,980	5,980	3,782	2,198
Total Community Development	64,782	63,627	58,556	5,071
TLCI Grant - NOACA				
Operation and maintenance	75,000	75,000		75,000
Total TLCI Grant - NOACA	75,000	75,000		75,000
Housing Code Enforcement				
Personal services	403,155	429,155	426,539	2,616
Fringe benefits	149,960	157,060	157,057	3
Operation and maintenance	130,995	130,995	130,995	
Total Housing Code Enforcement	684,110	717,210	714,591	2,619
TOTAL COMMUNITY ENVIRONMENT	862,837	935,288	842,937	92,351
GENERAL GOVERNMENT				
Mayor				
Personal services	76,326	82,826	82,715	111
Fringe benefits	38,109	31,609	30,574	1,035
Operation and maintenance	7,025	7,025	6,805	220
Total Mayor	121,460	121,460	120,094	1,366
Administrative Support				
Personal services	107,100	110,300	110,231	69
Fringe benefits	44,341	43,941	43,576	365
Operation and maintenance	11,550	11,250	11,224	26
Total Administrative Support	162,991	165,491	165,031	460
Information Technology				
Personal services	201,723	184,723	183,390	1,333
Fringe benefits	79,854	78,654	77,592	1,062
Operation and maintenance	8,750	27,500	21,352	6,148
Total Information Technology	290,327	290,877	282,334	8,543
JEDD Income Tax Department				
Operation and maintenance	141,225	141,225	102,667	38,558
Total JEDD Income Tax Department	141,225	141,225	102,667	38,558

(Continued on subsequent page)

CITY OF ELYRIA, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
GENERAL FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Finance Administration				
Personal services	354,527	354,527	333,441	21,086
Fringe benefits	120,633	120,633	118,470	2,163
Operation and maintenance	29,800	29,800	23,663	6,137
Total Finance Administration	504,960	504,960	475,574	29,386
Legal Administration				
Personal services	426,026	499,026	498,717	309
Fringe benefits	218,902	246,902	244,990	1,912
Operation and maintenance	47,200	47,200	42,601	4,599
Total Legal Administration	692,128	793,128	786,308	6,820
Legislative Activity				
Personal services	277,466	279,466	277,852	1,614
Fringe benefits	205,349	203,349	201,745	1,604
Operation and maintenance	59,465	59,465	43,013	16,452
Total Legislative Activity	542,280	542,280	522,610	19,670
Judge1				
Personal services	398,549	391,549	375,423	16,126
Fringe benefits	179,113	186,113	185,285	828
Operation and maintenance	45,606	45,606	28,746	16,860
Total Judge1	623,268	623,268	589,454	33,814
Judge2				
Personal services	391,488	391,388	386,864	4,524
Fringe benefits	150,401	150,501	149,560	941
Operation and maintenance	51,750	51,750	29,709	22,041
Total Judge2	593,639	593,639	566,133	27,506
Clerk of Courts				
Personal services	816,074	837,174	834,750	2,424
Fringe benefits	367,564	390,439	389,233	1,206
Operation and maintenance	84,000	84,361	80,403	3,958
Total Clerk of Courts	1,267,638	1,311,974	1,304,386	7,588
Civil Service Commission				
Personal services	25,744	25,744	25,388	356
Fringe benefits	7,272	7,272	6,885	387
Operation and maintenance	41,714	41,714	25,267	16,447
Total Civil Service Commission	74,730	74,730	57,540	17,190

(Continued on subsequent page)

CITY OF ELYRIA, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
GENERAL FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
Buildings and Lands				
Personal services	121,540	132,540	132,540	
Fringe benefits	46,572	50,032	49,885	147
Operation and maintenance	509,340	535,840	522,194	13,646
Capital outlay	38,103	421,603	346,399	75,204
Total Buildings and Lands	715,555	1,140,015	1,051,018	88,997
Engineering				
Personal services	48,250	79,784	79,516	268
Fringe benefits	20,051	33,241	33,061	180
Operation and maintenance	22,400	20,525	16,296	4,229
Total Engineering	90,701	133,550	128,873	4,677
Central Maintenance Garage				
Personal services	357,268	260,419	260,323	96
Fringe benefits	124,514	123,514	123,514	
Operation and maintenance	453,500	483,500	458,781	24,719
Total Central Maintenance Garage	935,282	867,433	842,618	24,815
Miscellaneous General Government				
Operation and maintenance	2,513,187	2,563,187	2,487,607	75,580
Capital outlay		115,000	114,983	17
Total Miscellaneous General Government	2,513,187	2,678,187	2,602,590	75,597
TOTAL GENERAL GOVERNMENT	9,269,371	9,982,217	9,597,230	384,987
TOTAL EXPENDITURES	28,721,627	29,994,074	29,305,597	688,477
Excess (deficiency) of revenues over expenditures	(3,456,858)	(2,889,280)	(2,091,106)	798,174
OTHER FINANCING SOURCES (USES)				
Advances in	581,469	581,469	81,469	(500,000)
Transfers out	(80,500)	(600,777)	(433,768)	167,009
Other financing sources	1,818,500	1,771,200	1,722,873	(48,327)
TOTAL OTHER FINANCING SOURCES (USES)	2,319,469	1,751,892	1,370,574	(381,318)
Net change in fund balances	(1,137,389)	(1,137,388)	(720,532)	416,856
Adjustment for prior year encumbrances	781,589	781,589	781,589	
FUND BALANCE AT BEGINNING OF YEAR	357,426	357,426	357,426	
FUND BALANCE AT END OF YEAR	\$ 1,626	\$ 1,627	\$ 418,483	\$ 416,856

The notes to the basic financial statements are an integral part of this statement.

City of Elyria, Ohio
Statement of Net Position
Proprietary Funds
December 31, 2016

	Business-type Activities-Enterprise Funds						Governmental Activities - Internal Service Funds
	Water	Special Parks and Recreation	Sanitation	Wastewater Pollution Control	Storm Water	Totals	
ASSETS							
Current Assets:							
Equity in pooled cash and cash equivalents	\$ 8,189,375	\$ 97,236	\$ 809,633	\$ 13,013,025	\$ 1,232,471	\$ 23,341,740	\$ 1,567,216
Investments	5,950,682		1,771,973	2,000,020	500,141	10,222,816	501,240
Interest receivable	12,163		5,200	5,835	1,453	24,651	1,457
Accounts receivable (net of allowance for uncollectibles)	647,405		276,297	714,700	172,442	1,810,844	
Rehabilitation loans receivable				247,035		247,035	
Inventories	269,742			77,393		347,135	
Prepaid items	25,793		15,232	47,709		88,734	
Total current assets	<u>15,095,160</u>	<u>97,236</u>	<u>2,878,335</u>	<u>16,105,717</u>	<u>1,906,507</u>	<u>36,082,955</u>	<u>2,069,913</u>
Noncurrent Assets:							
Capital assets:							
Land	55,169		20,744	644,045		719,958	
Buildings	8,600,899	156,826	161,331	27,077,517		35,996,573	
Improvements other than buildings	6,561,523	171,020	58,000	20,868,778		27,659,321	
Utility distribution and collection systems	40,990,518	20,000		52,084,767	24,054	93,119,339	
Machinery and equipment	8,000,541	188,955	6,046,242	7,930,628		22,166,366	
Construction in progress	2,745,794			4,200,860		6,946,654	
Less accumulated depreciation	<u>(32,816,594)</u>	<u>(462,770)</u>	<u>(4,294,284)</u>	<u>(65,800,382)</u>		<u>(103,374,030)</u>	
Total capital assets (net of accumulated depreciation)	<u>34,137,850</u>	<u>74,031</u>	<u>1,992,033</u>	<u>47,006,213</u>	<u>24,054</u>	<u>83,234,181</u>	
Total noncurrent assets:	<u>34,137,850</u>	<u>74,031</u>	<u>1,992,033</u>	<u>47,006,213</u>	<u>24,054</u>	<u>83,234,181</u>	
Total assets	<u>49,233,010</u>	<u>171,267</u>	<u>4,870,368</u>	<u>63,111,930</u>	<u>1,930,561</u>	<u>119,317,136</u>	<u>2,069,913</u>
DEFERRED OUTFLOWS OF RESOURCES							
Deferred amounts on refunding	259,078			149,299		408,377	
Pension	1,741,017	77,143	790,485	1,822,593	2,216	4,433,454	
Total deferred outflows of resources	<u>2,000,095</u>	<u>77,143</u>	<u>790,485</u>	<u>1,971,892</u>	<u>2,216</u>	<u>4,841,831</u>	

(Continued on subsequent page)

City of Elyria, Ohio
Statement of Net Position
Proprietary Funds
December 31, 2016

Business-type Activities-Enterprise Funds

	<u>Water</u>	<u>Special Parks and Recreation</u>	<u>Sanitation</u>	<u>Wastewater Pollution Control</u>	<u>Storm Water</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
LIABILITIES							
Current liabilities:							
Accounts payable	92,322		46,721	25,528	102,346	266,917	
Accrued wages and benefits	146,896	4,922	62,680	131,082		345,580	
Claims payable							643,563
Due to other funds				500,000		500,000	
Contracts payable	1,001,127		69,742	111,644	42,917	1,225,430	
Accrued interest payable	213,301			304,137		517,438	
Unearned revenue			258,392			258,392	
General obligation notes - current			1,600,000	7,300,000	900,000	9,800,000	
General obligation bonds - current	672,764			465,246		1,138,010	
Construction loans payable - current	310,766			421,705		732,471	
Capital lease payable - current				214,061		214,061	
Total current liabilities	<u>2,437,176</u>	<u>4,922</u>	<u>2,037,535</u>	<u>9,473,403</u>	<u>1,045,263</u>	<u>14,998,299</u>	<u>643,563</u>
Noncurrent liabilities:							
General obligation bonds payable (net of unamortized discounts)	12,910,873			10,717,218		23,628,091	
Compensated absences - long-term	375,359		138,413	329,895		843,667	
Construction loans payable - long-term	10,917,209			15,863,957		26,781,166	
Capital lease payable				624,669		624,669	
Pension	4,535,142	200,946	2,059,119	4,747,637	5,774	11,548,618	
Total noncurrent liabilities	<u>28,738,583</u>	<u>200,946</u>	<u>2,197,532</u>	<u>32,283,376</u>	<u>5,774</u>	<u>63,426,211</u>	
Total liabilities	<u>31,175,759</u>	<u>205,868</u>	<u>4,235,067</u>	<u>41,756,779</u>	<u>1,051,037</u>	<u>78,424,510</u>	<u>643,563</u>
DEFERRED INFLOW OF RESOURCES							
Pension	87,628	3,883	39,786	91,734	111	223,142	
Total deferred inflow of resources	<u>87,628</u>	<u>3,883</u>	<u>39,786</u>	<u>91,734</u>	<u>111</u>	<u>223,142</u>	
NET POSITION							
Net investment in capital assets	10,063,787	74,031	1,866,096	22,280,378		34,284,292	
Unrestricted	9,905,931	(35,372)	(480,096)	954,931	881,629	11,227,023	1,426,350
Total net position	<u>\$ 19,969,718</u>	<u>\$ 38,659</u>	<u>\$ 1,386,000</u>	<u>\$ 23,235,309</u>	<u>\$ 881,629</u>	<u>\$ 45,511,315</u>	<u>\$ 1,426,350</u>

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

208,367

Net position of business-type activities

\$ 45,719,682

The notes to the basic financial statements are an integral part of this statement.

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

	Business-type Activities- Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
	Water	Special Parks and Recreation	Sanitation	Wastewater Pollution Control	Storm Water		
Operating revenues:							
Charges for sales and services	\$ 12,214,942	\$ 244,567	\$ 4,330,432	\$ 11,881,822	\$ 1,040,647	\$ 29,712,410	\$ 8,012,786
Tap fees	46,802			74,150		120,952	
Other	78,693	40,007	4,500	33,228		156,428	137,797
Total operating revenues	<u>12,340,437</u>	<u>284,574</u>	<u>4,334,932</u>	<u>11,989,200</u>	<u>1,040,647</u>	<u>29,989,790</u>	<u>8,150,583</u>
Operating expenses:							
Personal services	3,342,040	164,801	1,714,072	4,419,003	4,433	9,644,349	19,568
Fringe benefits	1,691,322	57,002	902,784	2,183,659	4,704	4,839,471	7,397,697
Operating and maintenance	2,477,889	135,739	1,817,330	2,529,517	151,474	7,111,949	101,138
Depreciation	1,516,726	12,548	414,166	2,014,130		3,957,570	
Total operating expenses	<u>9,027,977</u>	<u>370,090</u>	<u>4,848,352</u>	<u>11,146,309</u>	<u>160,611</u>	<u>25,553,339</u>	<u>7,518,403</u>
Operating income (loss)	<u>3,312,460</u>	<u>(85,516)</u>	<u>(513,420)</u>	<u>842,891</u>	<u>880,036</u>	<u>4,436,451</u>	<u>632,180</u>
Nonoperating revenues (expenses) :							
Investment income				1,226	1,593	2,819	2,698
Interest expense	(836,729)		(19,000)	(962,966)		(1,818,695)	
Non-capital grants / contributions		40,089	61,163			101,252	
Total nonoperating revenue (expenses)	<u>(836,729)</u>	<u>40,089</u>	<u>42,163</u>	<u>(961,740)</u>	<u>1,593</u>	<u>(1,714,624)</u>	<u>2,698</u>
Income (loss) before contributions	2,475,731	(45,427)	(471,257)	(118,849)	881,629	2,721,827	634,878
Capital contributions				26,058		26,058	
Changes in net position	2,475,731	(45,427)	(471,257)	(92,791)	881,629	2,747,885	634,878
Total net position - beginning	17,493,987	84,086	1,857,257	23,328,100			791,472
Total net position - ending	<u>\$ 19,969,718</u>	<u>\$ 38,659</u>	<u>\$ 1,386,000</u>	<u>\$ 23,235,309</u>	<u>\$ 881,629</u>		<u>\$ 1,426,350</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						382,684	
Change in net position of business - type activities						<u>\$ 3,130,569</u>	

The notes to the basic financial statements are an integral part of this statement.

City of Elyria, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016

	Business-type Activities - Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
	Water	Special Parks and Recreation	Sanitation	Wastewater Pollution Control	Storm Water		
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received from customers	\$ 12,460,653	\$ 244,567	\$ 4,558,138	\$ 12,124,679	\$ 868,205	\$ 30,256,242	\$ 1,074,276
Cash received from interfund services provided							6,938,510
Cash payments to suppliers for goods and services	(3,749,965)	(188,381)	(2,664,848)	(5,405,782)	(31,300)	(12,040,276)	(7,501,071)
Cash payments to employees for services	(3,419,948)	(166,338)	(1,545,880)	(3,598,956)	(4,433)	(8,735,555)	(19,746)
Other operating revenues	78,693	40,007	4,500	33,228	-	156,428	137,797
Net cash provided by (used for) operating activities	<u>5,369,433</u>	<u>(70,145)</u>	<u>351,910</u>	<u>3,153,169</u>	<u>832,472</u>	<u>9,636,839</u>	<u>629,766</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from sale of general obligation notes			1,600,000	7,300,000	900,000	9,800,000	
Capital grants received				26,059		26,059	
Acquisition and construction of capital assets	(2,718,169)	(15,669)	(309,507)	(1,995,398)		(5,038,743)	
Principal and interest paid on notes, bonds and loans payable	(1,784,833)		(1,919,000)	(1,915,034)		(5,618,867)	
Net cash provided by (used for) capital and related financing activities	<u>(4,503,002)</u>	<u>(15,669)</u>	<u>(628,507)</u>	<u>3,415,627</u>	<u>900,000</u>	<u>(831,551)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest on investments				4,132	140	4,272	1,241
Purchase of short-term investments	(2,693,614)		(1,187,773)	(1,496,864)	(500,141)	(5,878,392)	(501,240)
Net cash (used for) investing activities	<u>(2,693,614)</u>		<u>(1,187,773)</u>	<u>(1,492,732)</u>	<u>(500,001)</u>	<u>(5,874,120)</u>	<u>(499,999)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES							
Non-capital grants		40,089	61,163			101,252	
Net cash provided by non-capital financing activities		<u>40,089</u>	<u>61,163</u>			<u>101,252</u>	
Net increase (decrease) in cash and cash equivalents	(1,827,183)	(45,725)	(1,403,207)	5,076,064	1,232,471	3,032,420	129,767
Cash and cash equivalents, January 1	<u>10,016,558</u>	<u>142,961</u>	<u>2,212,840</u>	<u>7,936,961</u>		<u>20,309,320</u>	<u>1,437,449</u>
Cash and cash equivalents, December 31	<u>\$ 8,189,375</u>	<u>\$ 97,236</u>	<u>\$ 809,633</u>	<u>\$ 13,013,025</u>	<u>\$ 1,232,471</u>	<u>\$ 23,341,740</u>	<u>\$ 1,567,216</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:							
Operating income (loss)	\$ 3,312,460	\$ (85,516)	\$ (513,420)	\$ 842,891	\$ 880,036	\$ 4,436,451	\$ 632,180
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:							
Depreciation	1,516,726	12,548	414,166	2,014,130		3,957,570	
Changes in assets and liabilities:							
Accounts receivable	198,909		94,848	168,707	(172,442)	290,022	
Rehabilitation loans receivable				2,233		2,233	
Inventory of supplies	(7,857)			(2,254)		(10,111)	
Prepaid expenses	(3,381)		(2,351)	3,862		(1,870)	
Accounts payable	38,178		29,818	(5,202)	102,346	165,140	
Contracts payable relating to operating activities	20,256		17,295	(22,966)	18,863	33,448	
Accrued wages and benefits	41,644	(1,401)	18,763	1,160		60,166	(178)
Compensated absences payable	3,463		11,484	17,394		32,341	
Claims payable							(2,236)
Unearned revenue			132,858			132,858	
Deferred outflows	(1,186,661)	(52,481)	(558,772)	(1,228,668)	(2,216)	(3,028,798)	
Net pension liability	1,403,437	55,379	691,462	1,330,186	5,774	3,486,238	
Deferred inflows	32,259	1,326	15,759	31,696	111	81,151	
Total adjustments	<u>2,056,973</u>	<u>15,371</u>	<u>865,330</u>	<u>2,310,278</u>	<u>(47,564)</u>	<u>5,200,388</u>	<u>(2,414)</u>
Net cash provided by (used for) operating activities	<u>\$ 5,369,433</u>	<u>\$ (70,145)</u>	<u>\$ 351,910</u>	<u>\$ 3,153,169</u>	<u>\$ 832,472</u>	<u>\$ 9,636,839</u>	<u>\$ 629,766</u>
Noncash investing, capital, and financing activities							
Unrealized appreciation (depreciation) in fair value of investments	<u>\$ (26,101)</u>		<u>\$ (13,924)</u>	<u>\$ (7,268)</u>	<u>\$ (4,262)</u>	<u>\$ (51,555)</u>	<u>\$</u>

The notes to the basic financial statements are an integral part of this statement.

City of Elyria, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2016

ASSETS

Equity in pooled cash and cash equivalents	\$ 1,245,886
Cash and cash equivalents-segregated accounts	583,887
Investments	561,797
Receivables:	
Property taxes	2,078,829
Income taxes	22,264
Total assets	<u>\$ 4,492,663</u>

LIABILITIES

Accounts payable	\$ 733,301
Due to other governments	2,204,371
Other liabilities	1,554,991
Total liabilities	<u>\$ 4,492,663</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF ELYRIA, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 – DESCRIPTION OF CITY OPERATIONS

(A) THE CITY

The City of Elyria (the “City”) was incorporated on February 23, 1833 under the laws of the State of Ohio. The City operates under a Mayor-Council form of government as provided by its Charter adopted on November 2, 1965.

(B) THE REPORTING ENTITY

The City has followed the provisions of Statement No. 14, Statement No. 39, and Statement No. 61 of the Governmental Accounting Standards Board (“GASB Statement No. 14” and “GASB Statement No. 39”) regarding the definition of its financial reporting entity. For financial reporting purposes, the City’s reporting entity includes all funds, agencies, boards and commissions for which the City is financially accountable, as well as any organizations that raise or hold economic resources for the direct benefit of the City. The notion of financial accountability includes not only the organizations that constitute the City’s legal entity; it also can include legally separate organizations in certain instances. Legally separate organizations are included in the reporting entity if the City’s officials appoint a voting majority of an organization’s governing body and, as a result, the City is able to either impose its will on that organization or there is a potential for the organization to provide specific benefits to, or to impose specific financial burdens on the City. On this basis, the reporting entity of the City includes the following services: public safety (police and fire), health (health department), culture and recreation (parks and recreation), community environment (planning, zoning and community development), basic utility services (water, sanitation, wastewater pollution control, and storm water), highways and streets (street and highway maintenance), and general government (administrative services including the municipal court). In addition, no other organization raises and holds resources for the direct benefit of the City.

Included as part of the City’s primary government in the determination of the City’s reporting entity is the Elyria Municipal Court (the “Court”). Although the Court’s territorial jurisdiction extends beyond the boundaries of the City and the Judges of the Court are separately elected, the Court’s operations are not legally separate from the City. In addition, the City is responsible for budgeting and appropriating funds for the operation of the Court, establishing the compensation of certain Court employees, and is ultimately responsible for any operating deficits sustained by the Court. The City’s share of the fines collected by the Court, along with its share of the Court’s administration and operating costs are recorded in the City’s General Fund. Monies held by the Court in a fiduciary capacity are included in an agency fund in the accompanying financial statements.

The following entities which conduct their activities near or within the City’s boundaries for the benefit of the City and/or its residents are excluded from the accompanying financial statements because they are legally separate from the City and the City is not financially accountable for their operations.

Elyria City School District
Elyria Memorial Hospital
Elyria Public Library

No component units are included in the definition of the City's reporting entity.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the City are prepared in conformity with accounting principles generally accepted in the United States of America as prescribed in statements and interpretations issued by the Governmental Accounting Standards Board (the "GASB").

(A) BASIS OF PRESENTATION – FUND ACCOUNTING

The accounting system is organized on the basis of funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Governmental Fund Types

Governmental funds are those through which most governmental functions typically are financed. The acquisition and use of the City's expendable financial resources and the related current liabilities (except for those accounted for in proprietary or fiduciary funds) are accounted for through governmental funds. The measurement focus is upon determination of financial position and changes in financial position. The following are the City's governmental fund types:

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

Special Revenue Funds – These funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or restricted for major capital projects or debt service) that are legally restricted to expenditure for specified purposes.

Debt Service Funds – These funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Capital Projects Funds – These funds are used to account for financial resources to be used for the acquisition or construction of capital facilities or equipment (other than those financed by proprietary funds and trust funds).

Permanent Funds – These funds are used to account for financial resources that are legally restricted to the extent that only investment earnings, and not principal, may be used for purposes that support the City's programs.

Proprietary Fund Types

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to achieve sound financial administration. The measurement focus is based upon determination of net income, financial position and changes in financial position.

Enterprise Funds – These funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds – These funds are used to account for the financing of goods or services the City's self-insured health plan and workers' compensation plan provided to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis.

Fiduciary Fund Types

Private-purpose Trust Funds – Private-purpose trust funds are used to account for trust arrangements which benefit individuals, private organizations, or other governments. For accounting measurement purposes, the private-purpose trust funds are accounted for in essentially the same manner as proprietary funds. During 2016, the City did not utilize any such trust funds.

Agency Funds – Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. For accounting measurement purposes, the agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations but do, however, use the accrual basis of accounting to recognize receivables and payables. The City's agency funds are used to collect and distribute deposits, inspection fees and bonds for developers various fees for State Agencies and Lorain County, fines for Elyria Municipal Court, property taxes for the Elyria Public Library, income taxes for Elyria Township, deposits for users of the City's water and sewer systems, and deposits for City employees who enrolled in the Employees Section 125 Cafeteria Plan.

Other Fiduciary Funds – Other fiduciary funds include pension trust funds and investment trust funds. During 2016, the City did not utilize any such trust funds.

Fiduciary funds are not included in the government-wide statements.

(B) GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements report information about the City as a whole. These statements distinguish between activities that are governmental and those that are considered business-type activities. The effect of interfund activity has been removed from these statements, with the exception of certain receivables due from other fiduciary funds of the City which are not included in the government-wide financial statements.

The government-wide statement of activities presents a comparison between expenses and program revenues for each segment of business-type activities of the City and for each program of the governmental activities.

Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program or activity. Revenues which are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

(C) FUND FINANCIAL STATEMENTS

Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The City's lone major governmental fund is the General Fund. Although the Energy Conservation Fund did not meet the criteria to qualify as a major fund in 2016, the City has chosen to report it as such to remain consistent with prior years.

The General Fund is the primary operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in other funds.

The Energy Conservation Fund is used to account for monies restricted for improvements to City facilities to lower utility costs and to conserve energy.

The City's five enterprise funds (Water Fund, Special Parks and Recreation Fund, Sanitation Fund, Wastewater Pollution Control Fund, and Storm Water Fund) are the City's major proprietary funds. A description of these funds appears on page 172 of this report.

Nonmajor funds are aggregated and presented in a single column. The internal service funds are aggregated and presented in a single column on the face of the proprietary fund statements.

(D) BASIS OF ACCOUNTING

(1) Government-Wide Financial Statements

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

(2) Governmental Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Revenues are considered available when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For the City, available means expected to be received within sixty days of year-end. Revenues that are deemed both measurable and available by the City include investment earnings, income taxes withheld by employers, estate taxes, fines and forfeitures and state-levied locally shared taxes (including motor vehicle fees). Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or if received in advance, deferred until expenditures are made.

Property taxes and special assessments, though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, property tax and special assessment receivables are recorded and deferred until they become available.

Other revenues, including licenses and permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt which has not matured and expenditures related to compensated absences are recognized when paid. Allocations of costs such as depreciation and amortization are not recognized in the governmental funds.

(3) Proprietary Fund Financial Statements

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resource measurement focus concerns determining costs as a means of maintaining the capital investment and management control. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. Allocations of costs, such as depreciation are recorded in the proprietary funds. The City will continue applying all applicable pronouncements issued by the Governmental Accounting Standards Board.

(E) BUDGETARY ACCOUNTING AND CONTROL

The City adopts an annual operating budget for all funds except agency funds. During June of each year, the Mayor submits to City Council a proposed operating budget for the upcoming fiscal year. This budget is kept on file for 30 days and must be passed by the City Council by July 15 for certification of the City's estimated financial resources for the upcoming year to the County Budget Commission as required by Ohio law. This budget is based on estimates of future cash revenues, cash expenditures and encumbrances for the next fiscal year for all non-agency funds and serves as the basis for the County Budget Commission's certification of the City's estimated financial resources for the upcoming year.

By January 1 of the succeeding year, Council must adopt a temporary appropriations ordinance. The temporary appropriations ordinance remains in effect until March 31 or until the permanent appropriations ordinance is adopted by City Council, whichever occurs first. A permanent appropriations ordinance must be adopted no later than April 1 under State law and appropriations therein must not exceed the estimated financial resources certified by the County Budget Commission.

Budget control is exercised at the major account level (personal services, fringe benefits, operation and maintenance, capital outlay, debt service, transfers-out and reimbursements) within each City department. All appropriations lapse at year-end. Reported budgeted amounts are as originally adopted and amended by appropriation ordinances passed by Council. The budget for each fund is represented by appropriations and, according to City Charter, can only be modified by Council ordinance. The USEPA Brownfield Grant Special Revenue Fund, the Household Sewage Disposal Permit Fee Special Revenue Fund, the Manufactured Home / Park Placement Fee Special Revenue Fund, the Coastal Management Grant Special Revenue Fund, the Ely Park Trust Special Revenue Fund, the Energy Efficiency Block Grant Special Revenue Fund, the Clean Ohio Revitalization Grant Special Revenue Fund, the Cascade / Elywood Capital Project Fund, the Bridge Projects Capital Project fund, The Parks Improvement Capital Project Fund, the Two Falls Trail Improvement Capital Project Fund, the West River Road Improvement Capital Project Fund, and the Cemetery Trust Permanent Fund were not included in the budgeting process.

The General Fund Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts and disbursements. The major differences between the budget basis and the GAAP (accounting principles generally accepted in the United States of America) basis are:

- (1) Revenues recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);
- (2) Expenditures are recorded when paid in cash or encumbered (budget) as opposed to when the liability is incurred (GAAP);
- (3) Encumbrances are recorded as expenditures (budget) as opposed to a nonspendable, restricted, committed, assigned, or unassigned fund balance (GAAP). In addition, encumbrances outstanding at year-end are included in the appropriation ordinance in the subsequent year and certain amounts shown as capital outlay and debt service expenditures on a GAAP basis are shown as public safety, health, culture and recreation, community environment, highways and streets and general government expenditures on a budgetary basis.

A reconciliation of the results of operations for the year from the GAAP basis to the budgetary basis is shown below:

Net Change in Fund Balance

	<u>General Fund</u>
GAAP Basis	\$ 117,873
Increase (decrease) due to:	
Net Adjustment for Revenue Accruals:	1,224,943
Net Adjustment for Expenditure Accruals:	(2,063,348)
Budget basis	<u>\$ (720,532)</u>

(F) ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

(1) Equity in Pooled and Segregated Cash, Cash Equivalents, and Other Short-term investments.

Cash balances of the City’s funds, except for the Court, are pooled and invested in cash equivalents and other short-term investments in order to provide improved cash management. Cash equivalents consist of deposits in the State Treasury Asset Reserve of Ohio (“STAR Ohio”), certificates of deposit and money market accounts with an original maturity of 90 days or less. Other short-term investments consist of certificates of deposit and Federal Home Loan Bank notes with a maturity of more than 90 days but less than 5 years.

Interest earned on investments is allocated to the funds participating in the pool in accordance with the City Charter and Codified Ordinances.

The City’s investments with maturities greater than one year are stated at fair value (based on quoted market prices) in the accompanying financial statements and the change in the fair value of the investments is recorded as investment income along with the interest earned on the investments.

During fiscal year 2016, the City has invested funds in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer’s office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the Securities and Exchange Commission (SEC) as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, “Certain External Investment Pools and Pool Participants.” The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For the fiscal year 2016 there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit All accounts of the participant will be combined for these purposes.

(2) Receivables

Receivables at December 31, 2016 consist of property taxes, income taxes withheld by employers, other local taxes, accounts (billings for user charged services and fine monies collected by the Elyria Municipal Court which are initially accounted for in the Municipal Court Agency Fund), accrued interest on investments, rehabilitation loans (see Note 15 on page 88 for more detail), special assessments, amounts due from other funds which represents advances made by the General Fund to the Health Grant Fund, Coastal Management Grant Fund, State Issue II Capital Projects Funds and the Two Falls Trail Improvement Fund which will be repaid from monies to be received from other governments and an advance from the General Fund to the Wastewater Pollution Control Enterprise Fund that will be repaid from user charges of the sewer system.

(3) Inventories and Prepaid Items

Inventory is valued at cost (specific identification method). The proprietary fund type inventories are capitalized and expensed when used (consumption method). In the governmental funds, inventory amounts are not significant and are recognized as an expenditure when purchased (purchase method).

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and proprietary fund financial statements.

(4) Capital Assets and Depreciation

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets are reported in the governmental activities column of the government-wide statement of net position. Capital assets used by proprietary funds are reported in both the business-type activities column of the government-wide statement of net position and in the individual proprietary funds.

Capital assets, which include property, plant, equipment, utility distribution and collection systems (sewers) and infrastructure (e.g., streets, roads and bridges, etc.) are defined by the City as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost where historical cost is not available. Estimated historical cost is based on replacement cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Depreciation of capital assets is computed and recorded by the straight-line method. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Buildings and Systems	20 – 40 years
Improvements	10 – 40 years
Utility Distribution and Collection Systems	40 – 80 years
Infrastructure	10 – 40 years
Machinery and Equipment	2 – 20 years

(5) Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate employees for the benefit through time off or some other means. Sick leave benefits are accrued using the vesting method. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

The portion of the liability not expected to be liquidated with expendable, available financial resources is not reported as a fund liability in the governmental fund financial statements, but is reported under the governmental activities column of the government-wide statement of net position. The General Fund is typically used to liquidate the portion of the City's compensated absences liability pertaining to its governmental activities. The liability for business-type activities is reported under that column in the government-wide statement of net position, as well as the individual proprietary fund to which they relate.

(6) Claims

As described in Note 4 on pages 60 - 61, the City is self-insured for employee health and workers' compensation benefits. The City recognizes a liability for such claims if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

(7) Long-term Obligations

In the government-wide statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

(8) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. They are the deferred amount on refunding

and pension reported in the government-wide and proprietary fund statement of net position. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 10 on pages 69 - 78.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance 2017 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 10).

(9) Pensions

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

(10) Fund Equity / Net Position

Net position is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets are capital assets, less accumulated depreciation and any outstanding debt related to the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are legal limitations imposed on their use by City legislation or external restrictions by other governments, creditors or grantors.

(11) 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:

Non-spendable The non-spendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are 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 inter-fund loans.

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

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Council. 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. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. 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 or 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 City Council or the City Finance Director delegated that authority by City Charter.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are 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.

(12) Net Position

Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position 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. The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The government-wide statement of net position reports \$11,920,826 of the restricted component of net position, none of which is restricted by enabling legislation. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted components of net position are available.

(G) RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The following details reconciling items between the governmental fund financial statements and the government-wide financial statements for the year ended December 31, 2016.

Reconciliation of Net Position:	
Long-term liabilities:	
Special assessment bonds	\$ 1,840,000
General obligation bonds	16,679,000
State Issue II construction loans	1,409,072
State Infrastructure Bank loan	696,717
Compensated absences	3,120,893
Capital lease obligation	379,244
Unamortized bond premiums	<u>551,748</u>
Total long-term liability adjustment	<u>\$ 24,676,674</u>
Reconciliation of Changes in Net Position:	
Capital outlay adjustment:	
Government-wide capital outlay	\$ 2,928,659
Depreciation expense	<u>(5,542,110)</u>
Net adjustment for excess depreciation	<u>\$ (2,613,451)</u>
Issuance of Long-term Debt and Changes in Compensated Absences:	
Principal retired	\$ 2,309,545
Net change in compensated absences	<u>327,317</u>
Net adjustment for long-term debt activity	<u>\$ 2,636,862</u>
Internal Service:	
Change in net position-fund financial statements	\$ 634,878
Net adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>(382,684)</u>
Net adjustment for internal service	<u>\$ 252,194</u>

NOTE 3 – ACCOUNTABILITY AND COMPLIANCE

(A) ACCOUNTABILITY

At December 31, 2016 the following funds had a deficit fund or net position balance:

	<u>Deficit Balance</u>
Special Revenue Fund -	
Coastal Management Grant	\$ 2,500
Capital Projects Funds -	
Two Falls Trail Improvement	2,970
Energy Conservation	2,800,000

Internal Service Fund -
 Employees' Health Insurance

150,511

The deficit in the Coastal Management Grant Fund and the Two Falls Trail Improvement Fund will be eliminated through the receipt of grant monies. The deficit in the Energy Conservation Fund balance will be eliminated through the issuance of general obligation long-term bonds, the proceeds of which will be used to retire the outstanding general obligation notes in the City's Energy Conservation Fund. The deficit in the City's Employees' Health Insurance Fund will be eliminated through increase contributions to the fund from both the City and the employees.

The General Fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

The City's Water Enterprise Fund had appropriations in excess of the amount certified as available by the budget commission at March 31, 2016, contrary to Ohio Revised Code Section 5705.39. The estimated resources at that time totaled \$26,732,468 while appropriations amounted to \$27,593,281 causing a variance of (\$860,813). This negative variance was corrected before December 31, 2016 and in order to address this violation of Ohio Revised Code Section 5705.39, the City intends to closely monitor the budgetary accounts to eliminate this weakness in future periods.

(B) CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION

In 2015, the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68." GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. Since the implementation of this pronouncement, the Ohio Police and Fire Pension Fund has revised the amount of the net pension liability determined for the 2014 measurement year. This revision had the following effect on net position as reported December 31, 2015:

	Governmental Activities
	<hr/>
Net position December 31, 2015	\$40,985,736
Adjustments:	
Net Pension Liability	<u>(736,898)</u>
Restated Net Position December 31, 2015	<u><u>\$40,248,838</u></u>

(C) RESTATEMENT OF FUND BALANCE DUE TO REPORTING ERROR

During the fiscal year ended December 31, 2016, the City discovered that it had improperly recognized contracts payable in the State Issue II Capital Projects Fund. The correction of this error increased the beginning fund balance in the State Issue II Capital Projects Fund by \$31,006 and decreased the beginning fund balance in the Muni Motor Vehicle Tax Special Revenue Fund by the same amount but had no net effect on the governmental funds as a whole.

NOTE 4 – RISK MANAGEMENT

The City utilizes two funds relating to its risk management program. Both funds have been classified as internal service funds.

- (A) The Employees' Health Insurance Fund is used to account for the operations of the City's self-insured health plan. All City funds are charged a premium amount per employee covered by the Employees' Health Insurance Fund. The premium amounts are set by union contract and City ordinance. Claims and administrative fees are then paid out of the Employee Health Insurance Fund. The City pays premiums for specific stop-loss insurance coverage to insure against catastrophic claims over \$125,000 per individual.
- (B) The Workers' Compensation Fund is used to account for the funding of the City's workers' compensation plan. During the period January 1, 1989 through December 31, 1997, the City was enrolled in a retrospective rating plan offered by the State of Ohio. Under the plan, the City is charged by the State of Ohio for claims paid, administrative fees, and a premium for individual claim limits and aggregate claim limits. All City funds are normally charged a premium amount per employee covered by the Workers' Compensation Fund. The premium amounts are set based on claims experience. Claims and administrative fees are paid to the State of Ohio. The City has a maximum yearly claim limit amount for all claims, which varies each policy year. Since January 1, 1998, the City has participated in the fully insured plan offered by the Bureau of Workers' Compensation of the State of Ohio.
- (C) The City purchases insurance policies in varying amounts for general liability, vehicle liability, property damage, employee and public official's liability, professional liability for health department employees and errors and omissions. The City also pays unemployment claims to the State of Ohio as incurred. There were no significant changes in the City's insurance coverage during 2016.
- (D) The changes in the liabilities for self-insured risks for the years ended December 31, 2016 and 2015 are as follows:

	Health Benefits	Workers' Compensation Benefits
Balance January 1, 2015	\$ 683,034	\$
Incurring claims, net of changes in estimates	6,787,565	868,195
Payments	<u>(6,824,800)</u>	<u>(868,195)</u>
Balance December 31, 2015	645,799	
Incurring claims, net of changes in estimates	6,961,312	434,149
Payments	<u>(6,963,548)</u>	<u>(434,149)</u>
Balance December 31, 2016	<u>\$ 643,563</u>	<u>\$</u>

The liabilities above represent the City's best estimates based upon available information and the requirements of the GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* and Statement No. 30, *Risk Financing Omnibus – an Amendment of GASB Statement No. 10*, and include an amount for claims that have been

incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs, and other economic factors.

Settled claims have not exceeded the City's insurance coverage in any of the last three years.

NOTE 5 – CONTINGENCIES

(A) ENVIRONMENTAL MATTERS

- (1) The City is currently operating under a renewed National Pollution Discharge Elimination System permit which became effective on August 1, 2011.
- (2) The City continues to offer a sanitary lateral repair loan program to property owners with defective sanitary laterals, and continues to perform sanitary sewer rehabilitation under a bid maintenance contract.
- (3) The City will continue a City-wide Brownfields inventory with grant money obtained from the United States Environmental Protection Agency and continues to seek grant funding for future work.
- (4) The City continues to work with the Ohio Environmental Protection Agency on the Clean Ohio Revitalization Fund (CORF) project and has yielded a No Further Action letter to the Ohio EPA after completion of the remediation activities and Ohio EPA approval of the Urban Setting Designation (USD) for the impacted area. The covenant not to sue is anticipated in 2019.
- (5) The City developed a Storm Water Pollution Prevention Plan (SWPPP) and a Spill Prevention Control and Countermeasures Plan for the Central Maintenance Complex and has completed a SWPPP for the Brookdale Cemetery and the Floradale Court Parks Garage.

The City has contracted with a consultant and employs an engineer to address storm water issues as required by the Ohio and US EPA. Activities initiated include public education, public outreach, construction site run-off control, illicit discharge detection, implementation of municipal storm water operations and post-construction site run-off control. The engineer continues to provide the necessary oversight of storm water pollution issues within the City. The City implemented a storm water utility effective January 1, 2016 with the initial billing occurring near the end of the first quarter of 2016. The previously established technical advisory committee continues to conduct meetings addressing plan modifications and refinement and will remain an important part of the program into the foreseeable future.

- (6) The City submitted its CSO Long-term Control Plan and Sewer Evaluation and Capacity Assurance Plan to the Ohio Environmental Protection Agency (EPA) on December 1, 2008. No Feasible Alternative documents were sent to the Ohio EPA for review and approval on March 5, 2010 and on May 2, 2011. The Ohio EPA requested sampling was completed in the summer of 2012. In the fall of 2015, the City became engaged in the negotiations process with the United States Environmental Protection Agency and the Ohio Environmental Protection Agency. The current negotiations are addressing an evaluation of wet weather and combined and sanitary sewer overflows.

- (7) The City awarded the construction of the initial phase of the East Side Relief Sewer (ESRS), Phase 1A in January 2017. The Phase 1B North was awarded in May 2017 and Phase 1B South is scheduled to be awarded in late 2017. The ESRS includes the construction of a 78 diameter pipe that will serve to convey wet weather flow to the Wastewater Treatment Plant, resulting in the further elimination of sewer overflows to the Black River.
- (8) The City has received a grant from the Clean Ohio Assistance Fund for the performance of a Phase II Environmental Assessment for the former General Industries property. The project was completed during the summer of 2016 and included additional work that addressed the removal of asbestos from the buildings and their subsequent demolition. Additional grant funding has been awarded and will address environmental remediation, demolition of remaining structures and grading of the site.

(B) CONTINGENCIES UNDER GRANT PROGRAMS

The City participates in several federal grants which have been audited in accordance with the Single Audit Act (the “Act”). Provisions of the Act allow federal agencies to conduct any additional audit work necessary to carry out their responsibilities under federal law or regulations. Such federal audits could lead to a request for reimbursement to the grantor agency for any costs questioned as not being appropriate expenditures under the terms of the grants. At December 31, 2016, there were no questioned costs that had not been resolved with federal agencies. In the opinion of City officials, no material grant expenditures will be disallowed as a result of federal audits.

(C) JUDGMENTS AND CLAIMS

The City is party to various legal proceedings. The City’s management is of the opinion that the ultimate outcome of such litigation will not result in a material adverse effect on the City’s financial position.

NOTE 6 – POOLED AND SEGREGATED CASH, CASH EQUIVALENTS AND OTHER INVESTMENTS

Monies of the Court are deposited and maintained in individual, segregated bank accounts and invested in cash equivalents which are also specifically segregated. Monies of all other funds of the City are maintained or invested in a common group of bank accounts, in cash equivalents and other short-term investments. The common bank accounts and investments are displayed on the accompanying statement of net position and balance sheets as “Equity in pooled cash and cash equivalents” and “Investments” and the segregated amounts are separately disclosed.

The investment and deposit of City monies is governed by the provisions of the Charter, Codified Ordinances of the City, and the Ohio Revised Code. Accordingly, only financial institutions that qualify under Section 135.14 (M)(I) of the Ohio Revised Code are eligible to hold public deposits. The City may invest its monies in certificates of deposit, savings accounts, money market accounts, the state treasurer’s investment pool (“Star Ohio”), and obligations of the United States government or certain agencies thereof. The City may also enter into repurchase agreements with any eligible depository or any eligible dealer who is a member of the National Association of Securities Dealers for a period not exceeding thirty days.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation or may pledge a pool of government securities the face value of which is at least 105% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of, or guaranteed by, the United States and mature or be redeemable within five years of the date of the related repurchase agreement. The market value of the securities subject to a repurchase agreement must exceed the value of the principal by 2% and be marked to market daily. State law does not require security for public deposits and investments to be maintained in the City's name.

The City is prohibited from investing in any financial instrument, contract, or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself (commonly known as a "derivative"). The City is also prohibited from investing in reverse purchase agreements.

During 2016, the City complied with the provisions of these statutes pertaining to the types of investments held and institutions in which deposits were made, as well as the provisions of the statutes concerning security deposits. The City will continue to monitor compliance with applicable statutes in the future pertaining to its deposits and investments. At December 31, 2016, all of the City's deposits and investments (excluding Star Ohio) were held by local banks or financial institutions that qualify under Section 135.14 (M)(I) of the Ohio Revised Code.

(A) DEPOSITS

At December 31, 2016, the carrying amount of the City's pooled and segregated deposits was \$6,426,229 and the bank balance was \$6,215,112. Of the bank balance, \$2,068,076 was covered by federal depository insurance and \$4,147,036 was uninsured and uncollateralized as defined by the Governmental Accounting Standards Board. The uncollateralized deposits were, however, covered by a pledged collateral pool not held in the City's name, as permitted under Ohio law.

(B) INVESTMENTS

Pursuant to Article 17 of the Charter of the City of Elyria, the Treasury Investment Board, which is comprised of the Mayor, the City Finance Director, and the Administrative Legal Counsel is vested with the power to provide for the investment of all funds of the City in the manner provided by the general laws of the State of Ohio. The Treasury Investment Board may and has delegated the responsibility of the purchase and sale of investments to the City Finance Director.

It is the policy of the City to invest public funds in a manner which will provide the highest investment return with the maximum security, safety and preservation of principal while meeting the daily cash flow demands of the City. To the extent possible, the City attempts to match its investments with anticipated cash flow requirements.

At December 31, 2016, the fair values of the City's investments were as follows:

<u>Investment Type</u>	<u>Fair Value / Carry Value</u>
Repurchase Agreements	\$ 27,480,000
U.S. Agency Obligations	12,088,316
	<u>\$ 39,568,316</u>

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the City's recurring fair value measurements as of December 31, 2016. The City's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Interest Rate Risk

In accordance with its investment policy, the City does not invest in securities that 1) mature more than five (5) years from the date of purchase if such securities bear interest at a fixed rate or 2) securities that mature more than two (2) years from the date of settlement if such securities bear interest at a variable rate. Other than these two requirements, the City has no written policy regarding interest rate risk.

At December 31, 2016, the City's investments had maturities as follows:

	<u>Average Maturity</u>
Less than 1 year	80.73%
1 to 5 years	19.27%

Credit Risk

State law limits investments in corporate debt to the top two ratings issued by nationally recognized statistical rating organizations. The City does not have a written policy limiting its corporate debt investments to the top ratings. However, Star Ohio is AAAM and the U.S. Agencies is rated AAA, which is the top rating available for those investment types. In addition, the underlying securities supporting the repurchase agreements in which the City invests are obligations of the U.S. government.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, 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. As noted earlier, at December 31, 2016, the carrying amount of the City's deposits was \$6,426,229 and the bank balance was \$6,215,112. Of the bank balance \$2,068,076 was covered by federal depository insurance and \$4,147,036 was covered by pooled and /or pledged collateral, as allowed by the Ohio Revised Code, but not

necessarily held in the City's name (uncollateralized). The City has no written policy limiting the dollar amount of holdings by any single counterparty.

(C) RECONCILIATION TO COMBINED BALANCE SHEET CLASSIFICATION

A summary of the deposits and investments as of December 31, 2016 follows:

Deposits	\$ 6,426,229
Investments	<u>39,568,316</u>
 TOTAL	 <u><u>\$ 45,994,545</u></u>

Reconciliation to Financial Statements: Total cash and investments are reported as follows:

Government-wide Financial Statements

Unrestricted:

Equity in pooled cash and cash equivalents	\$ 30,299,304
Investments	<u>13,303,671</u>
	<u>\$ 43,602,975</u>

Fund Financial Statements

Balance Sheet - Governmental Funds:

Equity in pooled cash and cash equivalents	\$ 5,390,348
Investments	2,579,615

Statement of Net Position - Proprietary Funds:

Cash and cash equivalents	24,908,956
Investments	<u>10,724,056</u>
Total Governmental and Proprietary Funds	<u>43,602,975</u>

Statement of Fiduciary Assets and Liabilities:

Equity in pooled cash and cash equivalents	1,245,886
Investments	561,797
Cash and cash equivalents - segregated accounts	583,887
	<u><u>\$ 45,994,545</u></u>

NOTE 7 – TAXES

(A) PROPERTY TAXES

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Taxes collected from real property (other than public utility) in one calendar year are levied on January 1 in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. Three years after each revaluation all property values are reviewed and revised, as necessary, as part of a triannual update based on the reported sales of properties. The last revaluation was completed in 2012 and the last triannual update occurred in 2015. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20, with the remainder payable June 20. In certain instances, State statute permits earlier or later payment dates to be established.

Taxpayers (other than public utilities) become liable for tangible personal property taxes on January 1 of the current calendar year based on tax rates determined in the preceding year and assessed values determined at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25% of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-

annually, the first payment is due April 30 with the remainder payable by September 20. Under Ohio law, personal property taxes do not attach as a lien on the personal property.

Public utility real and tangible personal property taxes collected in one calendar year are levied on January 1 in the preceding calendar year on assessed values determined as of January 1 of that preceding year, the lien date.

Public utility tangible personal property currently is assessed at varying percentages of its true value and public utility real property is assessed at 35% of its true (market) value. Public utility property taxes are payable on the same dates as real property taxes described above. The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Elyria. The County Auditor periodically remits to the City its portion of the taxes collected with final settlement in June and December for taxes payable in the first and second halves of the year, respectively.

Beginning in 2006, personal property taxes were reduced 25% per year for each of the next four years through 2009 at which point the tax was eliminated. Telephone companies switched from being public utility to general business taxpayers beginning in 2007. Over the next five years beginning in 2007, telephone property was phased out and was eliminated from taxation in 2011. The revenue from personal property tax was reimbursed to local governments beginning in 2006 from a new Commercial Activity Tax (CAT) collected by the State of Ohio. The City does not expect to suffer any significant negative impact in its tax receipts over the next five years as a result of this change.

The assessed value upon which the 2015 levy (collected in 2016) was based was approximately \$810.0 million. Ohio law limits unvoted property taxation, combined for all overlapping taxing authorities, to 10 mills. The City's current share of unvoted property tax is 4.2 mills of assessed value. The total property tax revenue recognized by the City during 2016 was \$3,006,283.

(B) INCOME TAXES

The City levies an income tax of 2.25% on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income they earn outside the City; however, a 100% credit up to 2.25% is allowed for income taxes paid to other municipalities. Of the total income tax levy, 1.25% is permanent, 1.00% of which is allowed by the Ohio Revised Code without voter approval and is accounted for in the General Fund. The remaining .25% of the permanent portion is a special levy to be used only for law enforcement purposes and is accounted for in the Police Levy Special Revenue Fund. The remaining 1.00% of the 2.25% total levy consists of two separate .50% five-year temporary levies enacted by a vote of the citizens. The first of the two .50% five-year income tax levies is a general operating levy that has been extended through June 2019. The proceeds from this levy are included in the General Fund. On March 15, 2016 the voters of the City of Elyria passed Issue 6, which is a .50% temporary tax for the period of July 1, 2016 through June 30, 2021. The proceeds of this fund are designated for resurfacing and repair of residential streets and infrastructure, additional police officers and equipment, capital needs of the City including projects for the Elyria Parks and Recreation Department as they may be determined in accordance with the Parks Master Plan and economic development and promotion of the City. The proceeds from this special levy are accounted for in the 2016 .50% Income Tax Special Revenue Fund. Employers within the City are required to withhold income taxes on employee compensation and remit withholdings to the City at least quarterly. Corporations and other individual taxpayers are required to pay their

estimated tax quarterly and file a declaration annually. The total income tax revenue recognized by the City during 2016 in the fund financial statements was \$27,738,478.

NOTE 8 – CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended December 31, 2016 was as follows:

	Balance at January 1, 2016	Increases	Decreases	Balance at December 31, 2016
<u>Governmental activities</u>				
Not being depreciated:				
Land	\$ 6,782,244	\$	\$	\$ 6,782,244
Construction in progress	1,310,440	1,156,213	(6,303)	2,460,350
Subtotal	<u>8,092,684</u>	<u>1,156,213</u>	<u>(6,303)</u>	<u>9,242,594</u>
Other capital assets:				
Buildings and systems	38,249,075	353,983		38,603,058
Improvements	6,903,329	31,463		6,934,792
Utility distribution and collection systems	13,657,907			13,657,907
Infrastructure	97,412,654	813,098		98,225,752
Machinery and equipment	16,343,667	580,206	(114,723)	16,809,150
Subtotal	<u>172,566,632</u>	<u>1,778,750</u>	<u>(114,723)</u>	<u>174,230,659</u>
Accumulated depreciation:				
Buildings and systems	(17,554,946)	(974,734)		(18,529,680)
Improvements	(5,788,393)	(482,526)		(6,270,919)
Utility distribution and collection systems	(9,216,870)	(157,041)		(9,373,911)
Infrastructure	(52,256,892)	(3,433,842)		(55,690,734)
Machinery and equipment	(14,160,902)	(493,968)	114,723	(14,540,147)
Subtotal	<u>(98,978,003)</u>	<u>(5,542,111)</u>	<u>114,723</u>	<u>(104,405,391)</u>
Net other capital assets	<u>73,588,629</u>	<u>(3,763,361)</u>		<u>69,825,268</u>
Net capital assets	<u>\$ 81,681,313</u>	<u>\$ (2,607,148)</u>	<u>\$ (6,303)</u>	<u>\$ 79,067,862</u>

Depreciation was charged to the functions as follows:

Governmental activities:	
Public safety	\$ 799,976
Health	19,881
Culture and recreation	142,672
Community environment	145,746
Highways and streets	3,199,091
General government	1,234,745
TOTAL	<u>\$ 5,542,111</u>

	Balance at January 1, 2016	Increases	Decreases	Balance at December 31, 2016
<u>Business-type activities</u>				
Not being depreciated:				
Land	\$ 719,958	\$	\$	\$ 719,958
Construction in progress	3,500,199	3,806,202	(359,747)	6,946,654
Subtotal	4,220,157	3,806,202	(359,747)	7,666,612
Other capital assets:				
Buildings	35,956,448	40,125		35,996,573
Improvements	27,643,652	15,669		27,659,321
Utility distribution and collection systems	91,552,115	1,567,224		93,119,339
Machinery and equipment	21,054,433	1,362,668	(250,735)	22,166,366
Subtotal	176,206,648	2,985,686	(250,735)	178,941,599
Accumulated depreciation:				
Buildings	(26,748,886)	(717,927)		(27,466,813)
Improvements	(26,928,707)	(128,267)		(27,056,974)
Utility distribution and collection systems	(29,503,921)	(1,998,344)		(31,502,265)
Machinery and equipment	(16,485,681)	(1,113,032)	250,735	(17,347,978)
Subtotal	(99,667,195)	(3,957,570)	250,735	(103,374,030)
Net other capital assets	76,539,453	(971,884)		75,567,569
Net capital assets	<u>\$ 80,759,610</u>	<u>\$ 2,834,318</u>	<u>\$ (359,747)</u>	<u>\$ 83,234,181</u>

Depreciation was charged to the functions as follows:

Business-type activities:	
Water	\$ 1,516,726
Special Parks & Recreation	12,548
Sanitation	414,166
Wastewater Pollution Control	2,014,130
TOTAL	<u>\$ 3,957,570</u>

Construction in progress - The City has active construction projects as of December 31, 2016 under governmental activities of \$1,921,098 on Phase II of the State Route 57 Rehabilitation Project, \$438,556 on the Third Street Improvement Project, \$11,900 on the Pioneer Plaza Project, \$35,122 on the Ely Square Fountain Project, \$40,249 on the West Park Splash Pad Project and \$13,425 on the Tremont Street Improvement Project. The City also has active construction projects as of December 31, 2016 under business-type activities of \$505,335 on the Sludge Handling/Chemical Optimization project, \$49,994 on the Eastern Heights Phase II Water Main project, \$340,133 on the Mussey Avenue Sewer project, \$231,070 on the Southeast Interceptor Sewer project, \$47,600 on the UV Improvement project, \$3,285,653 on the Consolidated Wet Weather Storage Modifications, \$118,686 on the Eastside Relief Sewer project \$87,782 on the West Side Area Phase II Water Main project, \$2,102,683 on the Sludge Dewatering Facility Project, \$128,114 on the Tremont Street Improvement Project, \$15,100 on the Sludge Thickening Project and \$34,504 on the Sewer Slip-Lining Project.

NOTE 9 – INTERFUND RECEIVABLES AND PAYABLES

The following balances at December 31, 2016 represent interfund receivables and payables:

<u>GOVERNMENTAL FUNDS</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
GENERAL FUND	\$ 551,110	\$
SPECIAL REVENUE FUNDS:		
State Health Grant		45,268
Coastal Management Grant		2,500
CAPITAL PROJECTS FUNDS:		
State Issue II Capital Projects		372
Two Falls Trail Improvements		2,970
PROPRIETARY FUND:		
ENTERPRISE FUND:		
Wastewater Pollution Control		500,000
TOTAL FUNDS	<u>\$ 551,110</u>	<u>\$ 551,110</u>

The governmental funds interfund balances represent grant program expenditures that had not been reimbursed as of December 31, 2016. The interfund balance in the Wastewater Pollution Control Enterprise Fund represents a loan from the City’s General Fund that had not been repaid as of December 31, 2016. This has been budgeted to be repaid in 2017.

NOTE 10 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$2,073,257 for 2016. Of this amount, \$47,024 is reported in accrued wages and benefits.

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

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

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

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

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

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

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$2,374,013 for 2016. Of this amount \$77,621 is reported accrued wages and benefits.

In addition to current contributions, the City pays installments on a specific liability of the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2016, the specific liability of the City was \$500,000 in the form of general obligation long-term bonds payable in semi-annual payments through the year 2023.

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

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$23,051,136	\$34,620,768	\$57,671,904
Proportion of the Net Pension Liability	0.133080%	0.5381680%	
Pension Expense	\$3,238,887	\$3,726,223	\$6,965,110

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$6,775,952	\$4,733,752	\$11,509,704
City contributions subsequent to the measurement date	<u>2,073,257</u>	<u>2,374,013</u>	<u>4,447,270</u>
Total Deferred Outflows of Resources	<u>\$8,849,209</u>	<u>\$7,107,765</u>	<u>\$15,956,974</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$445,393	\$97,214	\$542,607
Changes in employer proportion and differences between contributions and proportionate share of pension expense		<u>1,731,259</u>	<u>1,731,259</u>
	<u>\$445,393</u>	<u>\$1,828,473</u>	<u>\$2,273,866</u>

The \$4,447,270 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2017	\$1,481,972	\$1,159,134	\$2,641,106
2018	1,590,319	1,159,134	2,749,453
2019	1,724,863	1,159,134	2,883,997
2020	<u>1,533,405</u>	<u>1,159,136</u>	<u>2,692,541</u>
Total	<u>\$6,330,559</u>	<u>\$4,636,538</u>	<u>\$10,967,097</u>

Actuarial Assumptions - OPERS

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

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

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

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

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

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is .40 percent for 2015.

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

Asset Class	Target Allocation	Long Term Expected Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	20.70	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	18.30	7.40
Other investments	18.00	4.59
Total	100.00 %	5.28 %

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

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City’s proportionate share of the net pension liability	\$36,726,088	\$23,051,136	\$11,516,743

Changes Between Measurement Date and Report Date

In October 2016, the OPERS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of December 31, 2016. The most significant change is a reduction in the discount rate from 8.0 percent to 7.5 percent. Although the exact amount of these changes is not known, the impact to the Government’s net pension liability is expected to be significant.

Actuarial Assumptions – OP&F

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

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

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

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA. The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2015 are summarized below:

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

* levered 2x

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

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

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

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$45,660,099	\$34,620,768	\$25,269,289

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS

OPERS:

In addition to the pension benefits described in Note 10, OPERS provides post-retirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credits. Health care coverage for disability recipients and primary survivor recipients is also available. The health care coverage provided by the retirement system is considered an other post-employment benefit (OPEB) as described in GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits other than Pensions*.

Plan Description. Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The traditional pension plan – a cost-sharing, multiple-employer defined benefit pension plan, the member-directed plan – a defined contribution plan, and the combined plan – a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care 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.

In order to qualify for post-employment health care coverage, age-and-service retirees under the traditional pension and combined plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement 45.

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.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy. The Ohio Revised Code provides the statutory authority requiring public employers to fund retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-employment health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2016, state and local employers contributed at a rate of 14.00% of earnable salary, and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS' Post-Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the traditional plan was 2.0% during calendar year 2016. The portion of employer contributions allocated to health care for members in the combined plan was 2.0% during calendar year 2016. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's actual contributions to OPERS for the years ending December 31, 2016, 2015, and 2014 were \$2,073,257, \$2,318,444 and \$2,064,923 respectively, of which \$345,543, \$327,431 and \$355,089 was used to fund post-employment benefits. The City's contributions equaled 100% of the statutorily required contributions for each plan year.

OPERS Board of Trustees Adopt Changes to the Health Care Plan. 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 SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of employer contributions toward the health care fund after the end of the transition period.

OP&F:

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

OP&F provides access to post-employment health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement 45.

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 information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus OH 43215-5164. That report is also available on OP&F's website at www.op-f.org.

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was .50% of covered payroll from January 1, 2016 thru December 31, 2016. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City of Elyria's contributions to OP&F for the years ending December 31, 2016, 2015, and 2014 were \$2,374,013, \$2,309,006, and \$2,414,993, respectively, of which \$56,628, \$52,748, and \$58,512, respectively, was allocated to the health care plan. The City's contributions equaled 100% of the statutorily required contributions for each plan year.

NOTE 12 – DEFERRED COMPENSATION PROGRAMS

The City's employees and elected officials participate in three deferred compensation plans created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. The deposits under the plans are forwarded to trustees. Under the terms of the plans, the deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the plans' participants and their beneficiaries. The plan agreements state that the City has no fiduciary responsibility under the plans with the exception of fraud or wrongful taking. The amount on deposit in the plans is not reflected in the government-wide statement of net position as of December 31, 2016 because it is held in trust for the exclusive benefit of plan participants and their beneficiaries.

NOTE 13 – DEBT, NOTES, AND OTHER LONG-TERM OBLIGATIONS

The original issue date, maturity date, interest rate and original issuance amount for each of the City's bonds, notes, and other long-term obligations outstanding as of December 31, 2016 is listed below:

GOVERNMENTAL ACTIVITIES	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
Special Assessment Debt				
Chesnut Commons Improvement Bonds	2008	2023	4.430	3,466,777
General Obligation Debt				
Police and Fire Pension Liability Bonds	1999	2023	3.150	1,285,000
City Hall Construction Bonds	2001	2026	4.750	8,200,000
Various Purpose Improvement Bonds	2005	2022	4.410	9,500,526
Industrial Parkway Bonds	2005	2024	4.410	6,831,910
Third St. Storm Sewer State Issue II Loan	2006	2026	0.000	172,785
Municipal Court Construction Bonds	2007	2032	4.000	9,544,445
Gulf Road State Issue II Loan	2007	2018	0.000	126,944
Bellfield Avenue State Issue II Loan	2008	2019	0.000	113,273
Murray Ridge Rd. State Issue II Loan	2009	2019	0.000	9,552
State Rt. 57 State Infrastructure Bank Loan	2009	2018	3.000	3,252,000
Police and Fire Pension Liability Bonds - 1999 Refunded	2011	2023	2.000	810,000
City Hall Construction Bonds - 1999 Refunded	2011	2026	2.000	5,980,000
Abbe Rd. South State Issue II Loan	2011	2026	0.000	734,000
Ford Rd. Bridge State Issue II Loan	2012	2042	0.000	111,323
Industrial Parkway Bonds - 2005 Refunded	2013	2024	3.000	1,147,000
Various Purpose Improvement Bonds - 2005 Refunded	2013	2022	3.000	5,165,000
Ford Rd. Bridge State Issue II Loan	2013	2042	0.000	198,431
Ford Rd. Bridge State Issue II Loan	2013	2043	0.000	525,447
Municipal Court Construction Bonds - 2007 Refunded	2015	2032	3.833	5,615,000
Energy Conservation Notes	2016	2017	1.125	2,800,000
BUSINESS-TYPE ACTIVITIES				
General Obligation Debt				
Water System Improvement Bonds	1999	2019	4.228	\$ 1,440,000
Waterworks System Improvement Bonds	2005	2030	4.410	6,459,109
Water Pumping Improvement Bonds	2006	2026	4.175	1,637,987
Wastewater Pollution Control Improvement Bonds	2006	2026	4.175	3,685,188
Water System Improvement OWDA Loan	2009	2039	4.180	2,550,000
Wastewater System Improvement OWDA Loan	2009	2039	4.180	3,000,000
Wastewater System Improvement OWDA Loan	2009	2040	3.200	1,877,158
Wastewater System Improvement OWDA Loan	2010	2040	3.200	1,526,498
Water System Improvement OWDA Loan	2010	2040	2.870	2,412,478
Wastewater System Improvement OWDA Loan	2010	2040	2.870	1,431,432
Water System Improvement Bonds - 1999 Refunded	2011	2019	2.000	730,000
Water System Improvement OWDA Loan	2011	2041	2.870	3,763,673
Wastewater System Improvement OWDA Loan	2011	2041	2.870	1,610,203
Water System Improvement OWDA Loan	2012	2041	2.870	4,013,186
Wastewater System Improvement OWDA Loan	2012	2043	2.860	3,451,434
Water System Improvement Bonds - 2013 Refunded	2013	2030	3.000	4,978,000
Wastewater System Improvement OWDA Loan	2013	2043	2.860	1,660,674
Wastewater System Improvement OWDA Loan	2013	2043	2.860	3,539,431
Water Improvement Bonds	2014	2039	3.760	8,160,000
Sewer Improvement Bonds	2014	2039	3.760	9,250,000
Water Pumping Improvement Bonds - 2006 Refunded	2015	2032	3.257	985,000
WWPC Improvement Bonds - 2006 Refunded	2015	2032	3.257	2,220,000
Sanitation Truck Notes	2016	2017	1.125	1,600,000
WWPC Improvement Notes	2016	2017	1.125	7,300,000
Storm Water Notes	2016	2017	1.125	900,000

A listing of changes in the bonds, notes and other long-term obligations of the City for the year ended December 31, 2016 are as follows:

GOVERNMENTAL ACTIVITIES

	Balance January 1, 2016	Additions	(Reductions)	Balance December 31, 2016
<u>Special Assessment Debt:</u>				
4.43% 2008 Chestnut Commons Improvement Bonds Due 2023	\$ 2,060,000		\$ (220,000)	\$ 1,840,000
Total Special Assessment Debt	<u>2,060,000</u>		<u>(220,000)</u>	<u>1,840,000</u>
<u>General Obligation Bonds and Construction Loans:</u>				
4.00% 2007 Municipal Court Construction Bonds Due 2032	2,090,000		(315,000)	1,775,000
2.00% - 3.50% 2012 Police and Fire Pension Liability Bonds Due 2023	565,000		(65,000)	500,000
2.00% - 3.50% 2012 City Hall Construction Bonds Due 2026	4,605,000		(365,000)	4,240,000
3.00% 2013 Various Purpose Refunded Bonds Due 2022	4,355,000		(610,000)	3,745,000
3.00% 2013 Industrial Parkway Refunded Bonds Due 2024	1,022,000		(103,000)	919,000
3.833% 2015 Municipal Court Refunded Bonds Due 2032	<u>5,520,000</u>		<u>(20,000)</u>	<u>5,500,000</u>
Total General Obligation Bonds	<u>18,157,000</u>		<u>(1,478,000)</u>	<u>16,679,000</u>
0.00% 2006 State Issue II Loan West Ave. / Lake Ave. Due 2016	635		(635)	
0.00% 2006 State Issue II Loan Third Street Storm Sewer Due 2026	95,033		(8,639)	86,394
0.00% 2007 State Issue II Loan Gulf Road Due 2018	31,737		(12,694)	19,043
0.00% 2008 State Issue II Loan Bellfield Ave. Due 2019	39,646		(11,327)	28,319
0.00% 2009 State Issue II Loan Murray Ridge Rd. Due 2019	3,821		(955)	2,866
3.00% 2009 State Rt. 57 State Infrastructure Bank Loan Due 2018	1,126,999		(430,282)	696,717
0.00% 2011 State Issue II Loan Abbe Rd. South Due 2026	538,267		(48,933)	489,334
0.00% 2012 State Issue II Loan Ford Rd. Bridge Due 2042	294,266		(10,325)	283,941
0.00% 2013 State Issue II Loan Ford Rd. Bridge Due 2043	<u>516,690</u>		<u>(17,515)</u>	<u>499,175</u>
Total Construction Loans	<u>2,647,094</u>		<u>(541,305)</u>	<u>2,105,789</u>
Total General Obligation Bonds And Construction Loans	<u>\$ 20,804,094</u>	<u>\$</u>	<u>\$ (2,019,305)</u>	<u>\$ 18,784,789</u>

(Continued on subsequent page)

GOVERNMENTAL ACTIVITIES (continued)**General Obligation Bond Anticipation Notes**

	Balance			Balance
<u>Capital Projects Notes Payable</u>	<u>January 1, 2016</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>December 31, 2016</u>
0.603% Fire Truck Notes				
Due June 2016	\$ 300,000	\$	\$ (300,000)	\$
0.603% Energy Conservation Notes				
Due June 2016	2,900,000		(2,900,000)	
1.125% Energy Conservation Notes				
Due May 2017		2,800,000		2,800,000
	<u>3,200,000</u>	<u>2,800,000</u>	<u>(3,200,000)</u>	<u>2,800,000</u>
Total Capital Projects Notes Payable				
	<u>3,200,000</u>	<u>2,800,000</u>	<u>(3,200,000)</u>	<u>2,800,000</u>
<u>Other Obligations</u>				
Compensated absences - non-current portion	3,448,210	54,322	(381,639)	3,120,893
Capital Lease - Fire Truck	415,000		(35,756)	379,244
Unamortized bond premiums	586,232		(34,484)	551,748
	<u>4,449,442</u>	<u>54,322</u>	<u>(451,879)</u>	<u>4,051,885</u>
Total Other Obligations				
	<u>4,449,442</u>	<u>54,322</u>	<u>(451,879)</u>	<u>4,051,885</u>
<u>Net Pension Liability</u>				
OPERS	8,844,071	2,658,447		11,502,518
OP&F	30,631,441	3,989,327		34,620,768
	<u>39,475,512</u>	<u>6,647,774</u>		<u>46,123,286</u>
Total Net Pension Liability				
	<u>39,475,512</u>	<u>6,647,774</u>		<u>46,123,286</u>
TOTAL GOVERNMENTAL ACTIVITIES DEBT AND OTHER LONG-TERM OBLIGATIONS	<u>\$ 69,989,048</u>	<u>\$ 9,502,096</u>	<u>\$ (5,891,184)</u>	<u>\$ 73,599,960</u>

(Continued on subsequent page)

BUSINESS-TYPE ACTIVITIES

General Obligation Bonds And Construction Loans:	Balance <u>January 1, 2016</u>	<u>Additions</u>	<u>(Reductions)</u>	Balance <u>December 31, 2016</u>
4.175% 2006 Water Pumping Improvement Bonds Due 2026	\$ 80,000	\$	\$ (80,000)	\$
4.175% 2006 Wastewater Pollution Control Improvement Bonds Due 2026	175,000		(175,000)	
4.180% 2009 OWDA Loan Water System Improvement Due 2039	2,257,877		(56,132)	2,201,745
4.180% 2009 OWDA Loan Wastewater Pollution Control Plant Improvement Due 2039	2,656,327		(66,038)	2,590,289
4.180% 2009 OWDA Loan Wastewater Pollution Control Plant Improvement Due 2039	2,996,196		(82,035)	2,914,161
2.87% 2010 OWDA Loan Water System Improvement Due 2040	9,272,294		(246,064)	9,026,230
2.87% 2010 OWDA Loan Wastewater System Improvement Due 2040	2,769,833		(72,931)	2,696,902
2.00%-3.00% 2011 Water System Improvement Bonds Due 2019	380,000		(90,000)	290,000
2.86% 2012 OWDA Loan Wastewater System Improvement Due 2043	4,829,999		(118,573)	4,711,426
3.00% 2013 Waterworks System Improvement Bonds Due 2030	4,678,000		(247,000)	4,431,000
2.86% 2013 OWDA Loan Wastewater System Improvement Due 2043	3,457,733		(84,849)	3,372,884
3.76% 2014 Water Improvement Bonds Due 2039	8,065,000		(225,000)	7,840,000
3.76% 2014 Sewer Improvement Bonds Due 2039	9,140,000		(255,000)	8,885,000
3.257% 2015 Water Pumping Improvement Bonds Refunded Due 2032	965,000		(10,000)	955,000
3.257% 2015 Wastewater Pollution Control Improvement Bonds Refunded Due 2032	2,170,000		(25,000)	2,145,000
Total General Obligation Bonds And Construction Loans	53,893,259		(1,833,622)	52,059,637
<u>Notes Payable</u>				
0.603% 2015 Sanitation Truck Notes Due 2016	1,900,000		(1,900,000)	
1.125% 2016 Sanitation Truck Notes Due 2017		1,600,000		1,600,000
1.125% 2016 WWPC Improvement Notes Due 2017		7,300,000		7,300,000
1.125% 2016 Storm Water Notes Due 2017		900,000		900,000
Total Notes Payable	1,900,000	9,800,000	(1,900,000)	9,800,000

(Continued on subsequent page)

BUSINESS-TYPE ACTIVITIES (Continued)

	Balance			Balance
<u>Other Obligations</u>	<u>January 1, 2016</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>December 31, 2016</u>
Compensated absences-non-current portion	811,416	84,545	(52,294)	843,667
Capital lease - 2013 WWPC Vactor Truck	168,398		(39,780)	128,618
Capital lease - April 2016 WWPC Vactor Truck		355,056		355,056
Capital lease - July 2016 WWPC Vactor Truck		355,056		355,056
Unamortized bond premiums	242,111		(22,010)	220,101
Total Other Obligations	1,221,925	794,657	(114,084)	1,902,498
 <u>Net Pension Liability - OPERS:</u>				
Water	3,151,705	1,383,437		4,535,142
Special Parks & Recreation	145,567	55,379		200,946
Sanitation	1,367,657	691,462		2,059,119
Wastewater	3,417,451	1,330,186		4,747,637
Storm Water		5,774		5,774
Total Net Pension Liability - OPERS:	8,082,380	3,466,238		11,548,618
 TOTAL BUSINESS-TYPE ACTIVITIES DEBT				
AND OTHER LONG-TERM OBLIGATIONS	\$ 65,097,564	\$ 14,060,895	\$ (3,847,706)	\$ 75,310,753

All notes have been issued in anticipation of long-term financing. Ohio Law permits the issuance and renewal of bond anticipation notes such that the notes may remain outstanding for twenty years consecutively before such notes must be retired either from available funds of the City or from the proceeds of bonds issued to redeem the anticipation notes. If such notes and renewals of such notes remain outstanding for a period in excess of five years, any such period in excess of five years must be deducted from the permitted maximum maturity of bonds anticipated. Furthermore, a certain portion of the principal amount of such notes must be retired in the amounts and at the times that would have been required for payment of principal maturities on the bonds anticipated as if the bonds had been issued at the expiration of the initial five-year period.

FUTURE DEBT SERVICE REQUIREMENTS

A summary of the City's future debt service requirements for its bond, construction loan and capital lease note obligations as of December 31, 2016 follows:

GOVERNMENTAL ACTIVITIES

Due In	Special Assessment Debt		Other Bonds, Notes, Construction Loans, and Capital Leases	
	Principal	Interest	Principal	Interest
2017	\$ 230,000	\$ 86,840	\$ 4,904,600	\$ 620,271
2018	240,000	78,100	1,903,605	526,075
2019	250,000	68,500	1,683,410	475,242
2020	260,000	56,000	1,725,076	427,765
2021	275,000	43,000	1,785,405	377,172
Thereafter	585,000	44,250	9,961,937	1,655,214
TOTALS	\$ 1,840,000	\$ 376,690	\$ 21,964,033	\$ 4,081,739

BUSINESS-TYPE ACTIVITIES

Due In	OWDA Loans		Other Bonds, Notes and Capital Leases	
	Principal	Interest	Principal	Interest
2017	\$ 732,470	\$ 894,015	\$ 11,130,061	\$ 1,001,703
2018	756,300	870,186	1,234,665	840,119
2019	780,924	845,562	1,257,945	808,653
2020	806,372	820,114	1,193,283	766,604
2021	832,671	793,814	1,486,776	738,219
Thereafter	23,604,900	8,942,393	18,882,000	6,489,748
TOTALS	\$ 27,513,637	\$ 13,166,084	\$ 35,184,730	\$ 10,645,046

All bonds and notes are backed by the full faith and credit of the City. While special assessments have been levied to pay the debt service of the special assessment bonds, the bonds are also backed by the full faith and credit of the City. No reserve or sinking fund has been established to cover defaults by property owners. Although the bonds and notes of the enterprise funds are general obligations of the City, the City's policy is to have the debt serviced by the revenues of the respective enterprise funds. The Ohio Water Development Authority construction loans are secured by the revenues of the City's wastewater treatment operations. The loans require, among other things, that the City charge sufficient rates and fees for wastewater treatment services to enable the revenues to service the loan principal and interest payments and provide resources for the payment of the necessary operating and maintenance expenses of the facility. The City was not required to pledge the general resources or general credit of the City to secure the repayment of the loans. The capital lease in the governmental activities represents the lease purchase of a new fire truck. The present values of the minimum lease payments as of December 31, 2016 were \$379,244 and the total minimum lease payments were \$443,868. The capital lease of the enterprise funds represents the lease purchase of three new sewer vacuum trucks. The present values of the 2013 minimum lease payments as of December 31, 2016 were \$128,618 and the total minimum lease payments were \$150,000. There

were two additional lease agreements entered into in 2016, each of which carry a present value in total minimum lease payments of \$355,056 and total minimum lease payments of \$389,813.

Under the Uniform Bond Act of the Ohio Revised Code, at December 31, 2016, the City had the capacity to issue approximately \$7,764,493 of additional, unvoted general obligation debt.

Long-term liability activity excluding activity pertaining to short-term Capital Projects bond anticipation notes payable for the year ended December 31, 2016, was as follows:

	Balance January 1, 2016	Additions	Reductions	Balance December 31, 2016	Amount Due in One Year
Governmental Activities:					
Bonds Payable					
General Obligation Bonds	\$ 18,157,000	\$	\$ (1,478,000)	\$ 16,679,000	\$ 1,514,000
Special Assessment Bonds with Government Commitment	2,060,000		(220,000)	1,840,000	230,000
Total Bonds Payable	<u>20,217,000</u>		<u>(1,698,000)</u>	<u>18,519,000</u>	<u>1,744,000</u>
State Issue II					
Construction Loans	1,520,095		(111,023)	1,409,072	110,388
State Infrastructure Bank Loan	1,126,999		(430,282)	696,717	443,287
Compensated Absences	3,448,210	54,322	(381,639)	3,120,893	142,621
Capital Lease	415,000		(35,756)	379,244	36,925
Unamortized bond premiums	586,232		(34,484)	551,748	34,484
Net Pension Liability	<u>39,475,512</u>	<u>6,647,774</u>		<u>46,123,286</u>	
Total Governmental Activities Long-Term Liabilities	<u>\$ 66,789,048</u>	<u>\$ 6,702,096</u>	<u>\$ (2,691,184)</u>	<u>\$ 70,799,960</u>	<u>\$ 2,511,705</u>
Business-Type Activities					
General Obligation Bonds	\$ 25,895,111	\$	\$ (1,129,010)	\$ 24,766,101	\$ 1,138,010
OWDA Loans	28,240,259		(726,622)	27,513,637	732,471
Compensated Absences	811,416	84,545	(52,294)	843,667	18,710
Capital Lease	168,398	710,112	(39,780)	838,730	214,061
Net Pension Liability	<u>8,082,380</u>	<u>3,466,238</u>		<u>11,548,618</u>	
Total Business-Type Activities Long-Term Liabilities	<u>\$ 63,197,564</u>	<u>\$ 4,260,895</u>	<u>\$ (1,947,706)</u>	<u>\$ 65,510,753</u>	<u>\$ 2,103,252</u>

NOTE 14 – COMMITMENTS

The City has entered into a contract for the construction of the Water Pumping Sludge Dewatering facility at a cost of \$4,584,368 and will be funded by user fees receipted in the Water Enterprise Fund.

The City has entered into a contract for the construction management of the Water Pumping Sludge Dewatering facility at a cost of \$364,320 and will be funded with user fees receipted in the Water Enterprise Fund.

The City has entered into a contract for the construction of the Wastewater Pollution Control Plant Consolidated Project at a cost of \$995,000 and will be funded by proceeds from the issuance of one-year general obligation bond anticipation notes that will be converted to long-term general bonds which will be retired over the long-term with user fees received in the Wastewater Pollution Control Enterprise Fund.

The City has entered into a contract for the continued rehabilitation of State Route 57 at a cost of \$662,435. Of this amount \$201,053 will be funded by license plate fees to be received in the Muni Motor Vehicle Tax Fund and the remaining \$461,352 by a grant from the Ohio Department of Transportation.

The City has entered into a contract for the purchase of two new garbage trucks for the Sanitation Department at a cost of \$617,902 and will be funded by user charges received in the Sanitation Enterprise Fund.

The City has entered into a contract for the slip lining of various sanitary sewers at a cost of \$333,096 to be funded by user fees received in the Wastewater Pollution Control Enterprise Fund.

The City has entered into a contract for the assessment of two properties for hazardous / petroleum waste through the U.S. Environmental Protection Agency Hazardous / Petroleum Program at a cost of \$250,000. These assessments will be funded by grants from the U.S. EPA to be received in the Brownfield Hazardous Assessment Grant and Brownfield Petroleum Assessment Grant Special Revenue Funds.

The City has entered into a contract for a new compressor truck for the Water Distribution Department at a cost of \$181,684 and will be funded by user fees received in the Water Enterprise Fund.

In addition to the aforementioned commitments, there were \$502,094 purchases on order in the General Fund, \$4,652,128 in the Water Enterprise Fund, \$1,990 in the Special Parks & Recreation Enterprise Fund, \$884,106 in the Sanitation Enterprise Fund, \$408,318 in the Wastewater Pollution Control Enterprise Fund, \$142,632 in the Storm Water Enterprise Fund and \$1,145,030 in all non-major governmental funds combined.

NOTE 15 – REHABILITATION LOANS

In the Block Grant and Comprehensive Housing Improvement Program Grant Special Revenue Funds, rehabilitation loans totaling \$1,823,223 and \$2,665,658, respectively, represent non-interest bearing loans made under the City's federal community development block grant to qualifying citizens for the rehabilitation of residential property within the City. In the Wastewater Pollution Control Enterprise Fund, rehabilitation loans of \$247,035 represent non-interest bearing loans made under the City's sewer lateral program for the rehabilitation of sanitary sewer laterals within the City. The loans are secured by mortgages against the individual residences and are not due until the earlier of the following:

- 1.) The sale of the home.
- 2.) The death of the owner of the home.

NOTE 16 – NEW ACCOUNTING STANDARDS

During 2016, the City implemented GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. GASB Statement No. 79 establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. This Statement provides accounting and financial reporting guidance and also establishes additional note disclosure requirements for governments that participate in those pools. The City participates in STAR Ohio which implemented GASB Statement No. 79 for 2016. The City incorporated the corresponding GASB 79 guidance into their 2016 financial statements; however, the implementation of this Statement did not have a material impact on the City's financial statements or disclosures.

During 2016, the City implemented GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*.

During 2016, the City implemented GASB Statement No. 77, *Tax Abatement Disclosures*. The implementation of this Statement did not have a material impact on the City's financial statements or disclosures.

During 2016, the City implemented GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.

During 2016, the City implemented GASB Statement No. 74, *Financial Reporting for Postemployment Plans Other Than Pension Plans*. The implementation of this Statement did not have a material impact on the City's financial statements or disclosures.

During 2016, the City implemented GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB 68, and Amendments to Certain Provisions of GASB 67 and 68*. The implementation of this Statement and amendments did not have a material impact on the City's financial statements or disclosures.

During 2016, the City implemented GASB Statement No. 72, *Fair Value Measurement and Application*. The implementation of this Statement did not have a material impact on the City's financial statements or disclosures.

In January 2016, GASB issued Statement No. 80, *Blending Requirements for Certain Component Units-an amendment to GASB Statement No. 14*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. The City has not determined the impact, if any, that this Statement will have on its financial statements and disclosures.

In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The requirements of this Statement are effective for reporting periods beginning after December 15, 2016. The City has not determined the impact, if any, that this Statement will have on its financial statements and disclosures.

In March 2016, GASB issued Statement No. 82, *Pension Issues-an amendment to GASB Statements No.67, No.68 and No.73*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of paragraph 7

are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

In November 2016, GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. The City has not determined the impact, if any, on its financial statements and disclosures.

NOTE 17 – TRANSFERS

Transfer-in

General Fund
\$300,000

Energy Conservation Fund
\$100,000

Other Governmental Funds
\$664,695

Transfer-out

General Fund
\$388,500

Other Governmental Funds
\$676,195

Interfund transfers included \$65,000 from the General Fund to the Street Construction Maintenance and Repair Fund to meet operating needs, \$308,000 to the State Highway Fund for the purchase of road salt, \$5,500 to the Food Service Operations Fund to meet operating needs and \$10,000 to the Cemetery Maintenance & Improvement Fund to meet operating needs, \$45,000 from the Special Probation Fund to the Muni Court Security Fund to meet operating needs as ordered by the Elyria Municipal Court judges, \$9,500 from the Muni Court Special Collections Fund to the Special Traffic Magistrate Fund to meet operating needs as ordered by the Elyria Municipal Court judges, \$221,695 from the Indigent Drivers Alcohol Treatment Fund to the Indigent Drivers Interlock Program Fund as ordered by the Elyria Municipal Court judges, \$100,000 from the General Bond Retirement Fund to the Energy Conservation Fund for the partial retirement of short-term general obligation bond anticipation notes and \$300,000 from the General Bond Retirement Fund to the General Fund for the retirement of short-term general obligation bond anticipation notes.

NOTE 18 – FUND BALANCES

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 the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General Fund	Energy Conservation Fund	Other Governmental Funds	Total
Nonspendable				
Cemetery Endowment	\$	\$	\$ 544,106	\$ 544,106
<i>Total Nonspendable</i>			544,106	544,106
Restricted for				
Road Improvements			427,691	427,691
Police Operations			622,524	622,524
Fire Pension			58,348	58,348
Police Pension			51,016	51,016
Health Programs			93,953	93,953
Recreational Programs			90,455	90,455
Community Programs			4,440,540	4,440,540
Environmental Programs			7,321	7,321
Debt Service			326,220	326,220
<i>Total Restricted</i>			6,118,068	6,118,068
Committed to				
Road Improvements			1,096,459	1,096,459
Police Operations			2,003,667	2,003,667
Health Programs			20,731	20,731
Recreational Programs			11,573	11,573
Economic Development			226,856	226,856
Municipal Court Operations			432,822	432,822
Capital Items for Parks			324,110	324,110
Capital Items			648,020	648,020
Special Item			1,271,922	1,271,922
Debt Service			524,313	524,313
<i>Total Committed</i>			6,560,473	6,560,473
Assigned to				
Subsequent Year's Budget:				
Appropriation of Fund Balance	418,483			418,483
Purchases on Order For:				
Public Safety	111,702			111,702
Health	12,417			12,417
Culture and Recreation	7,416			7,416
Community Environment	1,388			1,388
General Government	369,171			369,171
<i>Total Assigned</i>	920,577			920,577
Unassigned (deficits):	3,248,090	(2,800,000)	(5,470)	442,620
<i>Total Fund Balances</i>	<u>\$ 4,168,667</u>	<u>\$ (2,800,000)</u>	<u>\$ 13,217,177</u>	<u>\$ 14,585,844</u>

NOTE 19 – JOINT ECONOMIC DEVELOPMENT DISTRICTS

The City of Elyria participates in two Joint Economic Development District's created in accordance with sections 715.72 through 715.83 of the Ohio Revised Code.

In 2004, the City entered into a contract with Elyria Township to form the Elyria Township – City of Elyria Joint Economic Development District (JEDD). The purpose of the JEDD is to facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the State, the Township and the City. The City and the Township shall work together to provide or cause to be provided, water, sewer, storm sewer, street lighting, roads, sidewalks and other local government services to the area. These services are funded by a predetermined percentage of income tax revenue. The Board of Directors consists of five members, the Township appoints two; one representing the Township and one representing the business owners in the JEDD, the City appoints two; one representing the City and one representing persons working within the JEDD, the fifth member shall serve as chairman and shall be elected by the other four members. The Board adopted an annual budget for the JEDD and estimated the revenues and expenses of the operation of the JEDD. They also established the distribution of the income tax revenues. The Board is authorized to take such necessary and appropriate actions, or establish such programs to facilitate economic development in the JEDD area. The JEDD is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the City. In 2016, the Elyria Township JEDD had net distributions of \$353,706 to the City and \$88,273 to Elyria Township.

In 2006, the City entered into a contract with Eaton Township to form the Eaton Northwestern Professional Business Joint Economic Development District (JEDD). It is entirely located in the Eaton Township, and its primary purpose is to allow property owners in the JEDD to connect into the City of Elyria's sanitary sewer system and direct flow of sanitary sewage to sanitary sewer facilities of the City. The City is responsible for the collection, enforcement and administration of the income tax. In 2016, the Eaton Township JEDD had net distributions of \$61,240 to the City and \$14,139 to Eaton Township.

NOTE 20 – TAX ABATEMENT DISCLOSURES

Pursuant to Governmental Accounting Standards Board Statement No.77, Tax Abatement Disclosures, the City is required to disclose certain information about tax abatements as defined in the Statement. For purposes of GASB Statement No. 77, a tax abatement is a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promise to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the City or the citizens of the City. The City has entered into such agreements. A description of the City's abatement programs where the City has promised to forgo taxes follows:

- Community Reinvestment Area (CRA) programs are an economic development tool administered by municipal and county government that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRAs are areas of land in which property owners can receive tax incentives for investing in real property improvements. These programs permit municipalities or counties to designate areas

where investment has been discouraged as a CRA to encourage revitalization of the existing housing stock and the development of new structures. Total amount of taxes abated through CRA Programs were \$36,512.

- Enterprise Zone programs are an economic development tool administered by municipal and county governments that provides real property tax exemptions to businesses making investments in local communities. Enterprise Zones are designated areas of land in which business can receive tax incentives in the form of tax exemptions on eligible new investment. The Enterprise Zone program can provide tax exemptions for a portion of the value of new real property investment when the investment is made in conjunction with a project that includes job creation. Existing land values and existing building values are not eligible (except as noted within rare circumstances). Local communities may offer tax incentives for non-retail projects that are established or expanding operations in the community. Real property investments are eligible for tax incentives. Total amount of taxes abated through Enterprise Zone programs were \$21,618.

NOTE 21 – SUBSEQUENT EVENT

On May 25, 2017, the City issued \$2,750,000 of one-year general obligation bond anticipation notes. Of these notes, \$1,300,000 along with \$300,000 of existing monies in the City's Sanitation Fund was used to retire the previously issued Refuse Packer notes, \$900,000 was used to retire the previously issued Storm Water Management System Improvement Notes and the remaining \$550,000 will be used to purchase a new narrowband State of Ohio Multi-Agency Radio Communications Compliant Radio System for the Elyria Police Department. These new notes issued on May 25, 2017 will mature on May 25, 2018 and bear interest at the rate of 2.00% per year, payable at maturity.

On May 24, 2017, the City issued \$1,430,000 in general obligation refunding bonds to advance refund its remaining Series 2007 Municipal Court Improvement Bonds dated July 18, 2007 and \$1,435,000 to advance refund its Series 2008 Street Improvement Bonds dated October 1, 2008 to obtain a lower interest rate. The net present value savings in debt service payments by going through this process will amount to \$168,660 over the 5 year life of the new bonds.

On May 24, 2017, the City issued \$7,295,000 of 25-year general obligation self-supporting bonds at a net interest cost of 3.586796%. The proceeds from this issue will be used to retire previously issued one-year general obligation bond anticipation notes for improvements to the City's sanitary sewer system. These bonds will be repaid from fees to be received from users of the wastewater pollution control system.

On May 24, 2017, the City issued \$2,700,000 of 5-year general obligation bonds at a net interest of 1.693106%. The proceeds from this issue will be used to retire previously issued one-year general obligation bond anticipation notes for various energy conservation projects. These bonds will be repaid with unvoted property tax revenues that will be receipted in the City's General Bond Retirement Fund.

City of Elyria, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Three Years (1)

	2015	2014	2013
City's Proportion of the Net Pension Liability	0.1330800%	0.1403390%	0.1403390%
City's Proportionate Share of the Net Pension Liability	\$23,051,136	\$16,926,452	\$16,544,140
City's Covered Payroll	\$16,371,567	\$17,754,458	\$17,221,157
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	140.80%	95.34%	96.07%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.08%	86.45%	86.36%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date which is the prior fiscal year end.

City of Elyria, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Ohio Police and Fire Pension Fund
 Last Three Years (1)(2)

	2015	2014	2013
City's Proportion of the Net Pension Liability	0.5381680%	0.5770683%	0.5770683%
City's Proportionate Share of the Net Pension Liability	\$34,620,768	\$30,631,443	\$29,894,545
City's Covered Payroll	\$10,549,499	\$11,570,769	\$11,089,983
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	328.17%	264.73%	269.56%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.77%	71.71%	73.00%

(1) Information prior to 2013 is not available.

(2) The City's Proportionate Share of the Net Pension Liability for 2014 has changed due to a restatement by the Ohio Police and Fire Pension Fund.

Amounts presented as of the City's measurement date which is the prior fiscal year end.

City of Elyria, Ohio
 Required Supplementary Information
 Schedule of City Contributions
 Ohio Public Employees Retirement System - Traditional Plan
 Last Four Years (1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 2,073,257	\$ 1,964,588	\$ 2,062,488	\$ 2,179,377
Contributions in Relation to the Contractually Required Contribution	<u>(2,073,257)</u>	<u>(1,964,588)</u>	<u>(2,062,488)</u>	<u>(2,179,377)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered-Employee Payroll	\$17,277,142	\$16,371,567	\$17,187,399	\$16,764,438
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available.

City of Elyria, Ohio
 Required Supplementary Information
 Schedule of City Contributions
 Ohio Police and Fire Pension Fund
 Last Ten Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$ 2,374,013	\$ 2,209,100	\$ 2,419,811	\$ 1,953,293	\$ 1,605,893
Contributions in Relation to the Contractually Required Contribution	<u>(2,374,013)</u>	<u>(2,209,100)</u>	<u>(2,419,811)</u>	<u>(1,953,293)</u>	<u>(1,605,893)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered-Employee Payroll	\$11,325,671	\$10,549,499	\$11,549,995	\$11,089,983	\$10,809,613
Contributions as a Percentage of Covered-Employee Payroll	20.96%	20.94%	20.95%	17.61%	14.86%

City of Elyria, Ohio
 Required Supplementary Information
 Schedule of City Contributions
 Ohio Police and Fire Pension Fund
 Last Ten Years

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Contractually Required Contribution	\$ 1,564,165	\$1,456,702	\$ 1,505,358	\$ 1,594,947	\$ 1,543,560
Contributions in Relation to the Contractually Required Contribution	<u>(1,564,165)</u>	<u>(1,456,702)</u>	<u>(1,505,358)</u>	<u>(1,594,947)</u>	<u>(1,543,560)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered-Employee Payroll	\$10,523,523	\$9,863,722	\$10,197,560	\$11,361,041	\$10,413,025
Contributions as a Percentage of Covered-Employee Payroll	14.86%	14.77%	14.76%	14.04%	14.82%

Nonmajor Governmental Funds

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than amounts relating to expendable trust or restricted for major capital projects or debt service) that are restricted to expenditure for specified purposes.

* * * * *

Street Construction, Maintenance and Repair

Required by State law to account for the portion of gasoline taxes and motor vehicle license fees that are designated for maintenance of streets within the City.

State Highway

Required by State law to account for the portion of gasoline taxes and motor vehicle license fees that are designated for maintenance of State highways within the City.

Fire Pension

To accumulate property taxes levied for the payment of amounts due for fire fighters to the state administered disability and pension fund.

Police Pension

To accumulate property taxes levied for the payment of amounts due for police to the state administered disability and pension fund.

Health Grant

Required by State law to account for grant monies designated for use by the Health Department of the City.

Municipal Motor Vehicle Tax

Required by State law to account for local license fees designated for the maintenance of streets within the City.

Block Grant

To account for monies received from the Federal government designated for community development within the City.

Comprehensive Housing Improvement Program ("C.H.I.P.") Grant

To account for monies received from the Federal government designated for home rehabilitation within the City.

Chestnut Commons Tax Increment Financing

To account for tax increment financing payments received in lieu of property taxes from property owners in the Chestnut Commons commercial development designated for debt service on the debt associated with the improvements to this development.

USEPA Brownfield Grant

To account for monies received from the United States Environmental Protection Agency designated for assessment of possible brownfield sites within the City.

SPECIAL REVENUE FUNDS (continued)

Muni Court Technology

To account for revenue received from fees on court cases that are restricted for the computerization of the Clerk of Municipal Courts office.

Muni Court Security

To account for revenue received from fees on court cases that are restricted for court security.

Muni Court Construction/Improvement

To account for revenue received from fees on court cases that are restricted for the construction of the Municipal Court building.

Special Parking Fines

Permitted by State law to account for the collection of fines imposed for disabled parking violations that are restricted for use in support of persons with disabilities.

Legal Research and Court Computerization

To account for revenue received from fees on court cases that are restricted for legal research for, and computerization of, the offices of the Municipal Judges and Municipal Court.

Special Court Maintenance

To account for revenue received from fees on court cases that are restricted for use on maintenance of the Municipal Court building.

Muni Court Special Collections

To account for revenue received from fees on court cases that are restricted for use in collecting delinquent fines.

Food Service Operations

Required by State law to account for the portion of license fees that is designated for inspection of food establishments within the City.

Dental Health Grant

Required to account for grant monies designated for use by the Health Department of the City for dental health care.

Household Sewage Disposal Permit Fee

To account for the revenues and expenditures of administering and enforcing the standards prescribed for the siting, design, installation, operation, monitoring, maintenance and abandonment of household sewage treatment systems not connected to a sanitary sewerage system.

Manufactured Home/Park Placement Fee

To account for revenue received from annual license fees collected for operating a manufactured home or recreational vehicle park.

SPECIAL REVENUE FUNDS (continued)

Special Traffic Magistrate

To account for revenue received from fees on court cases that are restricted for employing a traffic magistrate.

Swimming Pool Inspection

Required by State law to account for the revenues and expenditures of administering inspections of public swimming pools.

Law Enforcement

Required by State law to account for the collection of proceeds from the sale of contraband.

Mandatory Drug Fine

Required by State law to account for the collection of fines imposed on certain drug offenses and disbursed to local governmental units.

Indigent Drivers Alcohol Treatment

Required by State law to account for the collection of fines imposed on certain alcohol offenses and disbursed to rehabilitation centers.

Alcohol Enforcement and Education

Required by State law to account for the collection of fines imposed with respect to certain alcohol offenses.

Police Levy

To account for revenue received as a result of a .25% permanent income tax approved by the citizens of the City of Elyria that is restricted for law enforcement purposes.

Wagner Trust

To accumulate donations to provide for park and recreation expenditures.

Ely Park Trust

To accumulate donations to provide for Ely Park expenditures.

Findley Trust

To accumulate donations to provide for park and recreation expenditures.

Cemetery Maintenance and Improvement

To accumulate monies from cemetery lot sales to provide for the repair, maintenance and improvement of City cemeteries.

Brownfield Hazardous Assessment Grant

To account for monies received from the United States Environmental Protection Agency designated for assessment of possible hazardous brownfield sites within the City.

Brownfield Petroleum Assessment Grant

To account for monies received from the United States Environmental Protection Agency designated for assessment of possible petroleum brownfield sites within the City.

SPECIAL REVENUE FUNDS (continued)

Neighborhood Stabilization Program Grant

To account for monies received from the Federal Government designated for the stabilization of the City's neighborhoods.

Neighborhood Stabilization Program 3 Grant

To account for monies received from the Federal Government designated for the stabilization of the City's neighborhoods.

Coastal Management Grant

To account for monies received from the U.S. Department of Commerce designated for the Elyria Greenway and Trail Master Plan. The plan will designate primary and secondary trail routes, identify greenway and open space opportunities and will provide best management policy guidelines for development.

Energy Efficiency Block Grant

To account for monies received from the Federal Government designated for upgrades and repairs to City owned properties to provide for better energy efficiency.

Special Probation

To account for revenue received from fees on court cases that are restricted for use on court probation.

Defensive Driving Program

To account for revenue received from fees on court cases that are restricted for costs associated with a defensive driving program.

2016 .50% Income Tax Fund

To account for revenue received as a result of a .50% temporary income tax approved by the citizens of the City of Elyria to provide funds for resurfacing and repair of residential streets and infrastructure, additional police officers and equipment, an amount necessary to address the capital needs of the city including projects for Elyria City Parks and Recreation Department as they may be determined in accordance with the Parks Master Plan, and economic development and promotion of the City for the period of July 1, 2016 through June 30, 2021.

Indigent Drivers Interlock Monitor

Required by State law to account for the collection of fines imposed on certain alcohol offenses and disbursed for driver interlock monitors.

DEBT SERVICE FUNDS

Debt Service Funds are established to account for the accumulation of resources for, and the repayment of, general long-term debt principal and interest.

* * * * *

General Bond Retirement

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

DEBT SERVICE FUNDS (continued)

Special Assessment Bond Retirement

To account for the accumulation of resources for, and the repayment of, special assessment long-term debt principal and interest.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are established to account for financial resources to be used for the acquisition or construction of capital facilities or equipment (other than those financed by proprietary funds and trust funds).

* * * * *

Parks Improvement

To account for monies restricted for improvements to be made to City parks.

Cascade / Elywood

To account for monies restricted for improvements to be made to Cascade / Elywood Parks.

State Issue II Capital Projects

To account for monies restricted for various improvement projects approved by the Ohio Public Works Commission of the State of Ohio.

Bridge Projects

To account for monies restricted for improvements to be made to the Ford Rd. bridge.

Two Falls Trail Improvement

To account for monies restricted for improvements to be made to Two Falls Trail.

Middle Avenue Improvement

To account for monies restricted for improvements to be made to Middle Avenue.

West River Road Improvement

To account for monies restricted for improvements to be made to West River Road.

Insurance Demutualization

To account for monies received from the demutualization of the cities third-party health and life insurance carrier.

PERMANENT FUND

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

* * * * *

Cemetery Trust

To accumulate monies from cemetery lot sales. The original amounts received must be preserved intact. Interest earnings are transferred to the Cemetery Maintenance and Improvement Fund.

**City of Elyria, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016**

	Special Revenue						
	Street Construction Maintenance and Repair	State Highway	Fire Pension	Police Pension	Health Grant	Municipal Motor Vehicle Tax	Block Grant
ASSETS							
Equity in pooled cash and cash equivalents	\$ 200,642	\$ 37,898	\$ 57,404	\$ 50,072	\$	\$ 455,907	\$ 13,916
Investments							
Accounts receivable							
Rehabilitation loans receivable							1,823,223
Accrued interest receivable							
Due from other governments	827,883	67,124	27,211	27,211	45,268	72,100	
Income tax receivable							
Property tax receivable			216,970	216,970			
Other local tax receivable						71,929	
Special assessments receivable							
Tax increment financing payments receivable							
Total assets	<u>\$ 1,028,525</u>	<u>\$ 105,022</u>	<u>\$ 301,585</u>	<u>\$ 294,253</u>	<u>\$ 45,268</u>	<u>\$ 599,936</u>	<u>\$ 1,837,139</u>
LIABILITIES							
Accounts payable	\$ 25,279	\$	\$	\$	\$	\$	\$ 28,625
Contracts payable	736	30,103				48,639	
Accrued wages and benefits	35,212						8,231
Due to other funds					45,268		
Total liabilities	<u>61,227</u>	<u>30,103</u>			<u>45,268</u>	<u>48,639</u>	<u>36,856</u>
DEFERRED INFLOWS OF RESOURCES							
Property taxes			243,237	243,237			
Unavailable revenues - special assessments							
Unavailable revenues - other	573,343	46,486					
Total deferred inflows of resources	<u>573,343</u>	<u>46,486</u>	<u>243,237</u>	<u>243,237</u>			
FUND BALANCES							
Nonspendable							
Restricted	393,955	28,433	58,348	51,016			1,800,283
Committed						551,297	
Unassigned							
Total fund balances (deficit)	<u>393,955</u>	<u>28,433</u>	<u>58,348</u>	<u>51,016</u>		<u>551,297</u>	<u>1,800,283</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,028,525</u>	<u>\$ 105,022</u>	<u>\$ 301,585</u>	<u>\$ 294,253</u>	<u>\$ 45,268</u>	<u>\$ 599,936</u>	<u>\$ 1,837,139</u>

(Continued on subsequent page)

**City of Elyria, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016**

	Special Revenue						
	CHIP Grant	Chestnut Commons Tax Increment Financing	USEPA Brownfield Grant	Muni Court Technology	Muni Court Security	Muni Court Construction/Improvement	Special Parking Fines
ASSETS							
Equity in pooled cash and cash equivalents	\$	\$ 524,313	\$ 3,021	\$ 45,447	\$ 2,092	\$ 31,634	\$ 35,885
Investments							
Accounts receivable				10,520	16,202	32,417	
Rehabilitation loans receivable	2,665,658						
Accrued interest receivable							
Due from other governments							
Income tax receivable							
Property tax receivable							
Other local tax receivable							
Special assessments receivable							
Tax increment financing payments receivable		614,559					
Total assets	<u>\$ 2,665,658</u>	<u>\$ 1,138,872</u>	<u>\$ 3,021</u>	<u>\$ 55,967</u>	<u>\$ 18,294</u>	<u>\$ 64,051</u>	<u>\$ 35,885</u>
LIABILITIES							
Accounts payable	\$	\$	\$	\$	\$	\$	\$
Contracts payable	83,533			5,342			
Accrued wages and benefits	1,111			1,441	4,696		
Due to other funds							
Total liabilities	<u>84,644</u>			<u>6,783</u>	<u>4,696</u>		
DEFERRED INFLOWS OF RESOURCES							
Property taxes							
Unavailable revenues - special assessments							
Unavailable revenues - other		614,559					
Total deferred inflows of resources		<u>614,559</u>					
FUND BALANCES							
Nonspendable							
Restricted	2,581,014		3,021				
Committed		524,313		49,184	13,598	64,051	35,885
Unassigned							
Total fund balances (deficit)	<u>2,581,014</u>	<u>524,313</u>	<u>3,021</u>	<u>49,184</u>	<u>13,598</u>	<u>64,051</u>	<u>35,885</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,665,658</u>	<u>\$ 1,138,872</u>	<u>\$ 3,021</u>	<u>\$ 55,967</u>	<u>\$ 18,294</u>	<u>\$ 64,051</u>	<u>\$ 35,885</u>

(Continued on subsequent page)

City of Elyria, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016

	Special Revenue						
	Legal Research and Court Computerization	Special Court Maintenance	Muni Court Special Collections	Food Service Operations	Dental Health Grant	Household Sewage Disposal Permit Fee	Manufactured Home/Park Placement Fee
ASSETS							
Equity in pooled cash and cash equivalents	\$ 76,457	\$ 19,105	\$ 19,889	\$ 3,482	\$ 56,310	\$ 5,120	\$ 8,856
Investments							
Accounts receivable	3,140	2,067	6,335				
Rehabilitation loans receivable							
Accrued interest receivable							
Due from other governments							
Income tax receivable							
Property tax receivable							
Other local tax receivable							
Special assessments receivable							
Tax increment financing payments receivable							
Total assets	<u>\$ 79,597</u>	<u>\$ 21,172</u>	<u>\$ 26,224</u>	<u>\$ 3,482</u>	<u>\$ 56,310</u>	<u>\$ 5,120</u>	<u>\$ 8,856</u>
LIABILITIES							
Accounts payable	\$	\$	\$	\$	\$	\$	\$
Contracts payable							
Accrued wages and benefits	695		2,476				
Due to other funds							
Total liabilities	<u>695</u>		<u>2,476</u>				
DEFERRED INFLOWS OF RESOURCES							
Property taxes							
Unavailable revenues - special assessments							
Unavailable revenues - other							
Total deferred inflows of resources							
FUND BALANCES							
Nonspendable							
Restricted				3,482	56,310		
Committed	78,902	21,172	23,748			5,120	8,856
Unassigned							
Total fund balances (deficit)	<u>78,902</u>	<u>21,172</u>	<u>23,748</u>	<u>3,482</u>	<u>56,310</u>	<u>5,120</u>	<u>8,856</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 79,597</u>	<u>\$ 21,172</u>	<u>\$ 26,224</u>	<u>\$ 3,482</u>	<u>\$ 56,310</u>	<u>\$ 5,120</u>	<u>\$ 8,856</u>

(Continued on subsequent page)

**City of Elyria, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016**

	Special Revenue						
	Special Traffic Magistrate	Swimming Pool Inspection	Law Enforcement	Mandatory Drug Fine	Indigent Drivers Alcohol Treatment	Alcohol Enforcement and Education	Police Levy
ASSETS							
Equity in pooled cash and cash equivalents	\$ 643	\$ 6,755	\$ 97,799	\$ 16,345	\$ 43,639	\$ 36,712	\$ 761,760
Investments					204,163		499,529
Accounts receivable	3,848			899	2,825	264	
Rehabilitation loans receivable							
Accrued interest receivable					600		1,457
Due from other governments							
Income tax receivable							880,116
Property tax receivable							
Other local tax receivable							
Special assessments receivable							
Tax increment financing payments receivable							
Total assets	<u>\$ 4,491</u>	<u>\$ 6,755</u>	<u>\$ 97,799</u>	<u>\$ 17,244</u>	<u>\$ 251,227</u>	<u>\$ 36,976</u>	<u>\$ 2,142,862</u>
LIABILITIES							
Accounts payable	\$	\$	\$	\$	\$	\$	\$ 2,929
Contracts payable					2,958		7,347
Accrued wages and benefits	1,358						128,431
Due to other funds							
Total liabilities	<u>1,358</u>				<u>2,958</u>		<u>138,707</u>
DEFERRED INFLOWS OF RESOURCES							
Property taxes							
Unavailable revenues - special assessments							
Unavailable revenues - other							324,799
Total deferred inflows of resources							<u>324,799</u>
FUND BALANCES							
Nonspendable							
Restricted			97,799	17,244	248,269	36,976	
Committed	3,133	6,755					1,679,356
Unassigned							
Total fund balances (deficit)	<u>3,133</u>	<u>6,755</u>	<u>97,799</u>	<u>17,244</u>	<u>248,269</u>	<u>36,976</u>	<u>1,679,356</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,491</u>	<u>\$ 6,755</u>	<u>\$ 97,799</u>	<u>\$ 17,244</u>	<u>\$ 251,227</u>	<u>\$ 36,976</u>	<u>\$ 2,142,862</u>

(Continued on subsequent page)

**City of Elyria, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016**

	<u>Wagner Trust</u>	<u>Ely Park Trust</u>	<u>Findley Trust</u>	<u>Special Revenue Cemetery Maintenance and Improvement</u>	<u>Brownfield Hazardous Assessment Grant</u>	<u>Brownfield Petroleum Assessment Grant</u>	<u>Neighborhood Stabilization Program Grant</u>
ASSETS							
Equity in pooled cash and cash equivalents	\$ 446	\$ 5,332	\$ 86,597	\$ 34,888	\$ 681	\$ 3,619	\$ 57,491
Investments							
Accounts receivable							
Rehabilitation loans receivable							
Accrued interest receivable							
Due from other governments							
Income tax receivable							
Property tax receivable							
Other local tax receivable							
Special assessments receivable							
Tax increment financing payments receivable							
Total assets	<u>\$ 446</u>	<u>\$ 5,332</u>	<u>\$ 86,597</u>	<u>\$ 34,888</u>	<u>\$ 681</u>	<u>\$ 3,619</u>	<u>\$ 57,491</u>
LIABILITIES							
Accounts payable	\$	\$	\$ 1,122	\$	\$	\$	\$ 688
Contracts payable							
Accrued wages and benefits			798	727			
Due to other funds							
Total liabilities			<u>1,920</u>	<u>727</u>			<u>688</u>
DEFERRED INFLOWS OF RESOURCES							
Property taxes							
Unavailable revenues - special assessments							
Unavailable revenues - other							
Total deferred inflows of resources							
FUND BALANCES							
Nonspendable							
Restricted	446	5,332	84,677	34,161	681	3,619	56,803
Committed							
Unassigned							
Total fund balances (deficit)	<u>446</u>	<u>5,332</u>	<u>84,677</u>	<u>34,161</u>	<u>681</u>	<u>3,619</u>	<u>56,803</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 446</u>	<u>\$ 5,332</u>	<u>\$ 86,597</u>	<u>\$ 34,888</u>	<u>\$ 681</u>	<u>\$ 3,619</u>	<u>\$ 57,491</u>

(Continued on subsequent page)

City of Elyria, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016

	Special Revenue							Total Special Revenue Funds
	Neighborhood Stabilization Program 3 Grant	Coastal Management Grant	Energy Efficiency Block Grant	Special Probation	Defensive Driving Program	2016 0.50% Income Tax Fund	Indigent Driver Interlock Monitor	
ASSETS								
Equity in pooled cash and cash equivalents	\$ 2,212	\$	\$ 228	\$ 79,585	\$ 57,114	\$ 966,397	\$ 121,695	\$ 4,027,388
Investments							100,248	803,940
Accounts receivable				2,699	4,515			85,731
Rehabilitation loans receivable								4,488,881
Accrued interest receivable							293	2,350
Due from other governments								1,066,797
Income tax receivable						1,277,892		2,158,008
Property tax receivable								433,940
Other local tax receivable								71,929
Special assessments receivable								
Tax increment financing payments receivable								614,559
Total assets	<u>\$ 2,212</u>	<u>\$</u>	<u>\$ 228</u>	<u>\$ 82,284</u>	<u>\$ 61,629</u>	<u>\$ 2,244,289</u>	<u>\$ 222,236</u>	<u>\$ 13,753,523</u>
LIABILITIES								
Accounts payable	\$	\$	\$	\$	\$	\$ 4,116	\$	\$ 62,759
Contracts payable						39,812		218,470
Accrued wages and benefits				764		9,683		195,623
Due to other funds		2,500						47,768
Total liabilities		<u>2,500</u>		<u>764</u>		<u>53,611</u>		<u>524,620</u>
DEFERRED INFLOWS OF RESOURCES								
Property taxes								486,474
Unavailable revenues - special assessments								
Unavailable revenues - other						181,316		1,740,503
Total deferred inflows of resources						<u>181,316</u>		<u>2,226,977</u>
FUND BALANCES								
Nonspendable								
Restricted	2,212		228				222,236	5,786,545
Committed				81,520	61,629	2,009,362		5,217,881
Unassigned		(2,500)						(2,500)
Total fund balances (deficit)	<u>2,212</u>	<u>(2,500)</u>	<u>228</u>	<u>81,520</u>	<u>61,629</u>	<u>2,009,362</u>	<u>222,236</u>	<u>11,001,926</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,212</u>	<u>\$</u>	<u>\$ 228</u>	<u>\$ 82,284</u>	<u>\$ 61,629</u>	<u>\$ 2,244,289</u>	<u>\$ 222,236</u>	<u>\$ 13,753,523</u>

**City of Elyria, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016**

	Debt Service Fund			Capital Projects			
	General Bond Retirement	Special Assessment Bond Retirement	Total Debt Service Funds	Parks Improvement	Cascade / Elywood	State Issue II Capital Projects	Bridge Projects
ASSETS							
Equity in pooled cash and cash equivalents	\$ 304,236	\$ 15,066	\$ 319,302	\$ 10,218	\$ 1,337	\$ 5,675	\$ 42,157
Investments							
Accounts receivable							
Rehabilitation loans receivable							
Accrued interest receivable				18			
Due from other governments	199,546		199,546				
Income tax receivable							
Property tax receivable	1,694,649		1,694,649				
Other local tax receivable							
Special assessments receivable	122,903		122,903				
Tax increment financing payments receivable							
Total assets	<u>\$ 2,321,334</u>	<u>\$ 15,066</u>	<u>\$ 2,336,400</u>	<u>\$ 10,236</u>	<u>\$ 1,337</u>	<u>\$ 5,675</u>	<u>\$ 42,157</u>
LIABILITIES							
Accounts payable							
Contracts payable							
Accrued wages and benefits							
Due to other funds						372	
Total liabilities						<u>372</u>	
DEFERRED INFLOWS OF RESOURCES							
Property taxes	1,887,277		1,887,277				
Unavailable revenues - special assessments	122,903		122,903				
Unavailable revenues - other							
Total deferred inflows of resources	<u>2,010,180</u>		<u>2,010,180</u>				
FUND BALANCES							
Nonspendable							
Restricted	311,154	15,066	326,220			5,303	
Committed				10,236	1,337		42,157
Unassigned							
Total fund balances (deficit)	<u>311,154</u>	<u>15,066</u>	<u>326,220</u>	<u>10,236</u>	<u>1,337</u>	<u>5,303</u>	<u>42,157</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,321,334</u>	<u>\$ 15,066</u>	<u>\$ 2,336,400</u>	<u>\$ 10,236</u>	<u>\$ 1,337</u>	<u>\$ 5,675</u>	<u>\$ 42,157</u>

(Continued on subsequent page)

**City of Elyria, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016**

	Capital Projects			Permanent Fund	Total Nonmajor Governmental Funds
	Two Falls Trail Improvement	West River Road Improvement	Insurance Demutualization	Total Capital Projects Funds	
ASSETS					
Equity in pooled cash and cash equivalents	\$	\$ 16,940	\$ 192	\$ 76,519	\$ 4,474,081
Investments			1,283,873	1,283,873	2,579,615
Accounts receivable					85,731
Rehabilitation loans receivable					4,488,881
Accrued interest receivable			3,746	3,764	7,546
Due from other governments					1,266,343
Income tax receivable					2,158,008
Property tax receivable					2,128,589
Other local tax receivable				1,432	71,929
Special assessments receivable					122,903
Tax increment financing payments receivable					614,559
Total assets	\$	\$ 16,940	\$ 1,287,811	\$ 1,364,156	\$ 17,998,185
LIABILITIES					
Accounts payable				\$	\$ 62,759
Contracts payable			15,889	15,889	234,359
Accrued wages and benefits					195,623
Due to other funds	2,970			3,342	51,110
Total liabilities	2,970		15,889	19,231	543,851
DEFERRED INFLOWS OF RESOURCES					
Property taxes					2,373,751
Unavailable revenues - special assessments					122,903
Unavailable revenues - other					1,740,503
Total deferred inflows of resources					4,237,157
FUND BALANCES					
Nonspendable				544,106	544,106
Restricted				5,303	6,118,068
Committed		16,940	1,271,922	1,342,592	6,560,473
Unassigned	(2,970)			(2,970)	(5,470)
Total fund balances (deficit)	(2,970)	16,940	1,271,922	1,344,925	13,217,177
Total liabilities, deferred inflows of resources and fund balances	\$	\$ 16,940	\$ 1,287,811	\$ 544,106	\$ 17,998,185

City of Elyria, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2016

	Special Revenue						
	Street Construction Maintenance and Repair	State Highway	Fire Pension	Police Pension	Health Grant	Municipal Motor Vehicle Tax	
REVENUES							
Taxes:							
Property	\$	\$	\$ 214,839	\$ 214,839	\$	\$	\$
Income							
Other						890,467	
Tax increment financing payments							
Intergovernmental revenues	1,772,225	143,694	28,044	28,044	82,920		636,244
Charges for service					218,155		
Licenses and permits							
Interest earnings							
Special assessments							
Fines and forfeitures							
Contributions							
Miscellaneous revenues	2,576						
Total revenues	<u>1,774,801</u>	<u>143,694</u>	<u>242,883</u>	<u>242,883</u>	<u>301,075</u>	<u>890,467</u>	<u>636,244</u>
EXPENDITURES							
Current:							
Public safety	457,721		180,055	215,052			
Health					285,562		
Culture and recreation							
Community environment							513,789
Highways and streets	1,411,624	529,445				787	
General government							
Capital outlay						622,088	
Debt service:							
Principal retirement			43,333	21,667		430,282	
Interest and fiscal charges			10,859	5,429		40,093	
Total expenditures	<u>1,869,345</u>	<u>529,445</u>	<u>234,247</u>	<u>242,148</u>	<u>285,562</u>	<u>1,093,250</u>	<u>513,789</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(94,544)</u>	<u>(385,751)</u>	<u>8,636</u>	<u>735</u>	<u>15,513</u>	<u>(202,783)</u>	<u>122,455</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	65,000	308,000					
Transfers out							
Premiums from sale of notes / bonds							
Bond discount							
Total other financing sources (uses)	<u>65,000</u>	<u>308,000</u>					
Net change in fund balances	(29,544)	(77,751)	8,636	735	15,513	(202,783)	122,455
Fund balances (deficit) - beginning as previously reported	423,499	106,184	49,712	50,281	(15,513)	785,086	1,677,828
Prior period adjustment						(31,006)	
Fund balances (deficit) - beginning as restated	<u>423,499</u>	<u>106,184</u>	<u>49,712</u>	<u>50,281</u>	<u>(15,513)</u>	<u>754,080</u>	<u>1,677,828</u>
Fund balances (deficit) - ending	<u>\$ 393,955</u>	<u>\$ 28,433</u>	<u>\$ 58,348</u>	<u>\$ 51,016</u>	<u>\$</u>	<u>\$ 551,297</u>	<u>\$ 1,800,283</u>

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City of Elyria, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2016

	Special Revenue						
	CHIP Grant	Chestnut Commons Tax Increment Financing	USEPA Brownfield Grant	Muni Court Technology	Muni Court Security	Muni Court Construction/Improvement	Special Parking Fines
REVENUES							
Taxes:							
Property	\$	\$	\$	\$	\$	\$	\$
Income							
Other							
Tax increment financing payments		925,085					
Intergovernmental revenues	129,751			10,593			
Charges for service							
Licenses and permits							
Interest earnings							
Special assessments							
Fines and forfeitures				137,109	207,044	409,283	13,404
Contributions							
Miscellaneous revenues	118						
Total revenues	<u>129,869</u>	<u>925,085</u>		<u>147,702</u>	<u>207,044</u>	<u>409,283</u>	<u>13,404</u>
EXPENDITURES							
Current:							
Public safety							
Health							
Culture and recreation							
Community environment	48,858	1,890,122					
Highways and streets							
General government				290,495	241,613		4,445
Capital outlay							
Debt service:							
Principal retirement		220,000				258,900	
Interest and fiscal charges		95,090				147,641	
Total expenditures	<u>48,858</u>	<u>2,205,212</u>		<u>290,495</u>	<u>241,613</u>	<u>406,541</u>	<u>4,445</u>
Excess (deficiency) of revenues over (under) expenditures	<u>81,011</u>	<u>(1,280,127)</u>		<u>(142,793)</u>	<u>(34,569)</u>	<u>2,742</u>	<u>8,959</u>
OTHER FINANCING SOURCES (USES)							
Transfers in					45,000		
Transfers out							
Premiums from sale of notes / bonds							
Bond discount							
Total other financing sources (uses)					<u>45,000</u>		
Net change in fund balances	81,011	(1,280,127)		(142,793)	10,431	2,742	8,959
Fund balances (deficit) - beginning as previously reported	2,500,003	1,804,440	3,021	191,977	3,167	61,309	26,926
Prior period adjustment							
Fund balances (deficit) - beginning as restated	<u>2,500,003</u>	<u>1,804,440</u>	<u>3,021</u>	<u>191,977</u>	<u>3,167</u>	<u>61,309</u>	<u>26,926</u>
Fund balances (deficit) - ending	<u>\$ 2,581,014</u>	<u>\$ 524,313</u>	<u>\$ 3,021</u>	<u>\$ 49,184</u>	<u>\$ 13,598</u>	<u>\$ 64,051</u>	<u>\$ 35,885</u>

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City of Elyria, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2016

	Special Revenue						
	Legal Research and Court Computerization	Special Court Maintenance	Muni Court Special Collections	Food Service Operations	Dental Health Grant	Household Sewage Disposal Permit Fee	Manufactured Home/Park Placement Fee
REVENUES							
Taxes:							
Property	\$	\$	\$	\$	\$	\$	\$
Income							
Other							
Tax increment financing payments							
Intergovernmental revenues					54,369		
Charges for service							
Licenses and permits				43,926		20	1,050
Interest earnings							
Special assessments							
Fines and forfeitures	41,054	26,700	83,343				
Contributions							
Miscellaneous revenues							
Total revenues	<u>41,054</u>	<u>26,700</u>	<u>83,343</u>	<u>43,926</u>	<u>54,369</u>	<u>20</u>	<u>1,050</u>
EXPENDITURES							
Current:							
Public safety							
Health				46,801	45,582		
Culture and recreation							
Community environment							
Highways and streets							
General government	57,456	35,801	106,859				
Capital outlay							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	<u>57,456</u>	<u>35,801</u>	<u>106,859</u>	<u>46,801</u>	<u>45,582</u>		
Excess (deficiency) of revenues over (under) expenditures	<u>(16,402)</u>	<u>(9,101)</u>	<u>(23,516)</u>	<u>(2,875)</u>	<u>8,787</u>	<u>20</u>	<u>1,050</u>
OTHER FINANCING SOURCES (USES)							
Transfers in				5,500			
Transfers out			(9,500)				
Premiums from sale of notes / bonds							
Bond discount							
Total other financing sources (uses)			<u>(9,500)</u>	<u>5,500</u>			
Net change in fund balances	(16,402)	(9,101)	(33,016)	2,625	8,787	20	1,050
Fund balances (deficit) - beginning as previously reported	95,304	30,273	56,764	857	47,523	5,100	7,806
Prior period adjustment							
Fund balances (deficit) - beginning as restated	<u>95,304</u>	<u>30,273</u>	<u>56,764</u>	<u>857</u>	<u>47,523</u>	<u>5,100</u>	<u>7,806</u>
Fund balances (deficit) - ending	<u>\$ 78,902</u>	<u>\$ 21,172</u>	<u>\$ 23,748</u>	<u>\$ 3,482</u>	<u>\$ 56,310</u>	<u>\$ 5,120</u>	<u>\$ 8,856</u>

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City of Elyria, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2016

	Special Revenue						
	Special Traffic Magistrate	Swimming Pool Inspection	Law Enforcement	Mandatory Drug Fine	Indigent Drivers Alcohol Treatment	Alcohol Enforcement and Education	Police Levy
REVENUES							
Taxes:							
Property	\$	\$	\$	\$	\$	\$	\$
Income							3,724,989
Other							
Tax increment financing payments							
Intergovernmental revenues			14,707				6,760
Charges for service							
Licenses and permits		4,691					1,017
Interest earnings							
Special assessments							
Fines and forfeitures	47,943		53,719	2,114	67,155	2,904	
Contributions							30,000
Miscellaneous revenues							4,705
Total revenues	<u>47,943</u>	<u>4,691</u>	<u>68,426</u>	<u>2,114</u>	<u>67,155</u>	<u>2,904</u>	<u>3,767,471</u>
EXPENDITURES							
Current:							
Public safety			26,675				3,262,768
Health		3,499					
Culture and recreation							
Community environment							
Highways and streets							
General government	57,072				15,572		
Capital outlay							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	<u>57,072</u>	<u>3,499</u>	<u>26,675</u>	<u></u>	<u>15,572</u>	<u></u>	<u>3,262,768</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,129)</u>	<u>1,192</u>	<u>41,751</u>	<u>2,114</u>	<u>51,583</u>	<u>2,904</u>	<u>504,703</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	9,500						
Transfers out					(221,695)		
Premiums from sale of notes / bonds							
Bond discount							
Total other financing sources (uses)	<u>9,500</u>	<u></u>	<u></u>	<u></u>	<u>(221,695)</u>	<u></u>	<u></u>
Net change in fund balances	371	1,192	41,751	2,114	(170,112)	2,904	504,703
Fund balances (deficit) - beginning as previously reported	2,762	5,563	56,048	15,130	418,381	34,072	1,174,653
Prior period adjustment							
Fund balances (deficit) - beginning as restated	<u>2,762</u>	<u>5,563</u>	<u>56,048</u>	<u>15,130</u>	<u>418,381</u>	<u>34,072</u>	<u>1,174,653</u>
Fund balances (deficit) - ending	<u>\$ 3,133</u>	<u>\$ 6,755</u>	<u>\$ 97,799</u>	<u>\$ 17,244</u>	<u>\$ 248,269</u>	<u>\$ 36,976</u>	<u>\$ 1,679,356</u>

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City of Elyria, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2016

	Wagner Trust	Ely Park Trust	Findley Trust	Special Revenue Cemetery Maintenance and Improvement	Brownfield Hazardous Assessment Grant	Brownfield Petroleum Assessment Grant	Neighborhood Stabilization Program Grant	Neighborhood Stabilization Program 3 Grant
REVENUES								
Taxes:								
Property	\$	\$	\$	\$	\$	\$	\$	\$
Income								
Other								
Tax increment financing payments								
Intergovernmental revenues					4,093	3,866	22,900	15,205
Charges for service				105,053				
Licenses and permits								
Interest earnings								
Special assessments								
Fines and forfeitures								
Contributions	3,139	5,200	57,176					
Miscellaneous revenues								
Total revenues	<u>3,139</u>	<u>5,200</u>	<u>57,176</u>	<u>105,053</u>	<u>4,093</u>	<u>3,866</u>	<u>22,900</u>	<u>15,205</u>
EXPENDITURES								
Current:								
Public safety								
Health				87,487				
Culture and recreation	2,716		123,300					
Community environment					3,412	3,185	17,144	490
Highways and streets								
General government								
Capital outlay			19,733					
Debt service:								
Principal retirement								
Interest and fiscal charges								
Total expenditures	<u>2,716</u>		<u>143,033</u>	<u>87,487</u>	<u>3,412</u>	<u>3,185</u>	<u>17,144</u>	<u>490</u>
Excess (deficiency) of revenues over (under) expenditures	<u>423</u>	<u>5,200</u>	<u>(85,857)</u>	<u>17,566</u>	<u>681</u>	<u>681</u>	<u>5,756</u>	<u>14,715</u>
OTHER FINANCING SOURCES (USES)								
Transfers in				10,000				
Transfers out								
Premiums from sale of notes / bonds								
Bond discount								
Total other financing sources (uses)				<u>10,000</u>				
Net change in fund balances	423	5,200	(85,857)	27,566	681	681	5,756	14,715
Fund balances (deficit) - beginning as previously reported	23	132	170,534	6,595		2,938	51,047	(12,503)
Prior period adjustment								
Fund balances (deficit) - beginning as restated	<u>23</u>	<u>132</u>	<u>170,534</u>	<u>6,595</u>		<u>2,938</u>	<u>51,047</u>	<u>(12,503)</u>
Fund balances (deficit) - ending	<u>\$ 446</u>	<u>\$ 5,332</u>	<u>\$ 84,677</u>	<u>\$ 34,161</u>	<u>\$ 681</u>	<u>\$ 3,619</u>	<u>\$ 56,803</u>	<u>\$ 2,212</u>

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City of Elyria, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2016

	Special Revenue					
	Energy Efficiency Block Grant	Special Probation	Defensive Driving Program	2016 0.50% Income Tax Fund	Indigent Driver Interlock Monitor	Total Special Revenue
REVENUES	Coastal Management Grant					
Taxes:						
Property	\$	\$	\$	\$	\$	\$ 429,678
Income				3,177,172		6,902,161
Other						890,467
Tax increment financing payments						925,085
Intergovernmental revenues						2,953,415
Charges for service						323,208
Licenses and permits						49,687
Interest earnings					541	1,558
Special assessments						
Fines and forfeitures		42,867	69,213			1,203,852
Contributions						95,515
Miscellaneous revenues						7,399
Total revenues	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 13,782,025</u>
		42,867	69,213	3,177,172	541	
EXPENDITURES						
Current:						
Public safety				153,466		4,295,737
Health						468,931
Culture and recreation				18,171		144,187
Community environment				17,746		2,494,746
Highways and streets				12,848		1,954,704
General government		53,096	7,584	6,926		876,919
Capital outlay				958,653		1,600,474
Debt service:						
Principal retirement						974,182
Interest and fiscal charges						299,112
Total expenditures		<u>53,096</u>	<u>7,584</u>	<u>1,167,810</u>		<u>13,108,992</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(10,229)</u>	<u>61,629</u>	<u>2,009,362</u>	<u>541</u>	<u>673,033</u>
OTHER FINANCING SOURCES (USES)						
Transfers in					221,695	664,695
Transfers out		(45,000)				(276,195)
Premiums from sale of notes / bonds						
Bond discount						
Total other financing sources (uses)		<u>(45,000)</u>			<u>221,695</u>	<u>388,500</u>
Net change in fund balances		(55,229)	61,629	2,009,362	222,236	1,061,533
Fund balances (deficit) - beginning as previously reported	(2,500)	228	136,749			9,971,399
Prior period adjustment						(31,006)
Fund balances (deficit) - beginning as restated	<u>(2,500)</u>	<u>228</u>	<u>136,749</u>			<u>9,940,393</u>
Fund balances (deficit) - ending	<u>\$ (2,500)</u>	<u>\$ 228</u>	<u>\$ 81,520</u>	<u>\$ 2,009,362</u>	<u>\$ 222,236</u>	<u>\$ 11,001,926</u>

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City of Elyria, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2016

	Debt Service		Capital Projects				
	General Bond Retirement	Special Assessment Bond Retirement	Total Debt Service	Parks Improvement	Cascade / Elywood	State Issue II Capital Projects	Bridge Projects
REVENUES							
Taxes:							
Property Income	\$ 1,575,483	\$	\$ 1,575,483	\$	\$	\$	\$
Other							
Tax increment financing payments							
Intergovernmental revenues	457,907		457,907			99,769	
Charges for service							
Licenses and permits							
Interest earnings							
Special assessments		9,983	9,983				
Fines and forfeitures							
Contributions							
Miscellaneous revenues							
Total revenues	<u>2,033,390</u>	<u>9,983</u>	<u>2,043,373</u>			<u>99,769</u>	
EXPENDITURES							
Current:							
Public safety							
Health							
Culture and recreation							
Community environment							
Highways and streets							
General government	48,921		48,921				
Capital outlay						99,769	
Debt service:							
Principal retirement	1,264,490		1,264,490				
Interest and fiscal charges	<u>453,921</u>		<u>453,921</u>				
Total expenditures	<u>1,767,332</u>		<u>1,767,332</u>			<u>99,769</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>266,058</u>	<u>9,983</u>	<u>276,041</u>				
OTHER FINANCING SOURCES (USES)							
Transfers in							
Transfers out	(400,000)		(400,000)				
Premiums from sale of notes / bonds	11,538		11,538				
Bond discount							
Total other financing sources (uses)	<u>(388,462)</u>		<u>(388,462)</u>				
Net change in fund balances	(122,404)	9,983	(112,421)				
Fund balances (deficit) - beginning as previously reported	433,558	5,083	438,641	10,236	1,337	(25,703)	42,157
Prior period adjustment						31,006	
Fund balances (deficit) - beginning as restated	<u>433,558</u>	<u>5,083</u>	<u>438,641</u>	<u>10,236</u>	<u>1,337</u>	<u>5,303</u>	<u>42,157</u>
Fund balances (deficit) - ending	<u>\$ 311,154</u>	<u>\$ 15,066</u>	<u>\$ 326,220</u>	<u>\$ 10,236</u>	<u>\$ 1,337</u>	<u>\$ 5,303</u>	<u>\$ 42,157</u>

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City of Elyria, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2016

	Capital Projects				Permanent Fund	
	West River Road Improvement	Insurance Demutualization	State Rt. 57 Rehabilitation	Total Capital Projects	Cemetery Trust	Total Nonmajor Governmental Funds
REVENUES						
Taxes:						
Property	\$	\$	\$	\$	\$	\$ 2,005,161
Income						6,902,161
Other						890,467
Tax increment financing payments						925,085
Intergovernmental revenues			466,789	566,558		3,977,880
Charges for service					12,237	335,445
Licenses and permits						49,687
Interest earnings		14,749		14,749		16,307
Special assessments						9,983
Fines and forfeitures						1,203,852
Contributions						95,515
Miscellaneous revenues						7,399
Total revenues		14,749	466,789	581,307	12,237	16,418,942
EXPENDITURES						
Current:						
Public safety						4,295,737
Health						468,931
Culture and recreation						144,187
Community environment						2,494,746
Highways and streets						1,954,704
General government		63,335		63,335		989,175
Capital outlay		209,362	466,789	775,920		2,376,394
Debt service:						
Principal retirement						2,238,672
Interest and fiscal charges						753,033
Total expenditures		272,697	466,789	839,255		15,715,579
Excess (deficiency) of revenues over (under) expenditures		(257,948)		(257,948)	12,237	703,363
OTHER FINANCING SOURCES (USES)						
Transfers in						664,695
Transfers out						(676,195)
Premiums from sale of notes / bonds						11,538
Bond discount						
Total other financing sources (uses)						38
Net change in fund balances		(257,948)		(257,948)	12,237	703,401
Fund balances (deficit) - beginning as previously reported	(2,970)	16,940	1,529,870	1,571,867	531,869	12,513,776
Prior period adjustment				31,006		
Fund balances (deficit) - beginning as restated	(2,970)	16,940	1,529,870	1,602,873	531,869	12,513,776
Fund balances (deficit) - ending	\$ (2,970)	\$ 16,940	\$ 1,271,922	\$ 1,344,925	\$ 544,106	\$ 13,217,177

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
ENERGY CONSERVATION FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>ENERGY CONSERVATION FUND</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
COMMUNITY ENVIRONMENT				
Energy Conservation				
Debt service - principal retirement	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$
Total Energy Conservation	2,800,000	2,800,000	2,800,000	
TOTAL COMMUNITY ENVIRONMENT	2,800,000	2,800,000	2,800,000	
TOTAL EXPENDITURES	2,800,000	2,800,000	2,800,000	
Net change in fund balance	(2,800,000)	(2,800,000)	(2,800,000)	
OTHER FINANCING SOURCES				
Proceeds of notes	2,800,000	2,800,000	2,800,000	
TOTAL OTHER FINANCING SOURCES	2,800,000	2,800,000	2,800,000	
Net change in fund balance				
FUND BALANCE AT BEGINNING OF YEAR				
FUND BALANCE AT END OF YEAR	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Intergovernmental revenues	\$ 1,760,000	\$ 1,744,000	\$ 1,763,259	\$ 19,259
Special assessments	10,000			
Miscellaneous revenues	20,000	12,600	12,583	(17)
TOTAL REVENUES	1,790,000	1,756,600	1,775,842	19,242
EXPENDITURES				
PUBLIC SAFETY				
Traffic Lights				
Personal services	263,896	262,596	260,739	1,857
Fringe benefits	110,800	116,100	114,078	2,022
Operation and maintenance	132,200	132,200	124,617	7,583
Total Traffic Lights	506,896	510,896	499,434	11,462
TOTAL PUBLIC SAFETY	506,896	510,896	499,434	11,462
HIGHWAYS AND STREETS				
Street				
Personal services	883,452	883,452	830,430	53,022
Fringe benefits	358,582	354,582	324,964	29,618
Operation and maintenance	358,440	358,440	325,418	33,022
Total Street	1,600,474	1,596,474	1,480,812	115,662
TOTAL HIGHWAYS AND STREETS	1,600,474	1,596,474	1,480,812	115,662
TOTAL EXPENDITURES	2,107,370	2,107,370	1,980,246	127,124
Excess (deficiency) of revenues over expenditures	(317,370)	(350,770)	(204,404)	146,366
OTHER FINANCING SOURCES				
Transfers-in		155,000	65,000	(90,000)
Other financing sources		4,800	9,057	4,257
TOTAL OTHER FINANCING SOURCES		159,800	74,057	(85,743)
Net change in fund balance	(317,370)	(190,970)	(130,347)	60,623
Adjustment for prior year encumbrances	53,412	53,412	53,412	
FUND BALANCE AT BEGINNING OF YEAR	174,284	174,284	174,284	
FUND BALANCE AT END OF YEAR	\$ (89,674)	\$ 36,726	\$ 97,349	\$ 60,623

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
STATE HIGHWAY FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	STATE HIGHWAY FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Intergovernmental revenues	\$ 143,000	\$ 141,300	\$ 142,967	\$ 1,667
TOTAL REVENUES	<u>143,000</u>	<u>141,300</u>	<u>142,967</u>	<u>1,667</u>
EXPENDITURES				
HIGHWAYS AND STREETS				
State Highway				
Operation and maintenance	220,000	630,500	518,607	111,893
Total State Highway	<u>220,000</u>	<u>630,500</u>	<u>518,607</u>	<u>111,893</u>
TOTAL HIGHWAYS AND STREETS	<u>220,000</u>	<u>630,500</u>	<u>518,607</u>	<u>111,893</u>
TOTAL EXPENDITURES	<u>220,000</u>	<u>630,500</u>	<u>518,607</u>	<u>111,893</u>
Excess (deficiency) of revenues over expenditures	<u>(77,000)</u>	<u>(489,200)</u>	<u>(375,640)</u>	<u>113,560</u>
OTHER FINANCING SOURCES				
Transfers-in		418,000	308,000	(110,000)
TOTAL OTHER FINANCING SOURCES		<u>418,000</u>	<u>308,000</u>	<u>(110,000)</u>
Net change in fund balance	(77,000)	(71,200)	(67,640)	3,560
Adjustment for prior year encumbrances	15,179	15,179	15,179	
FUND BALANCE AT BEGINNING OF YEAR	<u>71,093</u>	<u>71,093</u>	<u>71,093</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 9,272</u>	<u>\$ 15,072</u>	<u>\$ 18,632</u>	<u>\$ 3,560</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
FIRE PENSION FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	FIRE PENSION FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 211,750	\$ 211,750	\$ 214,822	\$ 3,072
Intergovernmental revenues	30,000	30,000	28,044	(1,956)
TOTAL REVENUES	<u>241,750</u>	<u>241,750</u>	<u>242,866</u>	<u>1,116</u>
EXPENDITURES				
PUBLIC SAFETY				
Fire Pension				
Fringe benefits	175,000	175,000	175,000	
Operation and maintenance	5,300	5,300	5,055	245
Debt service - principal retirement	43,334	43,334	43,334	
Interest	10,859	10,859	10,859	
Total Fire Pension	<u>234,493</u>	<u>234,493</u>	<u>234,248</u>	<u>245</u>
TOTAL PUBLIC SAFETY	<u>234,493</u>	<u>234,493</u>	<u>234,248</u>	<u>245</u>
TOTAL EXPENDITURES	<u>234,493</u>	<u>234,493</u>	<u>234,248</u>	<u>245</u>
Net change in fund balance	7,257	7,257	8,618	1,361
FUND BALANCE AT BEGINNING OF YEAR	<u>48,786</u>	<u>48,786</u>	<u>48,786</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 56,043</u>	<u>\$ 56,043</u>	<u>\$ 57,404</u>	<u>\$ 1,361</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
POLICE PENSION FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	POLICE PENSION FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 211,750	\$ 211,750	\$ 214,822	\$ 3,072
Intergovernmental revenues	30,000	30,000	28,044	(1,956)
TOTAL REVENUES	241,750	241,750	242,866	1,116
EXPENDITURES				
PUBLIC SAFETY				
Police Pension				
Fringe benefits	210,000	210,000	210,000	
Operation and maintenance	5,300	5,300	5,052	248
Debt service - principal retirement	21,667	21,667	21,667	
Interest	5,430	5,430	5,429	1
Total Police Pension	242,397	242,397	242,148	249
TOTAL PUBLIC SAFETY	242,397	242,397	242,148	249
TOTAL EXPENDITURES	242,397	242,397	242,148	249
Net change in fund balance	(647)	(647)	718	1,365
FUND BALANCE AT BEGINNING OF YEAR	49,355	49,355	49,355	
FUND BALANCE AT END OF YEAR	\$ 48,708	\$ 48,708	\$ 50,073	\$ 1,365

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
HEALTH GRANT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	HEALTH GRANT FUND			
	<u>Budgeted Amounts</u>			Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Intergovernmental revenues	\$ 40,000	\$ 40,000	\$ 44,249	\$ 4,249
Charges for services	250,975	276,187	218,155	(58,032)
TOTAL REVENUES	<u>290,975</u>	<u>316,187</u>	<u>262,404</u>	<u>(53,783)</u>
EXPENDITURES				
HEALTH				
Child and Family Health Services				
Personal services	64,702	55,004	54,228	776
Fringe benefits	31,235	16,603	16,356	247
Operation and maintenance		13,471	13,350	121
Total Child and Family Health Services	<u>95,937</u>	<u>85,078</u>	<u>83,934</u>	<u>1,144</u>
Infant Mortality Program				
Personal services	61,011	94,479	92,958	1,521
Fringe benefits	29,073	34,719	33,593	1,126
Operation and maintenance	31,446	63,446	63,103	343
Total Infant Mortality Program	<u>121,530</u>	<u>192,644</u>	<u>189,654</u>	<u>2,990</u>
Community Readiness Initiative				
Personal services	7,699			
Fringe benefits	2,444			
Total Community Readiness Initiative	<u>10,143</u>			
Public Health Emergency Preparedness				
Personal services	25,483	5,983	5,751	232
Fringe benefits	6,558	1,158	1,047	111
Operation and maintenance	13,868	13,868	9,835	4,033
Total Public Health Emergency Preparedness	<u>45,909</u>	<u>21,009</u>	<u>16,633</u>	<u>4,376</u>
TOTAL HEALTH	<u>273,519</u>	<u>298,731</u>	<u>290,221</u>	<u>8,510</u>
TOTAL EXPENDITURES	<u>273,519</u>	<u>298,731</u>	<u>290,221</u>	<u>8,510</u>
Excess (deficiency) of revenues over expenditures	<u>17,456</u>	<u>17,456</u>	<u>(27,817)</u>	<u>(45,273)</u>
OTHER FINANCING SOURCES				
Transfers-in			45,268	45,268
TOTAL OTHER FINANCING SOURCES			<u>45,268</u>	<u>45,268</u>
Net change in fund balance	17,456	17,456	17,451	(5)
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	<u>(17,451)</u>	<u>(17,451)</u>	<u>(17,451)</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ (5)</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
MUNICIPAL MOTOR VEHICLE TAX FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	MUNICIPAL MOTOR VEHICLE TAX FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 863,000	\$ 863,000	\$ 886,587	\$ 23,587
TOTAL REVENUES	<u>863,000</u>	<u>863,000</u>	<u>886,587</u>	<u>23,587</u>
EXPENDITURES				
HIGHWAYS AND STREETS				
Municipal Motor Vehicle Tax				
Operation and maintenance	2,900	2,900	1,017	1,883
Capital outlay	1,039,536	1,039,536	801,674	237,862
Principal retirement	430,282	430,282	430,282	
Interest	40,094	40,094	40,093	1
Total Municipal Motor Vehicle Tax	<u>1,512,812</u>	<u>1,512,812</u>	<u>1,273,066</u>	<u>239,746</u>
TOTAL HIGHWAYS & STREETS	<u>1,512,812</u>	<u>1,512,812</u>	<u>1,273,066</u>	<u>239,746</u>
TOTAL EXPENDITURES	<u>1,512,812</u>	<u>1,512,812</u>	<u>1,273,066</u>	<u>239,746</u>
Net change in fund balance	(649,812)	(649,812)	(386,479)	263,333
Adjustment for prior year encumbrances	350,130	350,130	350,130	
FUND BALANCE AT BEGINNING OF YEAR	<u>299,682</u>	<u>299,682</u>	<u>299,682</u>	
FUND BALANCE AT END OF YEAR	<u>\$</u>	<u>\$</u>	<u>\$ 263,333</u>	<u>\$ 263,333</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
BLOCK GRANT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	BLOCK GRANT FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenues	\$ 1,023,604	\$ 1,023,604	\$ 625,336	\$ (398,268)
Miscellaneous revenues	25,500	25,500	97,056	71,556
TOTAL REVENUES	<u>1,049,104</u>	<u>1,049,104</u>	<u>722,392</u>	<u>(326,712)</u>
EXPENDITURES				
COMMUNITY ENVIRONMENT				
Administration				
Personal services	79,122	88,722	86,125	2,597
Fringe benefits	27,795	33,195	32,180	1,015
Operation and maintenance	20,756	20,756	8,471	12,285
Total Administration	<u>127,673</u>	<u>142,673</u>	<u>126,776</u>	<u>15,897</u>
Economic Development				
Operation and maintenance	91,388	91,388		91,388
Total Economic Development	<u>91,388</u>	<u>91,388</u>		<u>91,388</u>
Public Facilities				
Capital outlay	136,862	136,862	123,440	13,422
Total Public Facilities	<u>136,862</u>	<u>136,862</u>	<u>123,440</u>	<u>13,422</u>
Rehab/Operations				
Personal services	37,736	45,736	45,736	
Fringe benefits	15,275	18,875	18,472	403
Operation and maintenance	255,630	244,030	155,445	88,585
Total Rehab/Operations	<u>308,641</u>	<u>308,641</u>	<u>219,653</u>	<u>88,988</u>
Code Enforcement				
Personal services	171,116	103,116	98,140	4,976
Fringe benefits	60,904	52,904	46,823	6,081
Total Code Enforcement	<u>232,020</u>	<u>156,020</u>	<u>144,963</u>	<u>11,057</u>
Public Service				
Personal services	30,930	33,054	32,318	736
Fringe benefits	10,264	10,264	9,871	393
Operation and maintenance	71,378	69,254	58,315	10,939
Total Public Service	<u>112,572</u>	<u>112,572</u>	<u>100,504</u>	<u>12,068</u>
TOTAL COMMUNITY ENVIRONMENT	<u>1,009,156</u>	<u>948,156</u>	<u>715,336</u>	<u>232,820</u>
TOTAL EXPENDITURES	<u>1,009,156</u>	<u>948,156</u>	<u>715,336</u>	<u>232,820</u>
Excess (deficiency) of revenues over expenditures	39,948	100,948	7,056	(93,892)

(Continued on subsequent page)

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 BLOCK GRANT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2016

	BLOCK GRANT FUND			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
OTHER FINANCING (USES)				
Advances - out	(68,965)	(68,965)	(68,965)	
TOTAL OTHER FINANCING (USES)	(68,965)	(68,965)	(68,965)	
Net change in fund balance	(29,017)	31,983	(61,909)	(93,892)
Adjustment for prior year encumbrances	111,607	111,607	111,607	
FUND (DEFICIT) AT BEGINNING OF YEAR	(82,590)	(82,590)	(82,590)	
FUND BALANCE (DEFICIT) AT END OF YEAR	\$	\$ 61,000	\$ (32,892)	\$ (93,892)

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
C.H.I.P. GRANT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	C.H.I.P. GRANT FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenues	\$ 226,746	\$ 226,746	\$ 101,085	\$ (125,661)
Charges for services			119	119
Miscellaneous revenues		6,400	27,164	20,764
TOTAL REVENUES	<u>226,746</u>	<u>233,146</u>	<u>128,368</u>	<u>(104,778)</u>
EXPENDITURES				
COMMUNITY ENVIRONMENT				
Chip Grant				
Personal services	34,938	36,238	36,177	61
Fringe benefits	10,384	12,284	12,084	200
Operation and maintenance	203,000	206,200	203,642	2,558
Total Chip Grant	<u>248,322</u>	<u>254,722</u>	<u>251,903</u>	<u>2,819</u>
TOTAL COMMUNITY ENVIRONMENT	<u>248,322</u>	<u>254,722</u>	<u>251,903</u>	<u>2,819</u>
Net change in fund balance	(21,576)	(21,576)	(123,535)	(101,959)
Adjustment for prior year encumbrances	6,155	6,155	6,155	
FUND (DEFICIT) AT BEGINNING OF YEAR	<u>15,421</u>	<u>15,421</u>	<u>15,421</u>	
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$</u>	<u>\$</u>	<u>\$ (101,959)</u>	<u>\$ (101,959)</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
CHESTNUT COMMONS TAX INCREMENT FINANCING FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	CHESTNUT COMMONS TAX INCREMENT FINANCING FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 905,000	\$ 925,085	\$ 925,085	\$
TOTAL REVENUES	<u>905,000</u>	<u>925,085</u>	<u>925,085</u>	
EXPENDITURES				
COMMUNITY ENVIRONMENT				
Chestnut Commons Permanent Imp.				
Operation and maintenance	997,726	1,914,755	1,889,727	25,028
Debt service - principal retirement	220,000	220,000	220,000	
Interest	95,090	95,090	95,090	
Total Chestnut Commons Permanent Imp.	<u>1,312,816</u>	<u>2,229,845</u>	<u>2,204,817</u>	<u>25,028</u>
TOTAL COMMUNITY ENVIRONMENT	<u>1,312,816</u>	<u>2,229,845</u>	<u>2,204,817</u>	<u>25,028</u>
TOTAL EXPENDITURES	<u>1,312,816</u>	<u>2,229,845</u>	<u>2,204,817</u>	<u>25,028</u>
Net change in fund balance	(407,816)	(1,304,760)	(1,279,732)	25,028
FUND BALANCE AT BEGINNING OF YEAR	<u>1,804,045</u>	<u>1,804,045</u>	<u>1,804,045</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 1,396,229</u>	<u>\$ 499,285</u>	<u>\$ 524,313</u>	<u>\$ 25,028</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
MUNI COURT TECHNOLOGY FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	MUNI COURT TECHNOLOGY FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenues	\$		\$ 10,593	\$ 10,593
Fines and forfeitures	160,000	148,500	136,871	(11,629)
TOTAL REVENUES	<u>160,000</u>	<u>148,500</u>	<u>147,464</u>	<u>(1,036)</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Muni Court Technology				
Personal services	58,500	58,700	58,494	206
Fringe benefits	21,394	21,794	21,667	127
Operation and maintenance	243,700	253,693	240,164	13,529
Total Muni Court Technology	<u>323,594</u>	<u>334,187</u>	<u>320,325</u>	<u>13,862</u>
TOTAL GENERAL GOVERNMENT	<u>323,594</u>	<u>334,187</u>	<u>320,325</u>	<u>13,862</u>
TOTAL EXPENDITURES	<u>323,594</u>	<u>334,187</u>	<u>320,325</u>	<u>13,862</u>
Net change in fund balance	(163,594)	(185,687)	(172,861)	12,826
Adjustments for prior year encumbrances	12,372	12,372	12,372	
FUND BALANCE AT BEGINNING OF YEAR	<u>174,323</u>	<u>174,323</u>	<u>174,323</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 23,101</u>	<u>\$ 1,008</u>	<u>\$ 13,834</u>	<u>\$ 12,826</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
MUNI COURT SECURITY FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	MUNI COURT SECURITY FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$ 212,000	\$ 205,600	\$ 204,779	\$ (821)
TOTAL REVENUES	<u>212,000</u>	<u>205,600</u>	<u>204,779</u>	<u>(821)</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Muni Court Security				
Personal services	213,017	176,017	171,048	4,969
Fringe benefits	54,318	56,518	56,518	
Operation and maintenance	20,238	20,238	14,717	5,521
Total Muni Court Security	<u>287,573</u>	<u>252,773</u>	<u>242,283</u>	<u>10,490</u>
TOTAL GENERAL GOVERNMENT	<u>287,573</u>	<u>252,773</u>	<u>242,283</u>	<u>10,490</u>
TOTAL EXPENDITURES	<u>287,573</u>	<u>252,773</u>	<u>242,283</u>	<u>10,490</u>
Excess (deficiency) of revenues over expenditures	(75,573)	(47,173)	(37,504)	9,669
OTHER FINANCING SOURCES				
Transfers-in	81,923	53,523	45,000	(8,523)
TOTAL OTHER FINANCING SOURCES	<u>81,923</u>	<u>53,523</u>	<u>45,000</u>	<u>(8,523)</u>
Net change in fund balance	6,350	6,350	7,496	1,146
Adjustments for prior year encumbrances	574	574	574	
FUND BALANCE AT BEGINNING OF YEAR	<u>(6,924)</u>	<u>(6,924)</u>	<u>(6,924)</u>	
FUND BALANCE AT END OF YEAR	<u>\$</u>	<u>\$</u>	<u>\$ 1,146</u>	<u>\$ 1,146</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
MUNICIPAL COURT CONSTRUCTION / IMPROVEMENT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>MUNICIPAL COURT CONSTRUCTION / IMPROVEMENT FUND</u>			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Fines and forfeitures	\$ 489,000	\$ 376,547	\$ 408,181	\$ 31,634
TOTAL REVENUES	<u>489,000</u>	<u>376,547</u>	<u>408,181</u>	<u>31,634</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Muni Court Constr/Imp				
Debt service - principal retirement	335,000	258,900	258,900	
Interest	<u>165,500</u>	<u>147,641</u>	<u>147,641</u>	
Total Muni Court Constr/Imp	<u>500,500</u>	<u>406,541</u>	<u>406,541</u>	
TOTAL GENERAL GOVERNMENT	<u>500,500</u>	<u>406,541</u>	<u>406,541</u>	
TOTAL EXPENDITURES	<u>500,500</u>	<u>406,541</u>	<u>406,541</u>	
Net change in fund balances	(11,500)	(29,994)	1,640	31,634
FUND BALANCE AT BEGINNING OF YEAR	<u>29,994</u>	<u>29,994</u>	<u>29,994</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 18,494</u>	<u>\$</u>	<u>\$ 31,634</u>	<u>\$ 31,634</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
SPECIAL PARKING FINES FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>SPECIAL PARKING FINES FUND</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$ 1,600	\$ 13,400	\$ 13,654	\$ 254
TOTAL REVENUES	<u>1,600</u>	<u>13,400</u>	<u>13,654</u>	<u>254</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Special Parking Fines				
Operation and maintenance	1,000	1,000	190	810
Capital outlay	10,000	10,000	4,255	5,745
Total Special Parking Fines	<u>11,000</u>	<u>11,000</u>	<u>4,445</u>	<u>6,555</u>
TOTAL GENERAL GOVERNMENT	<u>11,000</u>	<u>11,000</u>	<u>4,445</u>	<u>6,555</u>
TOTAL EXPENDITURES	<u>11,000</u>	<u>11,000</u>	<u>4,445</u>	<u>6,555</u>
Net change in fund balance	(9,400)	2,400	9,209	6,809
FUND BALANCE AT BEGINNING OF YEAR	<u>26,676</u>	<u>26,676</u>	<u>26,676</u>	
FUND BALANCE AT END OF YEAR	<u><u>\$ 17,276</u></u>	<u><u>\$ 29,076</u></u>	<u><u>\$ 35,885</u></u>	<u><u>\$ 6,809</u></u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
LEGAL RESEARCH & COURT COMPUTERIZATION FUND - LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	LEGAL RESEARCH & COURT COMPUTERIZATION FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Fines and forfeitures	\$ 48,000	\$ 41,200	\$ 40,960	\$ (240)
TOTAL REVENUES	48,000	41,200	40,960	(240)
EXPENDITURES				
GENERAL GOVERNMENT				
Legal Research & Court Computerization				
Personal services	29,010	29,210	28,983	227
Fringe benefits	11,062	11,262	11,210	52
Operation and maintenance	91,450	91,050	18,486	72,564
Total Legal Research & Court Comp.	131,522	131,522	58,679	72,843
TOTAL GENERAL GOVERNMENT	131,522	131,522	58,679	72,843
TOTAL EXPENDITURES	131,522	131,522	58,679	72,843
Net change in fund balance	(83,522)	(90,322)	(17,719)	72,603
Adjustments for prior year encumbrances	5,877	5,877	5,877	
FUND BALANCE AT BEGINNING OF YEAR	87,010	87,010	87,010	
FUND BALANCE AT END OF YEAR	\$ 9,365	\$ 2,565	\$ 75,168	\$ 72,603

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
SPECIAL COURT MAINTENANCE FUND - LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	SPECIAL COURT MAINTENANCE FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Fines and forfeitures	\$ 30,000	\$ 26,800	\$ 26,647	\$ (153)
TOTAL REVENUES	<u>30,000</u>	<u>26,800</u>	<u>26,647</u>	<u>(153)</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Special Court Maintenance				
Operation and maintenance	29,400	41,400	38,281	3,119
Total Special Court Maintenance	<u>29,400</u>	<u>41,400</u>	<u>38,281</u>	<u>3,119</u>
TOTAL GENERAL GOVERNMENT	<u>29,400</u>	<u>41,400</u>	<u>38,281</u>	<u>3,119</u>
TOTAL EXPENDITURES	<u>29,400</u>	<u>41,400</u>	<u>38,281</u>	<u>3,119</u>
Net change in fund balance	600	(14,600)	(11,634)	2,966
Adjustments for prior year encumbrances	2,330	2,330	2,330	
FUND BALANCE AT BEGINNING OF YEAR	<u>28,259</u>	<u>28,259</u>	<u>28,259</u>	
FUND BALANCE AT END OF YEAR	<u><u>\$ 31,189</u></u>	<u><u>\$ 15,989</u></u>	<u><u>\$ 18,955</u></u>	<u><u>\$ 2,966</u></u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
MUNI COURT SPECIAL COLLECTIONS FUND - LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>MUNI COURT SPECIAL COLLECTIONS FUND</u>			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Fines and forfeitures	\$ 96,000	\$ 84,300	\$ 83,401	\$ (899)
TOTAL REVENUES	<u>96,000</u>	<u>84,300</u>	<u>83,401</u>	<u>(899)</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Special Collections				
Personal services	75,467	75,467	74,321	1,146
Fringe benefits	31,059	31,059	30,480	579
Operation and maintenance	2,800	2,800	1,030	1,770
Total Special Collections	<u>109,326</u>	<u>109,326</u>	<u>105,831</u>	<u>3,495</u>
TOTAL GENERAL GOVERNMENT	<u>109,326</u>	<u>109,326</u>	<u>105,831</u>	<u>3,495</u>
TOTAL EXPENDITURES	<u>109,326</u>	<u>109,326</u>	<u>105,831</u>	<u>3,495</u>
Excess (deficiency) of revenues over expenditures	(13,326)	(25,026)	(22,430)	2,596
OTHER FINANCING (USES)				
Advances out		(9,500)	(9,500)	
TOTAL OTHER FINANCING (USES)		<u>(9,500)</u>	<u>(9,500)</u>	
Net change in fund balance	(13,326)	(34,526)	(31,930)	2,596
FUND BALANCE AT BEGINNING OF YEAR	<u>51,719</u>	<u>51,719</u>	<u>51,719</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 38,393</u>	<u>\$ 17,193</u>	<u>\$ 19,789</u>	<u>\$ 2,596</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
FOOD SERVICE OPERATIONS FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	FOOD SERVICE OPERATIONS FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits	\$ 40,000	\$ 43,400	\$ 43,926	\$ 526
TOTAL REVENUES	<u>40,000</u>	<u>43,400</u>	<u>43,926</u>	<u>526</u>
EXPENDITURES				
HEALTH				
Food Service				
Personal services	34,489	34,589	34,585	4
Fringe benefits	11,948	12,273	12,225	48
Operation and maintenance	825	988	988	
Total Food Service	<u>47,262</u>	<u>47,850</u>	<u>47,798</u>	<u>52</u>
TOTAL HEALTH	<u>47,262</u>	<u>47,850</u>	<u>47,798</u>	<u>52</u>
TOTAL EXPENDITURES	<u>47,262</u>	<u>47,850</u>	<u>47,798</u>	<u>52</u>
Excess (deficiency) of revenues over expenditures	(7,262)	(4,450)	(3,872)	578
OTHER FINANCING SOURCES				
Advances- in	5,500	5,500	5,500	
TOTAL OTHER FINANCING SOURCES	<u>5,500</u>	<u>5,500</u>	<u>5,500</u>	
Net change in fund balance	(1,762)	1,050	1,628	578
FUND BALANCE AT BEGINNING OF YEAR	<u>1,854</u>	<u>1,854</u>	<u>1,854</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 92</u>	<u>\$ 2,904</u>	<u>\$ 3,482</u>	<u>\$ 578</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
DENTAL HEALTH GRANT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	DENTAL HEALTH GRANT FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 52,800	\$ 52,800	\$ 54,369	\$ 1,569
TOTAL REVENUES	<u>52,800</u>	<u>52,800</u>	<u>54,369</u>	<u>1,569</u>
EXPENDITURES				
HEALTH				
Dental Sealant Program				
Personal services	33,732	33,732	31,770	1,962
Fringe benefits	6,141	6,141	5,782	359
Operation and maintenance	23,150	23,150	8,458	14,692
Total Dental Sealant Program	<u>63,023</u>	<u>63,023</u>	<u>46,010</u>	<u>17,013</u>
TOTAL HEALTH	<u>63,023</u>	<u>63,023</u>	<u>46,010</u>	<u>17,013</u>
TOTAL EXPENDITURES	<u>63,023</u>	<u>63,023</u>	<u>46,010</u>	<u>17,013</u>
Net change in fund balance	(10,223)	(10,223)	8,359	18,582
FUND BALANCE AT BEGINNING OF YEAR	<u>47,951</u>	<u>47,951</u>	<u>47,951</u>	
FUND BALANCE AT END OF YEAR	<u><u>\$ 37,728</u></u>	<u><u>\$ 37,728</u></u>	<u><u>\$ 56,310</u></u>	<u><u>\$ 18,582</u></u>

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 HOUSEHOLD SEWAGE DISPOSAL PERMIT FEE FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2016

HOUSEHOLD SEWAGE DISPOSAL PERMIT FEE FUND			
	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>
REVENUES			
Licenses and permits	\$ _____	\$ _____	\$ 20
TOTAL REVENUES	_____	_____	20
Net change in fund balance			20
FUND BALANCE AT BEGINNING OF YEAR	5,100	5,100	5,100
FUND BALANCE AT END OF YEAR	<u>\$ 5,100</u>	<u>\$ 5,100</u>	<u>\$ 5,120</u>

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 MANUFACTURED HOME/PARK PLACEMENT FEE FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>MANUFACTURED HOME/PARK PLACEMENT FEE FUND</u>			
	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Positive (Negative)
REVENUES				
Licenses and permits	\$ _____	\$ _____	\$ 1,050	\$ 1,050
TOTAL REVENUES	_____	_____	1,050	1,050
Net change in fund balance			1,050	1,050
FUND BALANCE AT BEGINNING OF YEAR	7,806	7,806	7,806	_____
FUND BALANCE AT END OF YEAR	<u>\$ 7,806</u>	<u>\$ 7,806</u>	<u>\$ 8,856</u>	<u>\$ 1,050</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
SPECIAL TRAFFIC MAGISTRATE FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	SPECIAL TRAFFIC MAGISTRATE FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Fines and forfeitures	\$ 37,000	\$ 46,400	\$ 46,370	\$ (30)
TOTAL REVENUES	<u>37,000</u>	<u>46,400</u>	<u>46,370</u>	<u>(30)</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Special Traffic Magistrate				
Personal services	43,581	43,581	43,581	
Fringe benefits	7,931	7,931	7,931	
Operating & maintenance	6,625	6,625	5,504	1,121
Total Special Traffic Magistrate	<u>58,137</u>	<u>58,137</u>	<u>57,016</u>	<u>1,121</u>
TOTAL GENERAL GOVERNMENT	<u>58,137</u>	<u>58,137</u>	<u>57,016</u>	<u>1,121</u>
TOTAL EXPENDITURES	<u>58,137</u>	<u>58,137</u>	<u>57,016</u>	<u>1,121</u>
Excess (deficiency) of revenues over expenditures	(21,137)	(11,737)	(10,646)	1,091
OTHER FINANCING SOURCES				
Transfers- in	19,928	10,528	9,500	(1,028)
TOTAL OTHER FINANCING SOURCES	<u>19,928</u>	<u>10,528</u>	<u>9,500</u>	<u>(1,028)</u>
Net change in fund balance	(1,209)	(1,209)	(1,146)	63
Adjustments for prior year encumbrances	452	452	452	
FUND BALANCE AT BEGINNING OF YEAR	<u>758</u>	<u>758</u>	<u>758</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 64</u>	<u>\$ 63</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
SWIMMING POOL INSPECTION FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	SWIMMING POOL INSPECTION FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Licenses and permits	\$ 3,500	\$ 4,600	\$ 4,691	\$ 91
TOTAL REVENUES	<u>3,500</u>	<u>4,600</u>	<u>4,691</u>	<u>91</u>
EXPENDITURES				
HEALTH				
Swimming Pool Inspection				
Personal services	3,048	3,048	2,638	410
Fringe benefits	1,177	1,177	1,022	155
Operation and maintenance	150	150		150
Total Swimming Pool Inspection	<u>4,375</u>	<u>4,375</u>	<u>3,660</u>	<u>715</u>
TOTAL HEALTH	<u>4,375</u>	<u>4,375</u>	<u>3,660</u>	<u>715</u>
TOTAL EXPENDITURES	<u>4,375</u>	<u>4,375</u>	<u>3,660</u>	<u>715</u>
Excess (deficiency) of revenues over expenditures	(875)	225	1,031	806
FUND BALANCE AT BEGINNING OF YEAR	<u>5,724</u>	<u>5,724</u>	<u>5,724</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 4,849</u>	<u>\$ 5,949</u>	<u>\$ 6,755</u>	<u>\$ 806</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
INDIGENT DRIVER INTERLOCK MONITOR FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	INDIGENT DRIVER INTERLOCK MONITOR FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Interest earnings	\$	\$	\$ 248	\$ 248
TOTAL REVENUES			248	248
EXPENDITURES				
GENERAL GOVERNMENT				
Indigent Driver Interlock Monitor				
Operation and maintenance	66,000	66,000		66,000
Total Indigent Driver Interlock Monitor	66,000	66,000		66,000
TOTAL GENERAL GOVERNMENT	66,000	66,000		66,000
TOTAL EXPENDITURES	66,000	66,000		66,000
Excess (deficiency) of revenues over expenditures	(66,000)	(66,000)	248	66,248
OTHER FINANCING SOURCES				
Transfers - in	221,695	221,695	221,695	
TOTAL OTHER FINANCING SOURCES	221,695	221,695	221,695	
Net change in fund balance	155,695	155,695	221,943	66,248
FUND BALANCE AT BEGINNING OF YEAR				
FUND BALANCE AT END OF YEAR	\$ 155,695	\$ 155,695	\$ 221,943	\$ 66,248

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
LAW ENFORCEMENT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	LAW ENFORCEMENT FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Fines and forfeitures	\$ 40,000	\$ 65,600	\$ 68,426	\$ 2,826
TOTAL REVENUES	<u>40,000</u>	<u>65,600</u>	<u>68,426</u>	<u>2,826</u>
EXPENDITURES				
PUBLIC SAFETY				
Law Enforcement				
Operation and maintenance	<u>57,500</u>	<u>57,500</u>	<u>26,746</u>	<u>30,754</u>
Total Law Enforcement	<u>57,500</u>	<u>57,500</u>	<u>26,746</u>	<u>30,754</u>
TOTAL PUBLIC SAFETY	<u>57,500</u>	<u>57,500</u>	<u>26,746</u>	<u>30,754</u>
TOTAL EXPENDITURES	<u>57,500</u>	<u>57,500</u>	<u>26,746</u>	<u>30,754</u>
Excess (deficiency) of revenues over expenditures	(17,500)	8,100	41,680	33,580
FUND BALANCE AT BEGINNING OF YEAR	<u>56,048</u>	<u>56,048</u>	<u>56,048</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 38,548</u>	<u>\$ 64,148</u>	<u>\$ 97,728</u>	<u>\$ 33,580</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
MANDATORY DRUG FINE FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	MANDATORY DRUG FINE FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$ 8,000	\$ 1,200	\$ 1,215	\$ 15
TOTAL REVENUES	<u>8,000</u>	<u>1,200</u>	<u>1,215</u>	<u>15</u>
EXPENDITURES				
PUBLIC SAFETY				
Mandatory Drug Fine				
Operation and maintenance	<u>5,000</u>	<u>5,000</u>		<u>5,000</u>
Total Mandatory Drug Fine	<u>5,000</u>	<u>5,000</u>		<u>5,000</u>
TOTAL PUBLIC SAFETY	<u>5,000</u>	<u>5,000</u>		<u>5,000</u>
TOTAL EXPENDITURES	<u>5,000</u>	<u>5,000</u>		<u>5,000</u>
Excess (deficiency) of revenues over expenditures	3,000	(3,800)	1,215	5,015
FUND BALANCE AT BEGINNING OF YEAR	<u>15,130</u>	<u>15,130</u>	<u>15,130</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 18,130</u>	<u>\$ 11,330</u>	<u>\$ 16,345</u>	<u>\$ 5,015</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
INDIGENT DRIVERS ALCOHOL TREATMENT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	INDIGENT DRIVERS ALCOHOL TREATMENT FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Fines and forfeitures	\$ 72,000	\$ 64,000	\$ 68,566	\$ 4,566
TOTAL REVENUES	<u>72,000</u>	<u>64,000</u>	<u>68,566</u>	<u>4,566</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Indigent Drivers Alcohol Treatment				
Operation and maintenance	190,000	85,000	10,663	74,337
Total Indigent Drivers Alcohol Treatment	<u>190,000</u>	<u>85,000</u>	<u>10,663</u>	<u>74,337</u>
TOTAL GENERAL GOVERNMENT	<u>190,000</u>	<u>85,000</u>	<u>10,663</u>	<u>74,337</u>
TOTAL EXPENDITURES	<u>190,000</u>	<u>85,000</u>	<u>10,663</u>	<u>74,337</u>
Net change in fund balance	(118,000)	(21,000)	57,903	78,903
OTHER FINANCING (USES)				
Advances out		(221,695)	(221,695)	
TOTAL OTHER FINANCING (USES)		<u>(221,695)</u>	<u>(221,695)</u>	
Net change in fund balance	(118,000)	(242,695)	(163,792)	78,903
Adjustments for prior year encumbrances	2,441	2,441	2,441	
FUND BALANCE AT BEGINNING OF YEAR	<u>409,153</u>	<u>409,153</u>	<u>409,153</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 293,594</u>	<u>\$ 168,899</u>	<u>\$ 247,802</u>	<u>\$ 78,903</u>

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 ALCOHOL ENFORCEMENT AND EDUCATION FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>ALCOHOL ENFORCEMENT AND EDUCATION FUND</u>			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Fines and forfeitures	\$ 3,300	\$ 3,300	\$ 2,849	\$ (451)
TOTAL REVENUES	<u>3,300</u>	<u>3,300</u>	<u>2,849</u>	<u>(451)</u>
Net change in fund balance	3,300	3,300	2,849	(451)
FUND BALANCE AT BEGINNING OF YEAR	<u>33,863</u>	<u>33,863</u>	<u>33,863</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 37,163</u>	<u>\$ 37,163</u>	<u>\$ 36,712</u>	<u>\$ (451)</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
POLICE LEVY FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	POLICE LEVY FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 3,275,725	\$ 3,635,600	\$ 3,712,748	\$ 77,148
Intergovernmental revenues		6,240	6,240	
Interest earnings			1,271	1,271
Miscellaneous revenues	43,000	97,300	97,333	33
TOTAL REVENUES	3,318,725	3,739,140	3,817,592	78,452
EXPENDITURES				
PUBLIC SAFETY				
Police Levy				
Personal services	2,113,082	2,203,082	2,197,553	5,529
Fringe benefits	882,044	818,044	807,813	10,231
Operation and maintenance	513,619	487,619	466,206	21,413
Capital outlay	100,000	100,000	74,868	25,132
Total Police Levy	3,608,745	3,608,745	3,546,440	62,305
TOTAL PUBLIC SAFETY	3,608,745	3,608,745	3,546,440	62,305
TOTAL EXPENDITURES	3,608,745	3,608,745	3,546,440	62,305
Excess (deficiency) of revenues over expenditures	(290,020)	130,395	271,152	140,757
OTHER FINANCING SOURCES				
Other financing sources		108,100	119,478	11,378
TOTAL OTHER FINANCING SOURCES		108,100	119,478	11,378
Net change in fund balance	(290,020)	238,495	390,630	152,135
Adjustment for prior year encumbrances	70,344	70,344	70,344	
FUND BALANCE AT BEGINNING OF YEAR	686,864	686,864	686,864	
FUND BALANCE AT END OF YEAR	\$ 467,188	\$ 995,703	\$ 1,147,838	\$ 152,135

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
WAGNER TRUST FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	WAGNER TRUST FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Contributions	\$ 3,200	\$ 3,200	\$ 3,139	\$ (61)
TOTAL REVENUES	<u>3,200</u>	<u>3,200</u>	<u>3,139</u>	<u>(61)</u>
EXPENDITURES				
CULTURE AND RECREATION				
Wagner Trust				
Operating and maintenance	<u>3,223</u>	<u>3,223</u>	<u>2,716</u>	<u>507</u>
Total Wagner Trust	<u>3,223</u>	<u>3,223</u>	<u>2,716</u>	<u>507</u>
TOTAL CULTURE AND RECREATION	<u>3,223</u>	<u>3,223</u>	<u>2,716</u>	<u>507</u>
TOTAL EXPENDITURES	<u>3,223</u>	<u>3,223</u>	<u>2,716</u>	<u>507</u>
Net change in fund balance	(23)	(23)	423	446
FUND BALANCE AT BEGINNING OF YEAR	<u>23</u>	<u>23</u>	<u>23</u>	
FUND BALANCE AT END OF YEAR	<u>\$</u>	<u>\$</u>	<u>\$ 446</u>	<u>\$ 446</u>

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 ELY PARK TRUST FUND - LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2016

ELY PARK TRUST FUND				
	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Contributions	\$	\$	5,200	5,200
TOTAL REVENUES			5,200	5,200
Net change in fund balance			5,200	5,200
FUND BALANCE AT BEGINNING OF YEAR	132	132	132	
FUND BALANCE AT END OF YEAR	<u>\$ 132</u>	<u>\$ 132</u>	<u>\$ 5,332</u>	<u>\$ 5,200</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
FINDLEY TRUST FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	FINDLEY TRUST FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Contributions	\$ 58,000	\$ 58,000	\$ 57,176	\$ (824)
TOTAL REVENUES	<u>58,000</u>	<u>58,000</u>	<u>57,176</u>	<u>(824)</u>
EXPENDITURES				
CULTURE AND RECREATION				
Findley Trust				
Personal services	81,453	41,453	37,255	4,198
Fringe benefits	31,356	18,656	17,333	1,323
Operation and maintenance	87,070	87,070	70,566	16,504
Capital outlay	19,734	19,734	19,734	
Total Findley Trust	<u>219,613</u>	<u>166,913</u>	<u>144,888</u>	<u>22,025</u>
TOTAL CULTURE AND RECREATION	<u>219,613</u>	<u>166,913</u>	<u>144,888</u>	<u>22,025</u>
TOTAL EXPENDITURES	<u>219,613</u>	<u>166,913</u>	<u>144,888</u>	<u>22,025</u>
Net change in fund balance	(161,613)	(108,913)	(87,712)	21,201
Adjustment for prior year encumbrances	7,837	7,837	7,837	
FUND BALANCE AT BEGINNING OF YEAR	<u>163,736</u>	<u>163,736</u>	<u>163,736</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 9,960</u>	<u>\$ 62,660</u>	<u>\$ 83,861</u>	<u>\$ 21,201</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
CEMETERY MAINTENANCE AND IMPROVEMENT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

CEMETERY MAINTENANCE AND IMPROVEMENT FUND				
	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
REVENUES				
Charges for services	\$ 77,000	\$ 90,700	\$ 105,053	\$ 14,353
TOTAL REVENUES	77,000	90,700	105,053	14,353
EXPENDITURES				
HEALTH				
Cemetery Maintenance and Improvement				
Personal services	23,210	25,510	25,161	349
Fringe benefits	8,371	8,991	8,877	114
Operation and maintenance	61,025	58,105	54,662	3,443
Total Cemetery Maintenance and Improvement	92,606	92,606	88,700	3,906
TOTAL HEALTH	92,606	92,606	88,700	3,906
TOTAL EXPENDITURES	92,606	92,606	88,700	3,906
Excess (deficiency) of revenues over expenditures	(15,606)	(1,906)	16,353	18,259
OTHER FINANCING SOURCES				
Transfer-in	10,000	10,000	10,000	
TOTAL OTHER FINANCING SOURCES	10,000	10,000	10,000	
Net change in fund balance	(5,606)	8,094	26,353	18,259
Adjustment for prior year encumbrances	1,356	1,356	1,356	
FUND BALANCE AT BEGINNING OF YEAR	5,942	5,942	5,942	
FUND BALANCE AT END OF YEAR	\$ 1,692	\$ 15,392	\$ 33,651	\$ 18,259

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
BROWNFIELD HAZARDOUS ASSESSMENT GRANT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	BROWNFIELD HAZARDOUS ASSESSMENT GRANT FUND			
	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
REVENUES				
Intergovernmental revenues	\$ 200,000	\$ 200,000	\$ 4,093	\$ (195,907)
TOTAL REVENUES	<u>200,000</u>	<u>200,000</u>	<u>4,093</u>	<u>(195,907)</u>
EXPENDITURES				
COMMUNITY ENVIRONMENT				
Brownfield Hazardous Assessment Grant				
Operation and maintenance	<u>200,000</u>	<u>200,000</u>	<u>125,600</u>	<u>74,400</u>
Total Brownfield Hazardous Assessment Grant	<u>200,000</u>	<u>200,000</u>	<u>125,600</u>	<u>74,400</u>
TOTAL COMMUNITY ENVIRONMENT	<u>200,000</u>	<u>200,000</u>	<u>125,600</u>	<u>74,400</u>
Net change in fund balance			(121,507)	(121,507)
FUND BALANCE AT BEGINNING OF YEAR	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND BALANCE AT END OF YEAR	<u>\$</u>	<u>\$</u>	<u>\$ (121,507)</u>	<u>\$ (121,507)</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
BROWNFIELD PETROLEUM ASSESSMENT GRANT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	BROWNFIELD PETROLEUM ASSESSMENT GRANT FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenues	\$ 200,000	\$ 200,000	\$ 3,866	\$ (196,134)
TOTAL REVENUES	<u>200,000</u>	<u>200,000</u>	<u>3,866</u>	<u>(196,134)</u>
EXPENDITURES				
COMMUNITY ENVIRONMENT				
Brownfield Petro Assessment Grant				
Operation and maintenance	<u>200,000</u>	<u>200,000</u>	<u>125,000</u>	<u>75,000</u>
Total Brownfield Petro Assessment Grant	<u>200,000</u>	<u>200,000</u>	<u>125,000</u>	<u>75,000</u>
TOTAL COMMUNITY ENVIRONMENT	<u>200,000</u>	<u>200,000</u>	<u>125,000</u>	<u>75,000</u>
Net change in fund balance			(121,134)	(121,134)
FUND BALANCE AT BEGINNING OF YEAR	<u>2,938</u>	<u>2,938</u>	<u>2,938</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 2,938</u>	<u>\$ 2,938</u>	<u>\$ (118,196)</u>	<u>\$ (121,134)</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
NEIGHBORHOOD STABILIZATION PROGRAM GRANT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	NEIGHBORHOOD STABILIZATION PROGRAM GRANT FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenues	\$ 45,611	\$ 45,611	\$ 41,789	\$ (3,822)
Miscellaneous revenues			509	509
TOTAL REVENUES	<u>45,611</u>	<u>45,611</u>	<u>42,298</u>	<u>(3,313)</u>
EXPENDITURES				
COMMUNITY ENVIRONMENT				
Neighborhood Stability				
Personal services	5,281	81	55	26
Fringe benefits	2,714	214	51	163
Total Neighborhood Stability	<u>7,995</u>	<u>295</u>	<u>106</u>	<u>189</u>
Neighborhood Stabilization - Rehab				
Operation and maintenance		13,244	11,130	2,114
Total Neighborhood Stabilization - Rehab		<u>13,244</u>	<u>11,130</u>	<u>2,114</u>
Neighborhood Stabilization - Demolition				
Operation and maintenance	52,940	39,696	1,903	37,793
Total Neighborhood Stabilization - Demolition	<u>52,940</u>	<u>39,696</u>	<u>1,903</u>	<u>37,793</u>
Neighborhood Stabilization - Land Bank				
Operation and maintenance	16,857	16,857	5,657	11,200
Total Neighborhood Stabilization - Land Bank	<u>16,857</u>	<u>16,857</u>	<u>5,657</u>	<u>11,200</u>
TOTAL COMMUNITY ENVIRONMENT	<u>77,792</u>	<u>70,092</u>	<u>18,796</u>	<u>51,296</u>

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CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
NEIGHBORHOOD STABILIZATION PROGRAM GRANT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>NEIGHBORHOOD STABILIZATION PROGRAM GRANT FUND</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
TOTAL EXPENDITURES	<u>77,792</u>	<u>70,092</u>	<u>18,796</u>	<u>51,296</u>
Net change in fund balance	(32,181)	(24,481)	23,502	47,983
Adjustment for prior year encumbrances	2,591	2,591	2,591	
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	<u>29,590</u>	<u>29,590</u>	<u>29,590</u>	
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$ -</u>	<u>\$ 7,700</u>	<u>\$ 55,683</u>	<u>\$ 47,983</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
NEIGHBORHOOD STABILIZATION PROGRAM 3 GRANT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>NEIGHBORHOOD STABILIZATION PROGRAM 3 GRANT FUND</u>			
	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Miscellaneous revenues	\$ 14,310	\$ 14,310	\$ 15,205	\$ 895
TOTAL REVENUES	<u>14,310</u>	<u>14,310</u>	<u>15,205</u>	<u>895</u>
EXPENDITURES				
COMMUNITY ENVIRONMENT				
NSP 3 - Demolition				
Operation and maintenance	14,310	1,806	490	1,316
Total NSP 3 - Demolition	<u>14,310</u>	<u>1,806</u>	<u>490</u>	<u>1,316</u>
TOTAL COMMUNITY ENVIRONMENT	<u>14,310</u>	<u>1,806</u>	<u>490</u>	<u>1,316</u>
TOTAL EXPENDITURES	<u>14,310</u>	<u>1,806</u>	<u>490</u>	<u>1,316</u>
Excess (deficiency) of revenues over expenditures		12,504	14,715	2,211
OTHER FINANCING USES				
Advances out		(12,504)	(12,504)	
TOTAL OTHER FINANCING (USES)		<u>(12,504)</u>	<u>(12,504)</u>	
Net change in fund balance			2,211	2,211
FUND BALANCE AT BEGINNING OF YEAR	<u>1</u>	<u>1</u>	<u>1</u>	
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 2,212</u>	<u>\$ 2,211</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
SPECIAL PROBATION FUND - LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	SPECIAL PROBATION FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$ 46,000	\$ 43,600	\$ 43,504	\$ (96)
TOTAL REVENUES	<u>46,000</u>	<u>43,600</u>	<u>43,504</u>	<u>(96)</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Special Probation				
Personal services	49,731	27,731	24,025	3,706
Fringe benefits	14,351	12,351	10,712	1,639
Operating & maintenance	39,150	39,150	19,175	19,975
Total Special Probation	<u>103,232</u>	<u>79,232</u>	<u>53,912</u>	<u>25,320</u>
TOTAL GENERAL GOVERNMENT	<u>103,232</u>	<u>79,232</u>	<u>53,912</u>	<u>25,320</u>
TOTAL EXPENDITURES	<u>103,232</u>	<u>79,232</u>	<u>53,912</u>	<u>25,320</u>
Excess (deficiency) of revenues over expenditures	(57,232)	(35,632)	(10,408)	25,224
OTHER FINANCING (USES)				
Advances - out		(45,000)	(45,000)	
TOTAL OTHER FINANCING (USES)		<u>(45,000)</u>	<u>(45,000)</u>	
Net change in fund balance	(57,232)	(80,632)	(55,408)	25,224
FUND BALANCE AT BEGINNING OF YEAR	<u>134,709</u>	<u>134,709</u>	<u>134,709</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 77,477</u>	<u>\$ 54,077</u>	<u>\$ 79,301</u>	<u>\$ 25,224</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
DEFENSIVE DRIVING FUND - LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	DEFENSIVE DRIVING FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$ 60,000	\$ 60,000	\$ 58,810	\$ (1,190)
TOTAL REVENUES	<u>60,000</u>	<u>60,000</u>	<u>58,810</u>	<u>(1,190)</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Defensive Driving				
Personal services	750	5,550	3,505	2,045
Fringe benefits	351	1,705	1,452	253
Operating & maintenance	<u>2,975</u>	<u>2,975</u>	<u>2,849</u>	<u>126</u>
Total Defensive Driving	<u>4,076</u>	<u>10,230</u>	<u>7,806</u>	<u>2,424</u>
TOTAL GENERAL GOVERNMENT	<u>4,076</u>	<u>10,230</u>	<u>7,806</u>	<u>2,424</u>
TOTAL EXPENDITURES	<u>4,076</u>	<u>10,230</u>	<u>7,806</u>	<u>2,424</u>
Net change in fund balance	55,924	49,770	51,004	1,234
FUND BALANCE AT BEGINNING OF YEAR	<u>5,888</u>	<u>5,888</u>	<u>5,888</u>	
FUND BALANCE AT END OF YEAR	<u><u>\$ 61,812</u></u>	<u><u>\$ 55,658</u></u>	<u><u>\$ 56,892</u></u>	<u><u>\$ 1,234</u></u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
2016 .50% INCOME TAX FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016 .50% INCOME TAX FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 2,047,000	\$ 2,047,000	\$ 2,080,596	\$ 33,596
TOTAL REVENUES	<u>2,047,000</u>	<u>2,047,000</u>	<u>2,080,596</u>	<u>33,596</u>
EXPENDITURES				
PUBLIC SAFETY				
2016 .50% INCOME TAX POLICE				
Personal services	128,240	128,240	80,136	48,104
Fringe benefits	66,760	66,760	38,386	28,374
Operation and maintenance	25,000	25,000	15,299	9,701
Capital outlay	530,000	530,000	529,867	133
Total 2016 .50% INCOME TAX POLICE	<u>750,000</u>	<u>750,000</u>	<u>663,688</u>	<u>86,312</u>
TOTAL PUBLIC SAFETY	<u>750,000</u>	<u>750,000</u>	<u>663,688</u>	<u>86,312</u>
CULTURE AND RECREATION				
2016 .50% INCOME TAX PARKS & REC				
Operation and maintenance	18,000	18,000	14,617	3,383
Capital outlay	250,000	250,000	159,048	90,952
Total 2016 .50% INCOME TAX PARKS & REC	<u>268,000</u>	<u>268,000</u>	<u>173,665</u>	<u>94,335</u>
TOTAL CULTURE AND RECREATION	<u>268,000</u>	<u>268,000</u>	<u>173,665</u>	<u>94,335</u>
COMMUNITY ENVIRONMENT				
2016 .50% INCOME TAX CAPITAL NEEDS				
Operation and maintenance	7,000	7,000	5,571	1,429
Total 2016 .50% INCOME TAX CAPITAL NEEDS	<u>7,000</u>	<u>7,000</u>	<u>5,571</u>	<u>1,429</u>
TOTAL COMMUNITY ENVIRONMENT	<u>7,000</u>	<u>7,000</u>	<u>5,571</u>	<u>1,429</u>
HIGHWAYS AND STREETS				
2016 .50% INCOME TAX STREET REPAIR				
Operation and maintenance	12,000	12,000	10,334	1,666
Capital outlay	1,000,000	1,000,000	554,928	445,072
Total 2016 .50% INCOME TAX STREET REPAIR	<u>1,012,000</u>	<u>1,012,000</u>	<u>565,262</u>	<u>446,738</u>
TOTAL HIGHWAYS AND STREETS	<u>1,012,000</u>	<u>1,012,000</u>	<u>565,262</u>	<u>446,738</u>

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CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 2016 .50% INCOME TAX FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>2016 .50% INCOME TAX FUND</u>			Variance with Final Budget Positive <u>(Negative)</u>
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
GENERAL GOVERNMENT				
2016 .50% INCOME TAX ECONOMIC DEVELOPMENT				
Operation and maintenance	17,000	17,000	14,275	2,725
Total 2016 .50% INCOME TAX ECONOMIC DEVELOPMENT	<u>17,000</u>	<u>17,000</u>	<u>14,275</u>	<u>2,725</u>
TOTAL GENERAL GOVERNMENT	<u>17,000</u>	<u>17,000</u>	<u>14,275</u>	<u>2,725</u>
TOTAL EXPENDITURES	<u>2,054,000</u>	<u>2,054,000</u>	<u>1,422,461</u>	<u>631,539</u>
Net change in fund balance	(7,000)	(7,000)	658,135	665,135
FUND BALANCE AT BEGINNING OF YEAR				
FUND BALANCE AT END OF YEAR	<u>\$ (7,000)</u>	<u>\$ (7,000)</u>	<u>\$ 658,135</u>	<u>\$ 665,135</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
GENERAL BOND RETIREMENT FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL BOND RETIREMENT FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 1,556,000	\$ 1,575,300	\$ 1,575,360	\$ 60
Intergovernmental revenues	242,700	457,700	457,907	207
Miscellaneous revenues			94	94
TOTAL REVENUES	1,798,700	2,033,000	2,033,361	361
EXPENDITURES				
DEBT SERVICE				
General Bond Retirement				
Operation and maintenance	72,000	57,000	49,015	7,985
Principal retirement	1,589,023	1,664,490	1,664,490	
Interest	436,281	453,921	453,921	
Total General Bond Retirement	2,097,304	2,175,411	2,167,426	7,985
TOTAL DEBT SERVICE	2,097,304	2,175,411	2,167,426	7,985
TOTAL EXPENDITURES	2,097,304	2,175,411	2,167,426	7,985
Excess (deficiency) of revenues over expenditures	(298,604)	(142,411)	(134,065)	8,346
OTHER FINANCING SOURCES				
Premium of note sale			11,538	11,538
TOTAL OTHER FINANCING SOURCES			11,538	11,538
Net change in fund balance	(298,604)	(142,411)	(122,527)	19,884
FUND BALANCE AT BEGINNING OF YEAR	426,763	426,763	426,763	
FUND BALANCE AT END OF YEAR	\$ 128,159	\$ 284,352	\$ 304,236	\$ 19,884

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 SPECIAL ASSESSMENT BOND RETIREMENT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2016

	SPECIAL ASSESSMENT BOND RETIREMENT FUND			
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
REVENUES				
Special assessments	\$	\$ 9,900	\$ 9,983	\$ 83
TOTAL REVENUES		9,900	9,983	83
Net change in fund balance		9,900	9,983	83
FUND BALANCE AT BEGINNING OF YEAR	5,083	5,083	5,083	
FUND BALANCE AT END OF YEAR	\$ 5,083	\$ 14,983	\$ 15,066	\$ 83

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 PARKS IMPROVEMENT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2016

PARKS IMPROVEMENT FUND				
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
FUND BALANCE AT BEGINNING OF YEAR	\$ 10,218	\$ 10,218	\$ 10,218	\$
FUND BALANCE AT END OF YEAR	\$ 10,218	\$ 10,218	\$ 10,218	\$

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 CASCADE/ELYWOOD FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2016

CASCADE/ELYWOOD FUND				
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
FUND BALANCE AT BEGINNING OF YEAR	\$ 1,337	\$ 1,337	\$ 1,337	\$
FUND BALANCE AT END OF YEAR	\$ 1,337	\$ 1,337	\$ 1,337	\$

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
STATE ISSUE II CAPITAL PROJECTS FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	STATE ISSUE II CAPITAL PROJECTS FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$	\$ 739,474	\$ 510,780	\$ (228,694)
TOTAL REVENUES		739,474	510,780	(228,694)
EXPENDITURES				
HIGHWAYS AND STREETS				
Middle Avenue Improvement				
Capital outlay	292,898	292,898	114,730	
Total Middle Avenue Improvement	292,898	292,898	114,730	
Tremont Street Improvement				
Capital outlay		119,288	99,769	19,519
Total Tremont Street Improvement		119,288	99,769	19,519
Lake Ave. Improvement				
Capital outlay	327,288	327,288	296,281	31,007
Total Lake Ave. Improvement	327,288	327,288	296,281	31,007
TOTAL HIGHWAYS AND STREETS	620,186	739,474	510,780	228,694
TOTAL EXPENDITURES	620,186	739,474	510,780	228,694
Net change in fund balance	(620,186)			
Adjustment for prior year encumbrances	314,939	314,939	314,939	
FUND (DEFICIT) AT BEGINNING OF YEAR	(292,323)	(292,323)	(292,323)	
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ (597,570)	\$ 22,616	\$ 22,616	\$

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 BRIDGE PROJECTS FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2016

BRIDGE PROJECTS FUND				
	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
FUND BALANCE AT BEGINNING OF YEAR	\$ 42,157	\$ 42,157	\$ 42,157	\$
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$ 42,157</u>	<u>\$ 42,157</u>	<u>\$ 42,157</u>	<u>\$</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
INSURANCE DEMUTUALIZATION FUND - LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>INSURANCE DEMUTUALIZATION FUND</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Interest earnings	\$ _____	\$ _____	\$ 15,809	\$ 15,809
TOTAL REVENUES	_____	_____	15,809	15,809
EXPENDITURES				
COMMUNITY ENVIRONMENT				
Capital outlay	1,513,314	1,513,314	410,323	1,102,991
Total	1,513,314	1,513,314	410,323	1,102,991
TOTAL COMMUNITY ENVIRONMENT	1,513,314	1,513,314	410,323	1,102,991
TOTAL EXPENDITURES	1,513,314	1,513,314	410,323	1,102,991
Net change in fund balance	(1,513,314)	(1,513,314)	(394,514)	1,118,800
Adjustment for prior year encumbrances	585,689	585,689	585,689	
FUND BALANCE AT BEGINNING OF YEAR	944,181	944,181	944,181	
FUND BALANCE AT END OF YEAR	<u>\$ 16,556</u>	<u>\$ 16,556</u>	<u>\$ 1,135,356</u>	<u>\$ 1,118,800</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
STATE ROUTE 57 REHABILITATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

STATE ROUTE 57 REHABILITATION FUND				
	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenues	\$ 995,181	\$ 995,181	\$ 466,789	\$ (528,392)
TOTAL REVENUES	995,181	995,181	466,789	(528,392)
EXPENDITURES				
COMMUNITY ENVIRONMENT				
State Route 57 Rehabilitation				
Capital outlay	995,181	995,181	466,789	528,392
Total State Route 57 Rehabilitation	995,181	995,181	466,789	528,392
TOTAL COMMUNITY ENVIRONMENT	995,181	995,181	466,789	528,392
TOTAL EXPENDITURES	995,181	995,181	466,789	528,392
Excess (deficiency) of revenues over expenditures				
FUND BALANCE AT BEGINNING OF YEAR				
FUND BALANCE (DEFICIT) AT END OF YEAR	\$	\$	\$	\$

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
CEMETERY TRUST FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

CEMETERY TRUST FUND			
	<u>Budgeted Amounts</u>		Variance
	<u>Original</u>	<u>Final</u>	with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ _____	\$ _____	\$ 12,237
TOTAL REVENUES	_____	_____	12,237
Net change in fund balance			12,237
FUND BALANCE AT BEGINNING OF YEAR	525,675	525,675	525,675
FUND BALANCE AT END OF YEAR	\$ 525,675	\$ 525,675	\$ 537,912

PROPRIETARY FUNDS

Proprietary Funds are established to account for operations that are financed and operated in a manner similar to private sector businesses where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

* * * * *

Water

To account for the operations of the City's water utility.

Special Parks and Recreation

To account for the operations of the concession stands and athletic programs in the various City parks.

Sanitation

To account for the operations of the City's rubbish and garbage collection operations.

Wastewater Pollution Control

To account for the operations and improvement of the City's wastewater treatment plant and sanitary sewer system.

Storm Water

To account for the operations and improvement of the City's storm water collection and removal system.

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
WATER FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	WATER FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for service	\$ 12,704,000	\$ 11,844,300	\$ 12,184,137	\$ 339,837
Licenses and permits	800	800	1,030	230
Special assessments			1,356	1,356
Fines and forfeitures	30,000	30,000	55,095	25,095
Miscellaneous revenues	60,000	60,000	95,387	35,387
TOTAL REVENUES	12,794,800	11,935,100	12,337,005	401,905
EXPENSES				
Public Utility Services				
Personal services	853,558	853,558	850,325	3,233
Fringe benefits	397,777	397,777	395,389	2,388
Operation and maintenance	478,268	478,268	371,632	106,636
Capital outlay	32,000	32,000	20,934	11,066
Total Public Utilities	1,761,603	1,761,603	1,638,280	123,323
Water Pumping				
Personal services	1,284,655	1,317,655	1,310,539	7,116
Fringe benefits	531,830	543,530	539,842	3,688
Operation and maintenance	2,316,662	2,271,962	2,056,352	215,610
Capital outlay	491,678	491,678	341,922	149,756
Total Water Pumping	4,624,825	4,624,825	4,248,655	376,170
Water Distribution				
Personal services	767,725	748,425	727,956	20,469
Fringe benefits	266,829	288,429	287,128	1,301
Operation and maintenance	479,352	477,052	442,162	34,890
Capital outlay	226,958	407,566	407,566	
Total Water Distribution	1,740,864	1,921,472	1,864,812	56,660
Water Miscellaneous				
Personal services	691,200	561,200	531,129	30,071
Fringe benefits	238,015	200,915	193,823	7,092
Operation and maintenance	1,843,078	843,078	357,219	485,859
Capital outlay	11,801,103	4,001,103	3,774,845	226,258
Debt service:				
Principal retirement	953,309	953,309	953,309	
Interest	872,728	872,728	831,524	41,204
Reimbursements	850,000	850,000	705,839	144,161
Total Water Miscellaneous	17,249,433	8,282,333	7,347,688	934,645
Water Capital				
Capital outlay	2,216,556	2,216,556	2,169,981	46,575
Total Water Capital	2,216,556	2,216,556	2,169,981	46,575
TOTAL EXPENSES	27,593,281	18,806,789	17,269,416	1,537,373
Operating loss	(14,798,481)	(6,871,689)	(4,932,411)	1,939,278

(Continued on subsequent page)

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 WATER FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2016

	WATER FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
NONOPERATING REVENUES				
Other sources	700,000	700,000	966,020	266,020
TOTAL NONOPERATING REVENUES	<u>700,000</u>	<u>700,000</u>	<u>966,020</u>	<u>266,020</u>
Net change in fund equity	(14,098,481)	(6,171,689)	(3,966,391)	2,205,298
Adjustments for prior year encumbrances	1,365,051	1,365,051	1,365,051	
FUND EQUITY AT BEGINNING OF YEAR	<u>11,872,617</u>	<u>11,872,617</u>	<u>11,872,617</u>	
FUND EQUITY AT END OF YEAR	<u>\$ (860,813)</u>	<u>\$ 7,065,979</u>	<u>\$ 9,271,277</u>	<u>\$ 2,205,298</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
SPECIAL PARKS AND RECREATION FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	SPECIAL PARKS AND RECREATION FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for service	\$ 225,000	\$ 225,000	\$ 244,567	\$ 19,567
Miscellaneous revenues	135,000	95,000	105,078	10,078
TOTAL REVENUES	360,000	320,000	349,645	29,645
EXPENSES				
Special Parks and Recreation				
Personal services	184,616	169,616	166,338	3,278
Fringe benefits	62,678	54,678	52,647	2,031
Operation and maintenance	208,800	208,800	162,711	46,089
Capital outlay	16,000	16,000	15,665	335
Total Special Parks and Recreation	472,094	449,094	397,361	51,733
TOTAL EXPENSES	472,094	449,094	397,361	51,733
Net change in fund equity	(112,094)	(129,094)	(47,716)	81,378
Adjustments for prior year encumbrances	15,277	15,277	15,277	
FUND EQUITY AT BEGINNING OF YEAR	127,675	127,675	127,675	
FUND EQUITY AT END OF YEAR	\$ 30,858	\$ 13,858	\$ 95,236	\$ 81,378

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
SANITATION FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	SANITATION FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 55,000	\$ 55,000	\$ 61,163	\$ 6,163
Charges for services	4,500,000	4,500,000	4,501,665	1,665
Interest earnings			101	101
Miscellaneous revenues			4,500	4,500
TOTAL REVENUES	4,555,000	4,555,000	4,567,429	12,429
EXPENSES				
Recycling				
Operation and maintenance	142,859	142,859	92,626	50,233
Total Recycling	142,859	142,859	92,626	50,233
Sanitation				
Personal services	1,253,048	1,553,048	1,545,880	7,168
Fringe benefits	642,191	691,291	687,564	3,727
Operation and maintenance	2,287,956	2,186,706	1,720,140	466,566
Capital outlay	918,602	1,000,602	996,239	4,363
Debt service:				
Principal retirement	1,900,000	1,900,000	1,900,000	
Interest	19,000	19,000	19,000	
Reimbursements	350,000	365,000	356,104	8,896
Total Sanitation	7,370,797	7,715,647	7,224,927	490,720
TOTAL EXPENSES	7,513,656	7,858,506	7,317,553	540,953
Operating loss	(2,958,656)	(3,303,506)	(2,750,124)	553,382
NONOPERATING REVENUES				
Proceeds of notes	1,600,000	1,600,000	1,600,000	
Other sources			6,410	6,410
TOTAL NONOPERATING REVENUES	1,600,000	1,600,000	1,606,410	6,410
Net change in fund equity	(1,358,656)	(1,703,506)	(1,143,714)	559,792
Adjustments for prior year encumbrances	391,269	391,269	391,269	
FUND EQUITY AT BEGINNING OF YEAR	2,402,407	2,402,407	2,402,407	
FUND EQUITY AT END OF YEAR	\$ 1,435,020	\$ 1,090,170	\$ 1,649,962	\$ 559,792

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
WASTEWATER POLLUTION CONTROL FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	WASTEWATER POLLUTION CONTROL FUND			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 12,305,000	\$ 11,405,000	\$ 11,868,553	\$ 463,553
Interest earnings			4,132	4,132
Special assessments	6,500	6,500	6,792	292
Miscellaneous revenues	30,000	63,000	67,093	4,093
TOTAL REVENUES	12,341,500	11,474,500	11,946,570	472,070
EXPENSES				
Wastewater Pollution Control				
Personal services	3,678,446	3,178,446	3,022,953	155,493
Fringe benefits	1,613,413	1,313,413	1,263,244	50,169
Operation and maintenance	1,873,743	1,873,743	1,617,016	256,727
Capital outlay	709,980	709,980	563,467	146,513
Total Wastewater Pollution Control	7,875,582	7,075,582	6,466,680	608,902
Wastewater Pollution Control Miscellaneous				
Personal services	561,750	579,850	576,003	3,847
Fringe benefits	199,535	200,535	195,029	5,506
Operation and maintenance	3,667,702	1,154,602	632,731	521,871
Capital outlay	6,913,668	413,668	365,791	47,877
Debt service:				
Principal retirement	879,456	879,456	879,425	31
Interest	994,298	994,298	989,543	4,755
Reimbursement	1,500,000	1,560,000	1,534,683	25,317
Total Wastewater Pollution Control Miscellaneous	14,716,409	5,782,409	5,173,205	609,204
Wastewater Capital				
Capital outlay	5,237,976	12,537,976	1,623,207	10,914,769
Total Wastewater Capital	5,237,976	12,537,976	1,623,207	10,914,769
TOTAL EXPENSES	27,829,967	25,395,967	13,263,092	12,132,875
Operating loss	(15,488,467)	(13,921,467)	(1,316,522)	12,604,945

(Continued on subsequent page)

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
WASTEWATER POLLUTION CONTROL FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>WASTEWATER POLLUTION CONTROL FUND</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
NONOPERATING REVENUES				
Proceeds of bonds	9,000,000			
Proceeds of notes		7,300,000	7,300,000	
Other financing sources			59	59
TOTAL NONOPERATING REVENUES	<u>9,000,000</u>	<u>7,300,000</u>	<u>7,300,059</u>	<u>59</u>
Net change in fund equity	(6,488,467)	(6,621,467)	5,983,537	12,605,004
Adjustments for prior year encumbrances	3,555,941	3,555,941	3,555,941	
FUND BALANCE AT BEGINNING OF YEAR	<u>4,882,703</u>	<u>4,882,703</u>	<u>4,882,703</u>	
FUND EQUITY AT END OF YEAR	<u>\$ 1,950,177</u>	<u>\$ 1,817,177</u>	<u>\$ 14,422,181</u>	<u>\$ 12,605,004</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
STORM WATER FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	STORM WATER			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 1,100,000	\$ 1,040,000	\$ 1,040,647	\$ 647
Interest earnings			140	140
TOTAL REVENUES	1,100,000	1,040,000	1,040,787	787
EXPENSES				
Storm Water				
Personal services	70,930	70,930	4,433	66,497
Fringe benefits	26,725	26,725	1,035	25,690
Operation and maintenance	350,250	350,250	230,590	119,660
Capital outlay	585,000	585,000	44,654	540,346
Total Storm Water	1,032,905	1,032,905	280,712	752,193
TOTAL EXPENSES	1,032,905	1,032,905	280,712	752,193
Operating loss	67,095	7,095	760,075	752,980
NONOPERATING REVENUES				
Proceeds of notes		900,000	900,000	
TOTAL NONOPERATING REVENUES		900,000	900,000	
Net change in fund equity	67,095	907,095	1,660,075	752,980
FUND EQUITY AT BEGINNING OF YEAR				
FUND EQUITY AT END OF YEAR	\$ 67,095	\$ 907,095	\$ 1,660,075	\$ 752,980

INTERNAL SERVICE FUNDS

Internal Service Funds are established to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or the other governmental units on a cost reimbursement basis.

* * * * *

Employees' Health Insurance

To account for the operations of the City's self-insured health plan.

Workers' Compensation

To account for the operations of the City's workers' compensation plan.

City of Elyria, Ohio
Combining Statement of Net Position
Internal Service Funds
December 31, 2016

	<u>Employees'</u> <u>Health Insurance</u>	<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 493,052	\$ 1,074,164	\$ 1,567,216
Investments		501,240	501,240
Interest receivable		1,457	1,457
Total current assets	<u>493,052</u>	<u>1,576,861</u>	<u>2,069,913</u>
Total assets	<u>493,052</u>	<u>1,576,861</u>	<u>2,069,913</u>
LIABILITIES			
Current liabilities:			
Claims payable	<u>643,563</u>		<u>643,563</u>
Total current liabilities	<u>643,563</u>		<u>643,563</u>
NET POSITION			
Unrestricted (deficit)	<u>(150,511)</u>	<u>1,576,861</u>	<u>1,426,350</u>
Total net position (deficit)	<u>\$ (150,511)</u>	<u>\$ 1,576,861</u>	<u>\$ 1,426,350</u>

City of Elyria, Ohio
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2016

	<u>Employees'</u> <u>Health Insurance</u>	<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 7,199,604	\$ 813,182	\$ 8,012,786
Other		137,797	137,797
Total operating revenues	<u>7,199,604</u>	<u>950,979</u>	<u>8,150,583</u>
Operating expenses:			
Personal services		19,568	19,568
Fringe benefits	6,963,548	434,149	7,397,697
Operating and maintenance	66,851	34,287	101,138
Total operating expenses	<u>7,030,399</u>	<u>488,004</u>	<u>7,518,403</u>
Operating income / (loss)	<u>169,205</u>	<u>462,975</u>	<u>632,180</u>
Nonoperating revenues			
Investment income		2,698	2,698
Total nonoperating revenues		<u>2,698</u>	<u>2,698</u>
Change in net position	169,205	465,673	634,878
Total net position (deficit) - beginning of year	(319,716)	1,111,188	791,472
Total net position (deficit) - end of year	<u>\$ (150,511)</u>	<u>\$ 1,576,861</u>	<u>\$ 1,426,350</u>

City of Elyria, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2016

	Employees' Health Insurance	Workers' Compensation	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 1,074,276	\$	\$ 1,074,276
Cash received from interfund services provided	6,125,328	813,182	6,938,510
Cash payments to suppliers for goods and services	(7,032,635)	(468,436)	(7,501,071)
Cash paid to employees for services		(19,746)	(19,746)
Other operating revenues		137,797	137,797
Net cash provided by operating activities	<u>166,969</u>	<u>462,797</u>	<u>629,766</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments		1,241	1,241
Purchase of short-term investments		(501,240)	(501,240)
Net cash used by investing activities		<u>(499,999)</u>	<u>(499,999)</u>
Net increase (decrease) in cash and cash equivalents	166,969	(37,202)	129,767
Cash and cash equivalents - January 1, 2016	326,083	1,111,366	1,437,449
Cash and cash equivalents - December 31, 2016	<u>\$ 493,052</u>	<u>\$ 1,074,164</u>	<u>\$ 1,567,216</u>
Reconciliation of operating loss to net cash from operating activities:			
Operating income (loss)	<u>\$ 169,205</u>	<u>\$ 462,975</u>	<u>\$ 632,180</u>
Adjustments to reconcile operating loss to net cash from operating activities:			
Changes in assets and liabilities:			
Accrued wages and benefits		(178)	(178)
Claims payable	(2,236)		(2,236)
Total adjustments	<u>(2,236)</u>	<u>(178)</u>	<u>(2,414)</u>
Net cash used for operating activities	<u>\$ 166,969</u>	<u>\$ 462,797</u>	<u>\$ 629,766</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
EMPLOYEES' HEALTH INSURANCE FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>EMPLOYEES' HEALTH INSURANCE FUND</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 7,401,000	\$ 7,401,000	\$ 7,199,604	\$ (201,396)
TOTAL REVENUES	<u>7,401,000</u>	<u>7,401,000</u>	<u>7,199,604</u>	<u>(201,396)</u>
EXPENSES				
GENERAL GOVERNMENT				
Employees' Health Insurance				
Fringe benefits	7,710,000	7,657,780	6,965,784	691,996
Operation and maintenance	17,000	69,220	66,852	2,368
Total Employees' Health Insurance	<u>7,727,000</u>	<u>7,727,000</u>	<u>7,032,636</u>	<u>694,364</u>
TOTAL GENERAL GOVERNMENT	<u>7,727,000</u>	<u>7,727,000</u>	<u>7,032,636</u>	<u>694,364</u>
TOTAL EXPENSES	<u>7,727,000</u>	<u>7,727,000</u>	<u>7,032,636</u>	<u>694,364</u>
Net change in fund equity	(326,000)	(326,000)	166,968	492,968
FUND EQUITY AT BEGINNING OF YEAR	<u>326,083</u>	<u>326,083</u>	<u>326,083</u>	
FUND EQUITY AT END OF YEAR	<u>\$ 83</u>	<u>\$ 83</u>	<u>\$ 493,051</u>	<u>\$ 492,968</u>

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
WORKERS' COMPENSATION FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>WORKERS' COMPENSATION FUND</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 795,000	\$ 795,000	\$ 813,182	\$ 18,182
Interest earnings			1,241	1,241
TOTAL REVENUES	<u>795,000</u>	<u>795,000</u>	<u>814,423</u>	<u>19,423</u>
EXPENSES				
Workers' Compensation				
Personal services	29,740	29,740	19,746	9,994
Fringe benefits	872,514	872,514	434,110	438,404
Operation and maintenance	50,350	50,350	34,287	16,063
Total Workers' Compensation	<u>952,604</u>	<u>952,604</u>	<u>488,143</u>	<u>464,461</u>
TOTAL EXPENSES	<u>952,604</u>	<u>952,604</u>	<u>488,143</u>	<u>464,461</u>
Operating loss	(157,604)	(157,604)	326,280	483,884
NONOPERATING REVENUES				
Other sources		137,700	137,797	97
TOTAL NONOPERATING REVENUES		<u>137,700</u>	<u>137,797</u>	<u>97</u>
Net change in fund equity	(157,604)	(19,904)	464,077	483,981
Adjustment for prior year encumbrances	92	92	92	
FUND EQUITY AT BEGINNING OF YEAR	<u>1,111,235</u>	<u>1,111,235</u>	<u>1,111,235</u>	
FUND EQUITY AT END OF YEAR	<u>\$ 953,723</u>	<u>\$ 1,091,423</u>	<u>\$ 1,575,404</u>	<u>\$ 483,981</u>

AGENCY FUNDS

Agency Funds are used to account for assets held by a governmental unit as an agent for individuals, private organizations, other governmental units, and / or other funds.

* * * * *

Consumer Deposits

Security deposits charged by the public utilities division for water services.

Excavating Permits

Security deposits held by the City for excavating projects.

State Health Fees

Fees collected by the City for the State of Ohio.

Unclaimed Monies

Monies left unclaimed which are held for five years and then deposited to the General Fund per Section 9.39 of the Ohio Revised Code.

Municipal Court

Fines and fees collected by the Elyria Municipal Court to be disbursed to various parties.

Land Purchase Deposits

To account for deposits on the sale of City owned land.

Lorain County Utility Charges

To account for the collection of utility charges for other jurisdictions to be paid to Lorain County.

Payroll Revolving

To account for monies withheld from employees' salaries and wages to be disbursed to other governmental entities.

Fire Damage Deposits

Insurance proceeds held by the City to guarantee the proper repair, securing or removal of fire damage buildings.

State Building Fees

Ohio Board of Building Standards Assessment fees collected by the City for the State of Ohio.

Contractors' Deposits

Security deposits held by the City so contractors obtain a certificate of occupancy on building projects upon completion.

Employee Cafeteria Plan

To account for monies withheld from employees' salaries and wages for reimbursement of Section 125 Plan health care and dependent care expenses.

AGENCY FUNDS (continued)

* * * * *

Elyria Township JEDD Income Tax

To account for the 20% share of the JEDD income tax which is due to Elyria Township.

Eaton Township JEDD Income Tax

To account for the 20% share of the JEDD income tax which is due to Eaton Township.

Elyria Public Library Property Tax

To account for monies collected from property taxes levied for operating the public library.

Lorain County Service Maintenance Fee

To account for the collection of utility maintenance fees for other jurisdictions to be paid to Lorain County.

Elyria Police Memorial

To account for monies donated to the City of Elyria for a memorial to honor Elyria Police officers killed in the line of duty.

Elyria Bicentennial Celebration Fund

To account for monies donated to the City of Elyria for events to commemorate the 200th anniversary of the City's founding in 1817.

CITY OF ELYRIA, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Balance January 1, 2016	Additions	Deductions	Balance December 31, 2016
CONSUMER DEPOSITS FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 453,411	\$ 10,129	\$ 182,525	\$ 281,015
Investments	306,315	201,222		507,537
Total assets	<u>\$ 759,726</u>	<u>\$ 211,351</u>	<u>\$ 182,525</u>	<u>\$ 788,552</u>
Liabilities:				
Other liabilities	<u>\$ 759,726</u>	<u>\$ 211,351</u>	<u>\$ 182,525</u>	<u>\$ 788,552</u>
EXCAVATING PERMITS FUND				
Assets:				
Equity in pooled cash and cash equivalents	<u>\$ 38,115</u>	<u>\$ 400</u>		<u>\$ 38,515</u>
Liabilities:				
Other liabilities	<u>\$ 38,115</u>	<u>\$ 400</u>		<u>\$ 38,515</u>
STATE HEALTH FEES FUND				
Assets:				
Equity in pooled cash and cash equivalents	<u>\$ 4,971</u>	<u>\$ 8,945</u>	<u>\$ 9,044</u>	<u>\$ 4,872</u>
Liabilities:				
Due to other governments	<u>\$ 4,971</u>	<u>\$ 8,945</u>	<u>\$ 9,044</u>	<u>\$ 4,872</u>
UNCLAIMED MONIES FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 49,748	\$ 28,983	\$ 24	\$ 78,707
Investments	54,116	144		54,260
Total assets	<u>\$ 103,864</u>	<u>\$ 29,127</u>	<u>\$ 24</u>	<u>\$ 132,967</u>
Liabilities:				
Other liabilities	<u>\$ 103,864</u>	<u>\$ 29,127</u>	<u>\$ 24</u>	<u>\$ 132,967</u>
MUNICIPAL COURT FUND				
Assets:				
Cash and cash equivalents-segregated accounts	<u>\$ 594,526</u>	<u>\$ 3,946,597</u>	<u>\$ 3,957,236</u>	<u>\$ 583,887</u>
Liabilities:				
Accounts payable	\$ 11,999	\$ 63,609	\$ 11,999	\$ 63,609
Other liabilities	582,527	3,882,988	3,945,237	520,278
Total liabilities	<u>\$ 594,526</u>	<u>\$ 3,946,597</u>	<u>\$ 3,957,236</u>	<u>\$ 583,887</u>
LAND PURCHASE DEPOSITS FUND				
Assets:				
Equity in pooled cash and cash equivalents	<u>\$ 1,385</u>			<u>\$ 1,385</u>
Liabilities:				
Other liabilities	<u>\$ 1,385</u>			<u>\$ 1,385</u>

(Continued on subsequent page)

CITY OF ELYRIA, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Balance January 1, 2016	Additions	Deductions	Balance December 31, 2016
LORAIN COUNTY UTILITY CHARGES FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 75,845	\$ 160,330	\$ 192,833	\$ 43,342
Liabilities:				
Due to other governments	\$ 75,845	\$ 160,330	\$ 192,833	\$ 43,342
PAYROLL REVOLVING FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 600,759	\$ 35,584,992	\$ 35,567,104	\$ 618,647
Liabilities:				
Accounts payable	\$ 582,361	\$ 30,387,559	\$ 30,367,303	\$ 602,617
Due to other governments	18,398	5,197,433	5,199,801	16,030
Total liabilities	\$ 600,759	\$ 35,584,992	\$ 35,567,104	\$ 618,647
FIRE DAMAGE DEPOSITS FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 23,054	\$ 70,513	\$ 26,492	\$ 67,075
Liabilities:				
Accounts payable	\$ 23,054	\$ 70,513	\$ 26,492	\$ 67,075
STATE BUILDING FEES FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 1,126	\$ 8,325	\$ 9,451	\$
Liabilities:				
Due to other governments	\$ 1,126	\$ 8,325	\$ 9,451	\$
CONTRACTORS' DEPOSITS FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 4,551	\$ 6,450	\$ 5,100	\$ 5,901
Liabilities:				
Other liabilities	\$ 4,551	\$ 6,450	\$ 5,100	\$ 5,901
EMPLOYEE CAFETERIA PLAN FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 42,459	\$ 81,163	\$ 70,735	\$ 52,887
Liabilities:				
Other liabilities	\$ 42,459	\$ 81,163	\$ 70,735	\$ 52,887

(Continued on subsequent page)

CITY OF ELYRIA, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Balance January 1, 2016	Additions	Deductions	Balance December 31, 2016
ELYRIA TOWNSHIP JEDD INCOME TAX FUND				
Assets:				
Income tax receivable	\$ 23,339	\$ 89,301	\$ 91,961	\$ 20,679
Liabilities:				
Due to other governments	\$ 23,339	\$ 89,301	\$ 91,961	\$ 20,679
EATON TOWNSHIP JEDD INCOME TAX FUND				
Assets:				
Income tax receivable	\$	\$ 16,685	\$ 15,100	\$ 1,585
Liabilities:				
Due to other governments	\$	\$ 16,685	\$ 15,100	\$ 1,585
ELYRIA PUBLIC LIBRARY PROPERTY TAX FUND				
Assets:				
Property tax receivable	\$ 1,506,727	\$ 2,616,861	\$ 2,044,759	\$ 2,078,829
Liabilities:				
Due to other governments	\$ 1,506,727	\$ 2,616,861	\$ 2,044,759	\$ 2,078,829
LORAIN COUNTY SERVICE MAINTENANCE FEE FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 31,111	\$ 147,409	\$ 139,486	\$ 39,034
Liabilities:				
Due to other governments	\$ 31,111	\$ 147,409	\$ 139,486	\$ 39,034
ELYRIA POLICE MEMORIAL FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 4,506	\$	\$	\$ 4,506
Liabilities:				
Other liabilities	\$ 4,506	\$	\$	\$ 4,506
ELYRIA BICENTENNIAL CELEBRATION FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$	\$ 10,000	\$	\$ 10,000
Liabilities:				
Other liabilities	\$	\$ 10,000	\$	\$ 10,000
TOTAL AGENCY FUNDS				
Assets:				
Equity in pooled cash and cash equivalents	\$ 1,331,041	\$ 36,117,639	\$ 36,202,794	\$ 1,245,886
Cash and cash equivalents-segregated accounts	594,526	3,946,597	3,957,236	583,887
Investments	360,431	201,366		561,797
Property tax receivable	1,506,727	2,616,861	2,044,759	2,078,829
Income tax receivable	23,339	105,986	107,061	22,264
Total assets	<u>\$ 3,816,064</u>	<u>\$ 42,988,449</u>	<u>\$ 42,311,850</u>	<u>\$ 4,492,663</u>
Liabilities:				
Accounts payable	\$ 617,414	\$ 30,521,681	\$ 30,405,794	\$ 733,301
Due to other governments	1,661,517	8,245,289	7,702,435	2,204,371
Other liabilities	1,537,133	4,221,479	4,203,621	1,554,991
Total Liabilities	<u>\$ 3,816,064</u>	<u>\$ 42,988,449</u>	<u>\$ 42,311,850</u>	<u>\$ 4,492,663</u>

Statistical Section



STATISTICAL SECTION

This part of the City of Elyria's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

<u>Contents</u>	<u>Pages</u>
Financial Trends - These schedules contain trend information to help the reader understand how the city's financial position has changed over time.	S1-S5
Revenue Capacity - These schedules contain information to help the reader understand and assess the factors affecting the city's ability to generate its most significant local revenue sources, the property tax and income tax.	S6-S14
Debt Capacity - These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	S15-S21
Economic and Demographic Information - These schedules offer economic and demographic indicators to help the reader understand the environment within which the city's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S22- S35

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Elyria, Ohio
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental Activities										
Net investment in capital assets	\$55,763,829	\$55,767,212	\$54,766,713	\$56,483,630	\$56,310,746	\$55,127,394	\$54,196,053	\$52,728,068	\$49,298,032	\$38,008,622
Restricted:										
Public safety	1,940,739	1,379,896	1,537,716	1,138,530	1,167,649	742,785	1,007,103	856,433	793,876	972,925
Health	114,684	57,931	258,975	130,467	208,753	286,833	308,881	347,516	367,076	291,798
Community environment	4,966,023	5,583,451	5,629,742	5,594,987	5,628,643	5,051,569	4,924,758	4,388,641	4,749,561	4,307,144
Highways and streets	1,038,085	1,348,163	1,188,407	836,001	612,190	938,962	620,245	1,007,160	1,003,966	883,238
Debt service	326,220	438,641	484,212	426,257	417,782	284,215	905,383	691,077	596,372	1,262,673
Other Purposes	2,990,969	1,149,110	1,555,463	1,233,455	1,727,110	1,899,232	2,166,695	2,571,197	2,540,469	262,093
Non-expendable:										
Health	544,106	531,869	510,764	499,938	486,924	477,122	469,307	460,731	460,852	447,349
Unrestricted	(28,859,154)	(26,007,435)	(26,103,289)	5,400,785	5,307,892	4,037,855	2,237,974	222,610	3,076,042	7,932,774
Total Governmental Activities Net Position	\$38,825,501	\$40,248,838	\$39,828,703	\$71,744,050	\$71,867,689	\$68,845,967	\$66,836,399	\$63,273,433	\$62,886,246	\$54,368,616
Business Type - Activities										
Net investment in capital assets	\$34,284,292	\$33,893,956	\$34,995,873	\$32,369,894	\$30,403,085	\$33,196,615	\$29,367,060	\$29,796,937	\$30,185,728	\$31,253,834
Unrestricted	11,435,390	8,695,157	3,792,810	7,052,015	3,712,566	(1,613,031)	2,676,465	1,898,963	2,775,912	4,357,931
Total Business-Type Activities Net Position	\$45,719,682	\$42,589,113	\$38,788,683	\$39,421,909	\$34,115,651	\$31,583,584	\$32,043,525	\$31,695,900	\$32,961,640	\$35,611,765
Primary Government										
Net investment in capital assets	\$90,048,121	\$89,661,168	\$89,762,586	\$88,853,524	\$86,713,831	\$88,324,009	\$83,563,113	\$82,525,005	\$79,483,760	\$69,262,456
Restricted for:										
Public safety	1,940,739	1,379,896	1,537,716	1,138,530	1,167,649	742,785	1,007,103	856,433	793,876	972,925
Health	114,684	57,931	258,975	130,467	208,753	286,833	308,881	347,516	367,076	291,798
Community environment	4,966,023	5,583,451	5,629,742	5,594,987	5,628,643	5,051,569	4,924,758	4,388,641	4,749,561	4,307,144
Highways and streets	1,038,085	1,348,163	1,188,407	836,001	612,190	938,962	620,245	1,007,160	1,003,966	883,238
Debt service	326,220	438,641	484,212	426,257	417,782	284,215	905,383	691,077	596,372	1,262,673
Other Purposes	2,990,969	1,149,110	1,555,463	1,233,455	1,727,110	1,899,232	2,166,695	2,571,197	2,540,469	262,093
Non-expendable:										
Health	544,106	531,869	510,764	499,938	486,924	477,122	469,307	460,731	460,852	447,349
Unrestricted	(17,423,764)	(17,312,278)	(22,310,479)	12,452,800	9,020,458	2,424,824	4,914,439	2,121,573	5,851,954	12,290,705
Total Primary Government Net Position	\$84,545,183	\$82,837,951	\$78,617,386	\$111,165,959	\$105,983,340	\$100,429,551	\$98,879,924	\$94,969,333	\$95,847,886	\$89,980,381

Source: Respective Comprehensive Annual Financial Reports (Statement of Net Position)

City of Elyria, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2016	2015 - Restated	2014	2013	2012	2011	2010	2009	2008	2007
Program Revenues										
Governmental Activities:										
Charges for Services:										
Public safety	\$29,027	\$18,907	\$14,446	\$12,591	\$41,023	\$33,654	\$68,590	\$230,580	\$367,352	\$439,121
Health	531,555	536,880	608,621	729,380	816,088	802,884	901,449	834,805	1,064,714	950,272
Culture and recreation	214,771	186,410	173,786	206,308	170,681	178,591	178,094	179,762	200,808	205,283
Community environment	593,503	452,367	337,418	315,565	410,168	723,155	427,848	815,721	525,534	673,805
Highway and streets										
General Government	2,290,816	2,363,488	2,681,188	2,487,792	2,450,631	2,323,500	2,038,549	2,171,865	2,524,606	2,763,460
Subtotal - Charges for Services	3,659,672	3,558,052	3,815,459	3,751,636	3,888,591	4,061,784	3,614,530	4,232,733	4,683,014	5,031,941
Operating grants and contributions	1,330,583	1,450,918	3,665,077	3,947,409	3,728,136	5,772,703	3,470,388	2,528,700	1,858,407	2,242,188
Capital grants and contributions	1,022,763	3,633,599	279,481	3,327,245	3,272,732	1,465,219	5,465,592	3,252,511	13,710,298	769,089
Total Governmental Activities Program Revenues	6,013,018	8,642,569	7,760,017	11,026,290	10,889,459	11,299,706	12,550,510	10,013,944	20,251,719	8,043,218
Business-Type Activities:										
Charges for Services:										
Water	12,261,744	12,445,328	12,338,759	11,046,327	10,148,332	8,687,534	7,827,256	6,645,710	5,864,226	5,859,917
Special parks & recreation	244,567	258,239	272,108	266,114	264,508	256,273	241,882	231,253	323,574	337,529
Sanitation	4,330,432	4,507,103	4,148,030	4,414,481	4,380,162	4,095,269	4,015,156	3,746,752	3,134,169	3,339,642
Wastewater Pollution Control	11,955,972	12,208,582	11,267,494	11,087,588	11,084,985	10,808,362	10,526,504	9,770,955	9,835,113	9,727,869
Storm Water	1,040,647	0	0	0	0	0	0	0	0	0
Operating grants and contributions	101,252	121,381	54,718	46,969	0	150,000	41,832	172,931	128,260	124,112
Capital grants and contributions	26,058	30,000	363,000	315,243	187,342	16,489	347,964	25,119	129,874	182,504
Total Business-Type Activities Program Revenues	29,960,672	29,570,633	28,444,109	27,176,722	26,065,329	24,013,927	23,000,594	20,592,720	19,415,216	19,571,573
Total Primary Government Program Revenues	\$35,973,690	\$38,213,202	\$36,204,126	\$38,203,012	\$36,954,788	\$35,313,633	\$35,551,104	\$30,606,664	\$39,666,935	\$27,614,791

Source: Respective Comprehensive Annual Financial Reports (Statement of Activities)

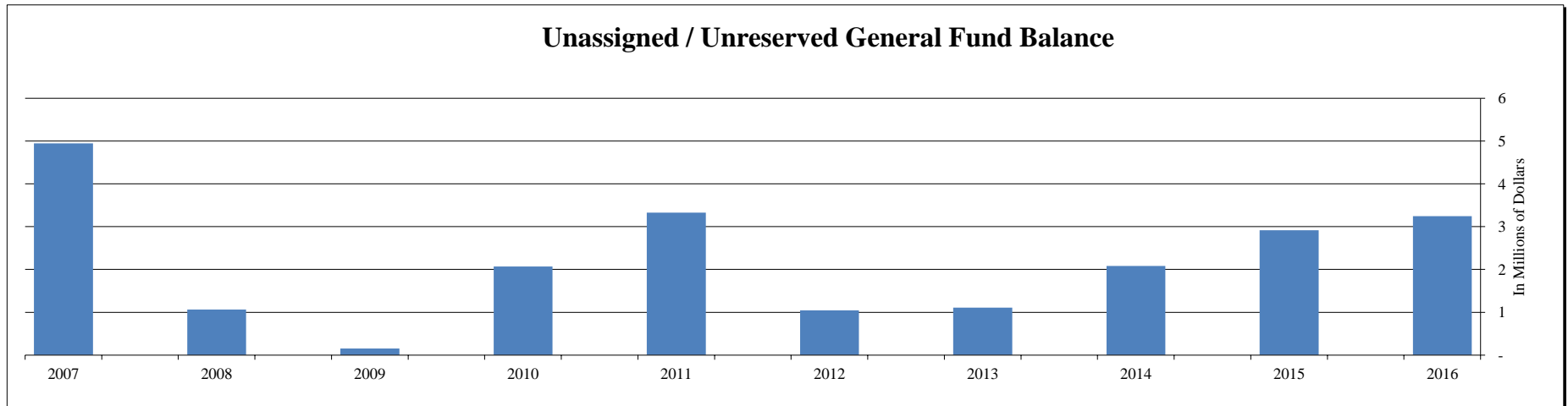
City of Elyria, Ohio
Changes in Net Position (continued)
Last Ten Years
(Accrual Basis of Accounting)

	2016	2015 - Restated	2014	2013	2012	2011	2010	2009	2008	2007
Expenses										
Governmental Activities:										
Public safety	\$21,776,896	\$21,105,665	\$20,316,861	\$20,603,130	\$21,038,282	\$20,096,325	\$18,988,400	\$20,248,006	\$23,241,071	\$20,746,034
Health	1,933,906	1,843,181	2,052,163	1,985,800	2,136,818	2,076,012	2,282,178	2,309,335	2,540,306	2,452,163
Culture and recreation	1,499,490	1,469,765	1,698,826	1,767,768	1,789,747	1,721,823	1,551,008	1,424,063	2,704,509	2,500,151
Community environment	3,509,496	2,000,896	2,899,225	2,772,172	2,266,370	4,373,694	3,037,800	2,051,503	1,940,846	1,704,949
Highways and streets	5,192,267	5,144,138	5,361,129	5,264,136	5,238,609	5,091,213	5,713,819	3,733,173	3,910,616	3,551,406
General government	8,600,830	9,374,927	9,273,345	9,267,528	8,392,523	8,503,771	8,307,217	8,372,028	10,021,557	8,043,382
Interest and fiscal charges	849,858	779,349	968,616	887,333	1,215,453	1,430,156	1,429,014	1,497,970	1,798,904	1,755,470
<i>Total Governmental Activities Expenses</i>	<u>43,362,743</u>	<u>41,717,921</u>	<u>42,570,165</u>	<u>42,547,867</u>	<u>42,077,802</u>	<u>43,292,994</u>	<u>41,309,436</u>	<u>39,636,078</u>	<u>46,157,809</u>	<u>40,753,555</u>
Business-Type Activities										
Water	9,870,079	10,024,236	7,525,165	7,732,764	8,130,332	7,683,838	7,098,581	7,383,133	7,448,276	6,926,055
Special parks & recreation	356,212	331,968	253,710	271,245	272,286	216,817	340,608	601,210	326,255	337,082
Sanitation	4,668,753	4,151,460	3,828,095	3,671,481	3,760,694	5,274,289	3,653,211	3,396,797	3,339,232	3,316,235
Wastewater Pollution Control	11,933,695	11,493,660	10,542,688	10,250,688	11,428,275	11,402,498	11,634,500	10,563,625	11,186,406	11,046,445
Storm Water	160,611	0	0	0	0	0	0	0	0	0
<i>Total Business-Type Activities Expenses</i>	<u>26,989,350</u>	<u>26,001,324</u>	<u>22,149,658</u>	<u>21,926,178</u>	<u>23,591,587</u>	<u>24,577,442</u>	<u>22,726,900</u>	<u>21,944,765</u>	<u>22,300,169</u>	<u>21,625,817</u>
<i>Total Primary Government Program Expenses</i>	<u>70,352,093</u>	<u>67,719,245</u>	<u>64,719,823</u>	<u>64,474,045</u>	<u>65,669,389</u>	<u>67,870,436</u>	<u>64,036,336</u>	<u>61,580,843</u>	<u>68,457,978</u>	<u>62,379,372</u>
Net (Expense)/Revenue										
Governmental Activities	(37,349,725)	(33,075,352)	(34,810,148)	(31,521,577)	(31,188,343)	(31,993,288)	(28,758,926)	(29,622,134)	(25,906,090)	(32,710,337)
Business-Type Activities	2,971,322	3,569,309	6,294,451	5,250,544	2,473,742	(563,515)	273,694	(1,352,045)	(2,884,953)	(2,054,244)
<i>Total Primary Government Net Expense</i>	<u>(34,378,403)</u>	<u>(29,506,043)</u>	<u>(28,515,697)</u>	<u>(26,271,033)</u>	<u>(28,714,601)</u>	<u>(32,556,803)</u>	<u>(28,485,232)</u>	<u>(30,974,179)</u>	<u>(28,791,043)</u>	<u>(34,764,581)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes:										
Property taxes	3,006,283	2,969,421	3,012,256	3,124,411	3,266,785	3,357,482	3,883,089	3,904,036	3,993,165	4,194,264
Municipal income taxes	27,738,478	23,160,357	24,955,196	19,525,212	23,110,209	21,983,833	20,115,876	18,160,200	22,268,109	21,187,484
Gasoline and motor vehicle taxes	2,806,386	3,417,278	3,002,306	2,754,167	2,743,643	2,761,232	2,822,938	2,809,643	2,931,491	2,936,903
Other local taxes	794,892	789,626	645,345	757,332	759,265	738,367	707,350	518,482	475,177	508,796
Payment in lieu of taxes - tax increment financing	925,085	903,479	972,994	800,120	0	0	0	0	0	0
Unrestricted intergovernmental revenues and contributions	530,310	2,133,459	3,380,920	896,650	3,994,690	5,115,757	4,759,534	3,829,669	3,891,611	3,992,282
Investment earnings	60,459	51,721	20,297	21,616	12,115	18,474	17,278	40,195	376,408	1,087,322
Miscellaneous	64,495	70,146	157,375	32,265	98,881	27,711	15,827	747,096	487,759	1,228,316
Gain on sale of capital assets	0	0	0	75,359	224,477	0	0	0	0	950
Special item - unclaimed funds from demutualization	0	0	0	3,410,806	0	0	0	0	0	0
<i>Total Governmental Activities</i>	<u>35,926,388</u>	<u>33,495,487</u>	<u>36,146,689</u>	<u>31,397,938</u>	<u>34,210,065</u>	<u>34,002,856</u>	<u>32,321,892</u>	<u>30,009,321</u>	<u>34,423,720</u>	<u>35,136,317</u>
Business-Type Activities										
Investment earnings	2,819	95,909	13,748	4,388	3,014	4,122	10,628	42,078	159,941	314,195
Miscellaneous	156,428	135,212	160,406	51,326	55,311	99,452	63,303	44,227	74,887	115,882
<i>Total Business-Type Activities</i>	<u>159,247</u>	<u>231,121</u>	<u>174,154</u>	<u>55,714</u>	<u>58,325</u>	<u>103,574</u>	<u>73,931</u>	<u>86,305</u>	<u>234,828</u>	<u>430,077</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>36,085,635</u>	<u>33,726,608</u>	<u>36,320,843</u>	<u>31,453,652</u>	<u>34,268,390</u>	<u>34,106,430</u>	<u>32,395,823</u>	<u>30,095,626</u>	<u>34,658,548</u>	<u>35,566,394</u>
Change in Net Position										
Governmental Activities	(1,423,337)	420,135	1,336,541	(123,639)	3,021,722	2,009,568	3,562,966	387,187	8,517,630	2,425,980
Business-Type Activities	3,130,569	3,800,430	6,468,605	5,306,258	2,532,067	(459,941)	347,625	(1,265,740)	(2,650,125)	(1,624,167)
<i>Total Primary Government Change in Net Position</i>	<u>\$1,707,232</u>	<u>\$4,220,565</u>	<u>\$7,805,146</u>	<u>\$5,182,619</u>	<u>\$5,553,789</u>	<u>\$1,549,627</u>	<u>\$3,910,591</u>	<u>(\$878,553)</u>	<u>\$5,867,505</u>	<u>\$801,813</u>

Source: Respective Comprehensive Annual Financial Reports (Statement of Activities)

City of Elyria, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund										
Assigned	\$ 920,577	\$ 1,137,389	\$ 2,128,750	\$ 4,218,648	\$ 3,884,972	\$ 569,402	\$	\$	\$	\$
Unassigned	3,248,090	2,913,405	2,083,830	1,108,298	1,045,896	3,326,649				
Reserved for encumbrances							558,959	419,578	979,830	434,633
Unreserved							2,068,602	151,931	1,061,601	4,945,240
Total General Fund	4,168,667	4,050,794	4,212,580	5,326,946	4,930,868	3,896,051	2,627,561	571,509	2,041,431	5,379,873
All Other Governmental Funds										
Fund Balances:										
Nonspendable	544,106	531,869	510,764	499,938	486,924	477,122				
Restricted	6,118,068	6,052,677	6,118,325	6,137,108	6,969,997	10,820,686				
Committed	6,560,473	5,988,419	5,367,904	6,802,242	3,408,239	3,086,363				
Assigned										
Unassigned	(2,805,470)	(2,959,189)	(3,105,688)	(3,640,995)	(3,853,694)	(8,144,012)				
Reserved for encumbrances							3,558,309	1,908,845	7,104,752	1,661,648
Reserved for rehabilitation loans							4,567,331	4,505,399	4,475,028	4,265,218
Reserved for endowment							469,307	460,731	460,852	447,349
Reserved for debt service							905,383	691,077	596,372	1,262,673
Unreserved Reported in:										
Special Revenue funds							1,634,774	4,216,276	4,566,007	3,486,845
Capital Projects funds							(4,270,317)	(4,571,369)	(10,027,676)	(6,796,310)
Total All Other Governmental Funds	10,417,177	9,613,776	8,891,305	9,798,293	7,011,466	6,240,159	6,864,787	7,210,959	7,175,335	4,327,423
Total Governmental Funds	\$ 14,585,844	\$ 13,664,570	\$ 13,103,885	\$ 15,125,239	\$ 11,942,334	\$ 10,136,210	\$ 9,492,348	\$ 7,782,468	\$ 9,216,766	\$ 9,707,296

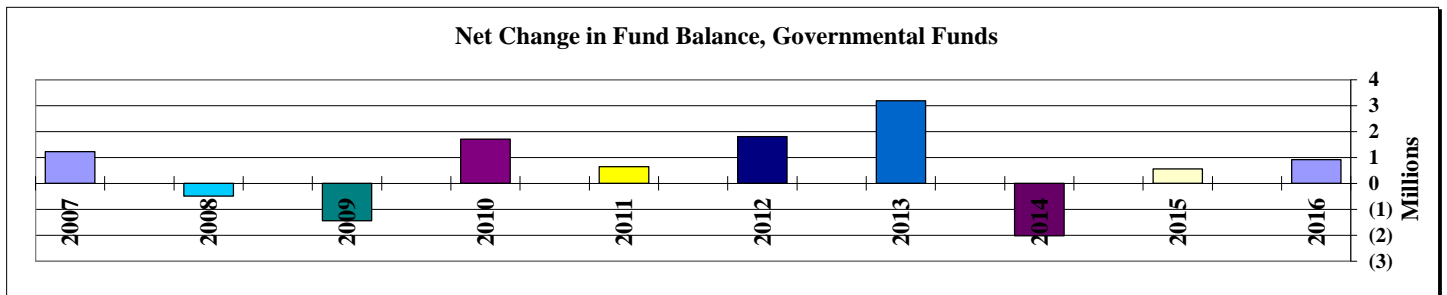


Source: Respective Comprehensive Annual Financial Reports

Note: The City of Elyria Implemented GASB Statement 54 in 2011.

City of Elyria, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues										
Taxes:										
Property	\$3,006,283	\$2,969,421	\$3,012,256	\$3,124,411	\$3,266,785	\$3,357,482	\$3,883,089	\$3,904,036	\$3,993,165	\$4,194,264
Income	27,738,478	22,958,913	22,335,577	22,600,897	22,163,511	21,124,035	20,514,419	19,135,656	21,577,317	21,423,070
Other local	1,685,359	1,669,460	1,507,748	1,610,355	1,618,682	1,587,099	1,563,454	1,366,086	1,337,861	1,394,590
Tax increment financing payments	925,085	903,479	972,994	800,120	1,020,803	861,443	570,913	549,094	292,968	103,542
Intergovernmental	5,961,916	8,598,011	7,650,236	10,859,601	11,711,054	13,234,841	14,728,501	11,470,249	21,500,163	8,966,140
Charges for services	1,588,665	1,371,460	1,484,307	1,699,228	1,820,242	1,791,076	1,835,603	2,012,285	2,258,023	2,224,693
Licenses and permits	657,313	517,654	397,963	375,520	467,518	786,579	479,702	856,617	567,206	748,541
Investment income	60,459	51,721	20,297	21,616	12,115	18,474	17,278	40,195	376,407	1,087,322
Special assessments	9,983	53,162	91,257	155,102	159,237	154,098	224,111	161,091	332,290	349,741
Fines and forfeitures	1,545,635	1,711,339	1,765,783	1,716,789	1,629,394	1,517,086	1,408,481	1,478,529	1,533,403	1,502,578
Contributions	130,797	72,778	132,535	187,858	117,133	64,741	55,837	98,484	72,911	52,763
Miscellaneous	64,495	70,146	157,375	32,265	98,881	27,711	15,827	61,308	113,972	177,512
Total Revenues	43,374,468	40,947,544	39,528,328	43,183,762	44,085,355	44,524,665	45,297,215	41,133,630	53,955,686	42,224,756
Expenditures										
Current:										
Public safety	20,714,341	18,744,812	20,116,188	20,516,360	20,211,262	19,870,879	18,382,139	19,650,539	22,265,064	20,586,863
Health	1,880,323	1,805,463	2,073,974	2,015,196	2,086,920	2,086,283	2,244,093	2,270,475	2,468,764	2,472,201
Culture and recreation	1,308,169	1,316,880	1,598,306	1,665,176	1,573,073	1,502,688	1,294,116	1,121,497	2,351,151	2,207,061
Community environment	3,337,490	1,827,988	2,788,341	2,653,410	2,109,326	4,276,543	2,882,243	1,869,763	1,816,212	1,633,115
Highways and streets	1,954,704	1,869,359	2,167,374	2,018,494	1,856,729	1,839,924	2,392,906	1,717,609	1,818,997	1,681,542
General government	7,336,292	8,067,546	8,358,269	7,915,668	7,036,793	7,618,379	7,046,901	7,085,346	7,827,802	7,576,891
Capital outlay	2,928,659	4,334,238	1,406,931	4,221,093	4,379,165	3,912,375	6,307,333	8,867,049	16,097,240	12,321,193
Debt Service:										
Principal retirement	2,274,428	2,344,563	2,176,391	2,127,039	2,172,674	2,192,757	1,589,465	1,747,009	1,554,183	1,416,488
Interest and fiscal charges	766,596	727,517	900,817	917,997	1,206,322	1,429,975	1,432,151	1,503,633	1,817,666	1,699,981
Total Expenditures	42,501,002	41,038,366	41,586,591	44,050,433	42,632,264	44,729,803	43,571,347	45,832,920	58,017,079	51,595,335
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>873,466</i>	<i>(90,822)</i>	<i>(2,058,263)</i>	<i>(866,671)</i>	<i>1,453,091</i>	<i>(205,138)</i>	<i>1,725,868</i>	<i>(4,699,290)</i>	<i>(4,061,393)</i>	<i>(9,370,579)</i>
Other Financing Sources (Uses)										
Transfers-in	1,064,695	1,009,245	902,500	825,209	728,460	1,526,755	472,901	285,684	803,909	1,146,725
Transfers-out	(1,064,695)	(1,009,245)	(902,500)	(825,209)	(728,460)	(1,526,755)	(492,901)	(285,684)	(803,909)	(1,146,725)
Proceeds from sale of bonds/notes		5,615,000		6,312,000	17,233	110,000			3,466,777	9,389,250
Refunding bonds issued						6,870,000				
Payment to refunded bond escrow agent		(6,082,793)		(6,504,027)		(6,870,000)				
Proceeds from State Infrastructure bank loan						734,000		3,252,000		
Proceeds from State Issue II loan								9,552	113,273	126,944
Settlement proceeds										1,050,804
Premiums from sale of notes/bonds	11,538	606,479	464	163,223		5,000	4,012	3,440	27,590	26,095
Proceeds from construction loans		57,346	36,445	630,087	111,323					
Proceeds from capital lease arrangements		415,000								
Proceeds from sale of capital assets	36,270	40,475		75,359	224,477					950
Bond issuance costs				(37,872)					(36,777)	
Total Other Financing Sources (Uses)	47,808	651,507	36,909	638,770	353,033	849,000	(15,988)	3,264,992	3,570,863	10,594,043
Special Item										
Proceeds from insurance company demutualization				3,410,806						
Net Change in Fund Balances	\$921,274	\$560,685	(\$2,021,354)	\$3,182,905	\$1,806,124	\$643,862	\$1,709,880	(\$1,434,298)	(\$490,530)	\$1,223,464
Debt Service as a Percentage of Noncapital Expenditures	7.68%	8.37%	7.66%	7.65%	8.83%	8.88%	8.11%	8.79%	8.04%	7.94%



Source: Respective Comprehensive Annual Financial Reports

Note: The City of Elyria Implemented GASB Statement 34 in 2003.

City of Elyria, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years
(Amounts in 000's)

Collection Year	Real Property		Tangible Personal Property	
	Assessed Value Residential	Estimated Actual Value	Public Utility	
			Assessed Value	Estimated Actual Value
2016	\$529,616	\$1,513,187	\$280,445	\$801,272
2015	532,057	1,520,164	278,260	795,029
2014	533,715	1,524,901	281,399	803,998
2013	534,029	1,525,797	275,638	787,539
2012	591,804	1,690,869	286,451	818,432
2011	602,073	1,720,209	288,147	823,277
2010	603,652	1,724,720	291,146	831,844
2009	658,196	1,880,558	295,538	844,393
2008	656,444	1,875,553	294,438	841,252
2007	653,685	1,867,671	304,086	868,818

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property is 35 percent of estimated true value. General business tangible personal property was assessed in previous years at 25 percent of estimated true value. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2007 general business tangible personal property were assessed at 12.50 percent. The percentage will be 6.25 percent for 2008, and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

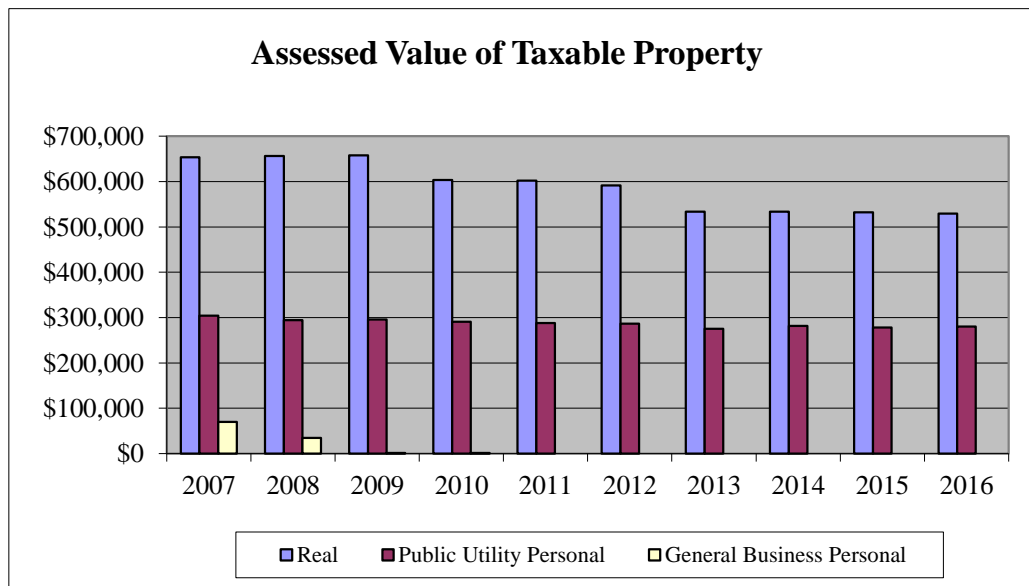
City of Elyria, Ohio

Assessed Valuation and Estimated Actual Values of Taxable Property (Continued)

Last Ten Years

(Amounts in 000's)

Collection Year	Tangible Personal Property		Total			
	General Business		Assessed Value	Estimated		Total Tax Rate
	Assessed Value	Estimated Actual Value		Assessed Value	Estimated Actual Value	
2016	\$0	\$0	\$810,061	\$2,314,459	\$95.9120	
2015	0	0	810,317	2,315,193	94.8420	
2014	0	0	815,115	2,328,899	94.5020	
2013	0	0	809,667	2,313,336	93.5550	
2012	0	0	878,256	2,509,301	91.9700	
2011	0	0	890,220	2,543,486	91.8200	
2010	1,325	0	896,122	2,556,564	86.2600	
2009	1,361	21,778	955,095	2,746,730	84.5400	
2008	34,307	548,913	985,189	3,265,718	84.3400	
2007	69,654	557,230	1,027,425	3,293,719	80.5400	



City of Elyria, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2016	2015	2014	2013	2012
Unvoted Millage					
Operating	\$1.4000	\$1.4000	\$1.4000	\$1.4000	\$1.4000
Debt Service	2.2000	2.2000	2.2000	2.2000	2.2000
Fire Pension	0.3000	0.3000	0.3000	0.3000	0.3000
Police Pension	0.3000	0.3000	0.3000	0.3000	0.3000
<i>Total Unvoted Millage</i>	<u>4.2000</u>	<u>4.2000</u>	<u>4.2000</u>	<u>4.2000</u>	<u>4.2000</u>
Charter Millage					
Elyria School District	72.2800	71.8100	71.4700	71.3500	69.7300
Lorain County Vocational School	2.4500	2.4500	2.4500	2.4500	2.4500
Lorain County	15.0820	14.4820	14.4820	13.6550	13.6900
Elyria Public Library	1.9000	1.9000	1.9000	1.9000	1.9000
<i>Total Charter Millage</i>	<u>91.7120</u>	<u>90.6420</u>	<u>90.3020</u>	<u>89.3550</u>	<u>87.7700</u>
Total Millage	<u><u>\$95.9120</u></u>	<u><u>\$94.8420</u></u>	<u><u>\$94.5020</u></u>	<u><u>\$93.5550</u></u>	<u><u>\$91.9700</u></u>
Overlapping Rates by Taxing District					
City School District	\$ 72.2800	\$ 71.8100	\$ 71.4700	\$ 71.3500	\$ 69.7300
County	\$ 15.0820	\$ 14.4820	\$ 14.4820	\$ 13.6550	\$ 13.6900
Joint Vocational School	\$ 2.4500	\$ 2.4500	\$ 2.4500	\$ 2.4500	\$ 2.4500

Source: Lorain County Treasurer

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter millage is consistently applied to all types of property.

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue.

Overlapping rates are those of local and county governments that apply to property owners within the City.

(Continued)

City of Elyria, Ohio
Property Tax Rates - Direct and Overlapping Governments (Continued)
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2011	2010	2009	2008	2007
Unvoted Millage					
Operating	\$1.4000	\$1.4000	\$1.7000	\$1.7000	\$1.7000
Debt Service	2.2000	2.2000	1.9000	1.9000	1.9000
Fire Pension	0.3000	0.3000	0.3000	0.3000	0.3000
Police Pension	0.3000	0.3000	0.3000	0.3000	0.3000
<i>Total Unvoted Millage</i>	<u>4.2000</u>	<u>4.2000</u>	<u>4.2000</u>	<u>4.2000</u>	<u>4.2000</u>
Charter Millage					
Elyria School District	69.5800	64.3200	63.5000	63.3000	59.4000
Lorain County Vocational School	2.4500	2.4500	2.4500	2.4500	2.4500
Lorain County	13.6900	13.3900	13.3900	13.3900	13.4900
Elyria Public Library	1.9000	1.9000	1.0000	1.0000	1.0000
<i>Total Charter Millage</i>	<u>87.6200</u>	<u>82.0600</u>	<u>80.3400</u>	<u>80.1400</u>	<u>76.3400</u>
Total Millage	<u><u>\$91.8200</u></u>	<u><u>\$86.2600</u></u>	<u><u>\$84.5400</u></u>	<u><u>\$84.3400</u></u>	<u><u>\$80.5400</u></u>
Overlapping Rates by Taxing District					
City School District	\$ 69.5800	\$ 64.3200	\$ 63.5000	\$ 63.3000	\$ 59.4000
County	\$ 13.6900	\$ 13.3900	\$ 13.3900	\$ 13.3900	\$ 13.4900
Joint Vocational School	\$ 2.4500	\$ 2.4500	\$ 2.4500	\$ 2.4500	\$ 2.4500

Source: Lorain County Treasurer

City of Elyria, Ohio
Property Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy	Current Tax Collections (1)	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections
2016	\$3,401,618	\$3,366,091	98.96 %	\$129,457
2015	3,402,695	3,323,321	97.67	131,936
2014	3,422,845	3,249,399	94.93	83,979
2013	3,686,100	3,234,677	87.75	47,337
2012	3,922,683	3,406,207	86.83	205,714
2011	4,376,729	3,546,439	81.03	102,790
2010	4,282,562	3,560,301	83.13	139,302
2009	4,283,169	3,777,287	88.19	169,314
2008	4,267,176	3,747,919	87.83	186,728
2007	4,239,362	3,735,871	88.12	131,911

Source: Lorain County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

Note: The County does not identify delinquent collections by the year for which the tax was levied.

(Continued)

City of Elyria, Ohio
Property Tax Levies And Collections (Continued)
Last Ten Years

Year	Total Tax Collections	Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2016	\$3,495,548	102.76 %	\$591,898	17.40 %
2015	3,455,257	101.54	546,458	16.06
2014	3,333,378	97.39	389,441	11.38
2013	3,282,014	89.04	834,595	22.64
2012	3,611,921	92.08	680,847	17.36
2011	3,649,229	83.38	830,290	18.97
2010	3,699,603	86.39	582,959	13.61
2009	3,946,601	92.14	336,568	7.86
2008	3,934,647	92.21	332,530	7.79
2007	3,867,782	91.24	326,295	7.70

Source: Lorain County Auditor

Note: The County does not identify delinquent collections by the year for which the tax was levied.

City of Elyria, Ohio
Principal Taxpayers - Real Estate Tax
 2016 and 2007
 (Amounts in 000's)

Taxpayer	2016	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Ohio Edison Company First Energy	\$21,247	4.01 %
American Transmission Systems Inc.	10,350	1.95
Centro Midway LLC	9,308	1.76
CHP Chestnut Commons OH MOB LLC	7,072	1.34
New Plan of Midway Inc.	5,932	1.12
Walmart Real Estate Business Trust	5,010	0.95
Hunters Crossing Apartments LLC Res #1	4,466	0.84
Columbia Gas	4,449	0.84
Elyria Taylor LLC	4,053	0.77
Elyria United Methodist Village	3,874	0.73
Total	\$75,763	14.31 %
Total Real Assessed Valuation	\$529,616	

Taxpayer	2007	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Centro Midway LLC	\$15,709	2.40 %
Ohio Edison Co.	14,959	2.29
New Plan of Midway Inc.	7,940	1.21
First Interstate Elyria	6,236	0.95
Hunters Crossing	4,126	0.63
HK New Plan Exchange	3,769	0.58
Elyria United	3,416	0.52
Invacare Corporation	3,372	0.52
Midway Realty Company	3,278	0.50
Dayton Hudson	3,116	0.48
Total	\$65,921	10.08 %
Total Real Assessed Valuation	\$653,685	

Source: Lorain County Auditor

(1) The amounts presented represent the assessed values upon which 2016 and 2007 collections were based.

City of Elyria, Ohio
Principal Taxpayers - Income Tax Withholdings
 2016
 (Amounts in 000's)

Taxpayer	2016	
	Income Tax Withholding	Percentage of Total Income Tax
University Hospitals Health System	\$1,639	7.97 %
Lorain County	1,273	6.19
Bendix Commercial Vehicle Systems	1,077	5.24
Invacare	1,040	5.05
Lorain County Community College	836	4.07
Ridge Tool Company	677	3.29
Elyria City Schools	562	2.73
Parker Hannifin Corporation	508	2.47
Hydro-Aire Inc.	348	1.69
BASF	327	1.59
Total	<u>\$8,287</u>	<u>40.30 %</u>
Total Income Tax Withholding	<u>\$20,566</u>	

Source: Regional Income Tax Agency

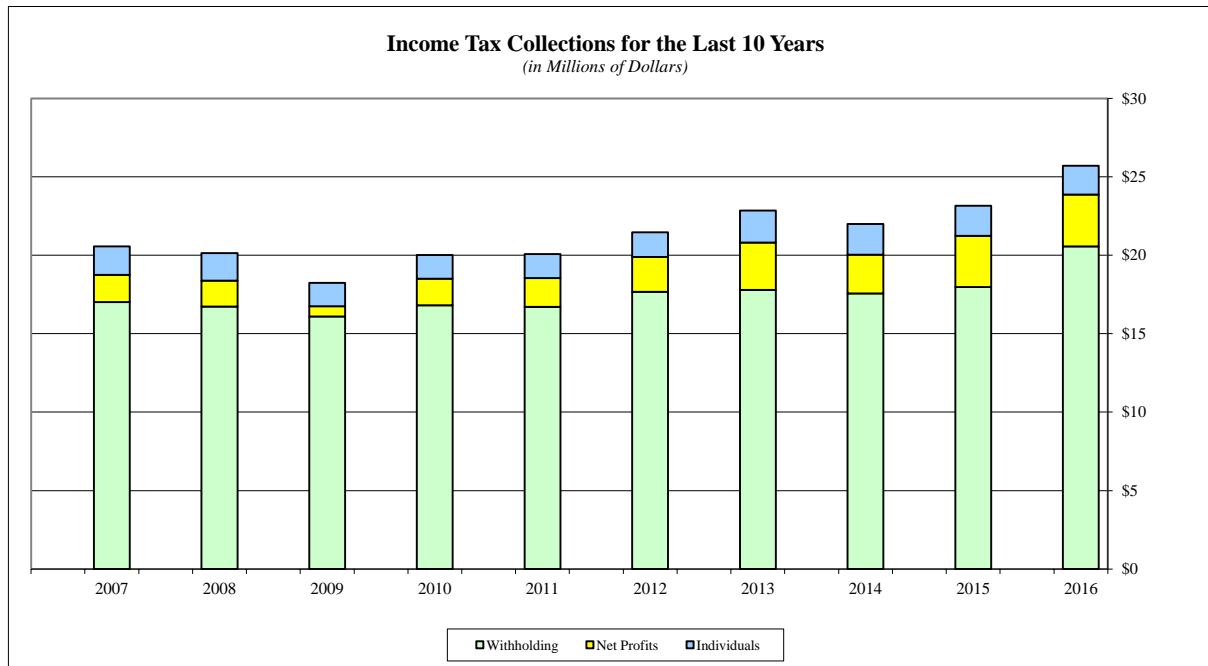
City of Elyria, Ohio
Income Tax Revenue Base and Collections
Last Ten Years

Tax Year	Tax Rate (1)(2)	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2016	2.25%	\$25,711,074	\$20,566,185	79.99%	\$3,308,113	12.87%	\$1,836,776	7.15%
2015	1.75	23,161,410	17,970,251	77.59	3,266,173	14.10	1,924,986	8.31
2014	1.75	22,002,366	17,576,684	79.89	2,465,686	11.21	1,959,996	8.91
2013	1.75	22,862,413	17,787,102	77.80	3,025,159	13.23	2,050,152	8.97
2012	1.75	21,465,861	17,667,461	82.30	2,236,954	10.42	1,561,446	7.27
2011	1.75	20,081,765	16,710,157	83.21	1,832,275	9.12	1,539,333	7.67
2010	1.75	20,010,738	16,809,422	84.00	1,692,521	8.46	1,508,795	7.54
2009	1.75	18,236,158	16,092,504	88.25	654,652	3.59	1,489,002	8.17
2008	1.75	20,146,383	16,726,072	83.02	1,655,405	8.22	1,764,906	8.76
2007	1.75	20,574,626	17,028,090	82.76	1,718,523	8.35	1,828,013	8.88

Source: Regional Income Tax Agency and City records

- (1) General Fund tax rate is 1.50%. The remaining .25% is a special tax to be used for law enforcement purposes only and is accounted for in the Police Levy Special Revenue Fund.
- (2) On March 7, 2016 Elyria residents voted to increase the income tax rate to 2.25% by passing an additional .50% levy effective July 1, 2016 through June 30, 2021. The proceeds for this levy are accounted for in the 2016 .50% Income Tax Fund.

Note: The City is prohibited by statute from presenting information regarding individual taxpayers.



City of Elyria
*Ratio of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years*

Year	Governmental Activities				
	General Obligation Bonds	Special Assessment Bonds	State Issue II Loans	State Infrastructure Bank Loan	Capital Lease
2016	\$16,679,000	\$1,840,000	\$1,409,072	\$696,717	\$379,244
2015	18,157,000	2,060,000	1,520,095	1,126,999	415,000
2014	19,591,000	2,320,000	1,565,652	1,544,657	0
2013	21,028,000	2,565,000	1,618,193	1,950,062	0
2012	21,971,800	2,901,969	1,077,633	2,343,573	0
2011	23,379,081	3,199,421	1,068,459	2,724,102	0
2010	24,581,362	3,491,873	394,585	3,252,000	0
2009	25,843,643	3,769,325	459,049	3,252,000	0
2008	27,285,924	4,057,031	481,251	0	0
2007	28,533,205	843,242	434,173	0	0

Source: Respective Comprehensive Annual Reports

Note: Population and Personal Income data are presented on page S23

Business-Type Activities

General Obligation Bonds	OWDA Loans	Capital Lease	Total Debt	Percentage of Personal Income	Per Capita
\$24,766,101	\$27,513,637	\$838,730	\$74,122,501	6.84%	\$1,359
25,653,000	28,240,259	168,398	77,340,751	7.14	1,418
26,454,000	28,943,933	337,464	80,756,706	7.45	1,481
9,607,000	29,756,801	430,162	66,955,218	6.18	1,228
9,970,188	27,126,794	216,265	65,608,222	6.05	1,203
10,456,510	21,486,696	378,148	62,692,417	5.79	1,150
10,917,832	17,539,626	457,284	60,634,562	5.60	1,084
11,369,154	13,457,878	180,256	58,331,305	5.39	1,043
11,830,219	7,619,248	212,760	51,486,433	4.76	920
12,268,553	9,609,279	245,264	51,933,716	4.80	928



City of Elyria, Ohio
*Ratio of General Obligation Bonded Debt to Assessed
Value and Bonded Debt Per Capita
Last Ten Years*

<u>Year</u>	<u>Population (1)(2)</u>	<u>Estimated Actual Value of Taxable Property (3)</u>	<u>Net Bonded Debt (4)</u>	<u>Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property</u>	<u>Net Bonded Debt Per Capital</u>
2016	54,533 (1)	\$2,314,459,000	\$36,788,846	1.59 %	\$674.62
2015	54,533 (1)	2,315,193,000	31,271,442	1.35	573.44
2014	54,533 (1)	2,328,899,000	33,957,050	1.46	622.69
2013	54,533 (1)	2,313,336,000	36,610,997	1.58	671.35
2012	54,533 (1)	2,509,302,000	38,630,405	1.54	708.39
2011	54,533 (1)	2,543,485,000	41,414,694	1.63	759.44
2010	55,953 (2)	2,556,564,000	43,139,875	1.69	771.00
2009	55,953 (2)	2,790,951,000	41,864,571	1.50	748.21
2008	55,953 (2)	3,265,718,000	49,420,035	1.51	883.24
2007	55,953 (2)	3,293,720,000	50,410,781	1.53	900.95

Sources:

(1) U. S. Bureau of Census, 2010 Federal Census

(2) U. S. Bureau of Census, 2000 Federal Census

(3) Lorain County Auditor

(4) Includes all general obligation bonded debt with the exception
of Special Assessment debt less the General Bond Retirement Fund Balance.

City of Elyria, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2016

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (3)	Amount Applicable to City
Direct - City of			
Special Assessment Bonds	\$1,840,000	100.00 %	\$1,840,000
General Obligation Bonds	16,679,000	100.00	16,679,000
OPWC Loans	1,409,072	100.00	1,409,072
State Infrastructure Bank Loan	696,717	100.00	696,717
<i>Total Direct Debt</i>	<u>20,624,789</u>		<u>20,624,789</u>
Overlapping			
City School District (1)			
General Obligation Bonds	45,414,216	89.59%	40,687,410
Lorain County (2)			
General Obligation Bonds	<u>21,780,000</u>	12.34%	<u>2,687,117</u>
<i>Total Overlapping Debt</i>	<u>67,194,216</u>		<u>43,374,527</u>
Total	<u><u>\$87,819,005</u></u>		<u><u>\$63,999,316</u></u>

Source: (1) Elyria City School District Comprehensive Annual Financial Report,
For the Year Ending June 30, 2016

(2) Lorain County Auditor

(3) Percentages were determined by dividing each overlapping subdivision's
assessed valuation within the City by its total assessed valuation.

City of Elyria, Ohio
Legal Debt Margin
Last Ten Years

	2016	2015	2014	2013
Total Assessed Property Value	<u>\$810,060,700</u>	<u>\$810,317,450</u>	<u>\$815,114,560</u>	<u>\$809,667,440</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>\$ 85,056,374</u>	<u>\$ 85,083,332</u>	<u>\$ 85,587,029</u>	<u>\$ 85,015,081</u>
Debt Outstanding:				
General Obligation Bonds	24,500,000	26,605,000	28,635,000	30,635,000
Special Assessment Bonds	1,840,000	2,060,000	2,320,000	2,565,000
General Anticipation Notes	12,600,000	5,100,000	5,800,000	6,400,000
OPWC Loans	1,409,072	1,520,095	1,565,652	1,618,193
OWDA Loans	27,513,637	28,240,259	28,943,933	29,756,801
State Infrastructure Bank Loan	696,717	1,126,999	1,544,657	1,950,062
Total Gross Indebtedness	68,559,426	64,652,353	68,809,242	72,925,056
Less:				
Special Assessment Bonds	(1,840,000)	(2,060,000)	(2,320,000)	(2,565,000)
OPWC Loans	(1,409,072)	(1,520,095)	(1,565,652)	(1,618,193)
OWDA Loans	(27,513,637)	(28,240,259)	(28,943,933)	(29,756,801)
State Infrastructure Bank Loans	(696,717)	(1,126,999)	(1,544,657)	(1,950,062)
General Bond Retirement Fund Balance	(311,154)	(433,558)	(477,950)	(424,003)
Total Net Debt Applicable to Debt Limit	<u>36,788,846</u>	<u>31,271,442</u>	<u>33,957,050</u>	<u>36,610,997</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$48,267,528</u>	<u>\$53,811,890</u>	<u>\$51,629,979</u>	<u>\$48,404,084</u>
Legal Debt Margin as a Percentage of the Debt Limit	56.75%	63.25%	60.32%	56.94%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$44,553,339</u>	<u>\$44,567,460</u>	<u>\$44,831,301</u>	<u>\$44,531,709</u>
Total Gross Indebtedness	68,559,426	64,652,353	68,809,242	72,925,056
Less:				
Special Assessment Bonds	(1,840,000)	(2,060,000)	(2,320,000)	(2,565,000)
OPWC Loans	(1,409,072)	(1,520,095)	(1,565,652)	(1,618,193)
OWDA Loans	(27,513,637)	(28,240,259)	(28,943,933)	(29,756,801)
State Infrastructure Bank Loans	(696,717)	(1,126,999)	(1,544,657)	(1,950,062)
General Bond Retirement Fund Balance	(311,154)	(433,558)	(477,950)	(424,003)
Net Debt Within 5 ½ % Limitations	<u>36,788,846</u>	<u>31,271,442</u>	<u>33,957,050</u>	<u>36,610,997</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$7,764,493</u>	<u>\$13,296,018</u>	<u>\$10,874,251</u>	<u>\$7,920,712</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	17.43%	29.83%	24.26%	17.79%

Source: City Financial Records

2012	2011	2010	2009	2008	2007
<u>\$878,255,560</u>	<u>\$890,219,738</u>	<u>\$896,122,170</u>	<u>\$955,094,560</u>	<u>\$985,188,821</u>	<u>\$1,027,425,041</u>
\$ 92,216,834	\$ 93,473,072	\$ 94,092,828	\$ 100,284,929	\$ 103,444,826	\$ 107,879,629
31,941,988	33,835,591	35,499,194	37,212,797	39,116,143	40,801,758
2,901,969	3,199,421	3,491,873	3,769,325	4,057,031	843,242
7,100,000	7,850,000	8,530,000	5,330,000	10,880,000	10,850,000
1,077,633	1,068,459	394,585	459,049	481,251	434,173
27,126,794	21,486,696	17,539,626	13,457,878	7,619,248	9,609,279
2,343,573	2,724,102	3,252,000	3,252,000	0	0
72,491,957	70,164,269	68,707,278	63,481,049	62,153,673	62,538,452
(2,901,969)	(3,199,421)	(3,491,873)	(3,769,325)	(4,057,031)	(843,242)
(1,077,633)	(1,068,459)	(394,585)	(459,049)	(481,251)	(434,173)
(27,126,794)	(21,486,696)	(17,539,626)	(13,457,878)	(7,619,248)	(9,609,279)
(2,343,573)	(2,724,102)	(3,252,000)	(3,252,000)	0	0
(411,583)	(270,897)	(889,319)	(678,226)	(576,108)	(1,240,977)
38,630,405	41,414,694	43,139,875	41,864,571	49,420,035	50,410,781
<u>\$53,586,429</u>	<u>\$52,058,378</u>	<u>\$50,952,953</u>	<u>\$58,420,358</u>	<u>\$54,024,791</u>	<u>\$57,468,848</u>
58.11%	55.69%	54.15%	58.25%	52.23%	53.27%
<u>\$48,304,056</u>	<u>\$48,962,086</u>	<u>\$49,286,719</u>	<u>\$52,530,201</u>	<u>\$54,185,385</u>	<u>\$56,508,377</u>
72,491,957	70,164,269	68,707,278	63,481,049	62,153,673	62,538,452
(2,901,969)	(3,199,421)	(3,491,873)	(3,769,325)	(4,057,031)	(843,242)
(1,077,633)	(1,068,459)	(394,585)	(459,049)	(481,251)	(434,173)
(27,126,794)	(21,486,696)	(17,539,626)	(13,457,878)	(7,619,248)	(9,609,279)
(2,343,573)	(2,724,102)	(3,252,000)	(3,252,000)	0	0
(411,583)	(270,897)	(889,319)	(678,226)	(576,108)	(1,240,977)
38,630,405	41,414,694	43,139,875	41,864,571	49,420,035	50,410,781
<u>\$9,673,651</u>	<u>\$7,547,392</u>	<u>\$6,146,844</u>	<u>\$10,665,630</u>	<u>\$4,765,350</u>	<u>\$6,097,596</u>
20.03%	15.41%	12.47%	20.30%	8.79%	10.79%

City of Elyria, Ohio
Pledged Revenue Coverage
Wastewater Pollution Control
Last Ten Years

Year	Wastewater Service Charges and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2016	\$11,883,048	\$9,132,179	\$2,750,869	\$664,206	\$3,246,226	70.35%
2015	12,288,121	8,348,352	3,939,769	2,920,665	1,341,661	92.43
2014	11,234,947	7,978,613	3,256,334	1,248,899	706,226	166.55
2013	11,098,615	7,815,836	3,282,779	1,910,610	776,633	122.16
2012	11,096,179	9,121,973	1,974,206	1,708,903	853,414	77.05
2011	10,834,616	8,940,215	1,894,401	1,606,807	703,373	82.00
2010	10,556,526	9,377,823	1,178,703	1,384,866	731,086	55.71
2009	9,814,908	8,205,781	1,609,127	4,718,528	752,952	29.41
2008	9,960,475	8,137,313	1,823,162	2,715,030	846,481	51.19
2007	9,983,573	7,984,908	1,998,665	1,972,826	956,223	68.24

Source: Annual audited financial statements of the City.

(1) Direct operating expenses do not include depreciation and amortization expense.

City of Elyria, Ohio
Principal Employers
Current Year and Nine Years Prior

2016		
Employer (b)	Employees (b)	Percentage of Total City Employment
EMH Regional Medical Center	1,744	6.46%
Lorain County Community College	1,672	6.19
Lorain County	1,311	4.86
Elyria City School District	783	2.90
Ridge Tool Company	571	2.11
The City of Elyria	502	1.86
Riddell All American	500	1.85
Bendix Commercial Vehicle Systems LLC	495	1.83
Consun Food Industries	488	1.81
Invacare Corporation	479	1.77
Total	8,545	31.65%
Total Employment within the City (a)	27,000	

2007		
Employer (b)	(b)	
EMH Regional Medical Center	1,664	5.62%
Lorain County	1,649	5.57
Elyria City School District	972	3.28
Invacare	767	2.59
Ridge Tool Company	610	2.06
Parker Hannifin Corporation	512	1.73
The City of Elyria	510	1.72
Lorain County Community College	420	1.42
Bendix Commercial Vehicle Systems LLC	399	1.35
Elyria Foundry Company	374	1.26
Total	7,877	26.62%
Total Employment within the City (a)	29,600	

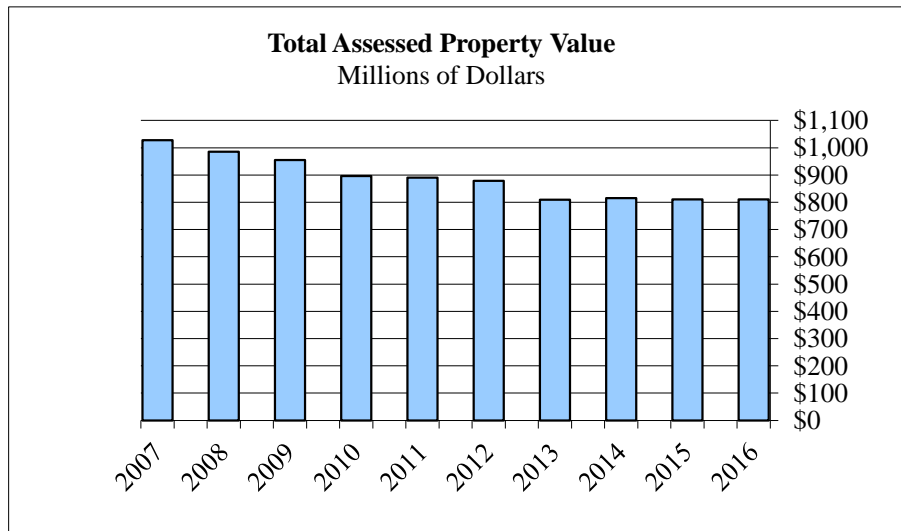
Source: (a) Ohio Department of Job and Family Services

(b) Annual Information Statement - City of Elyria

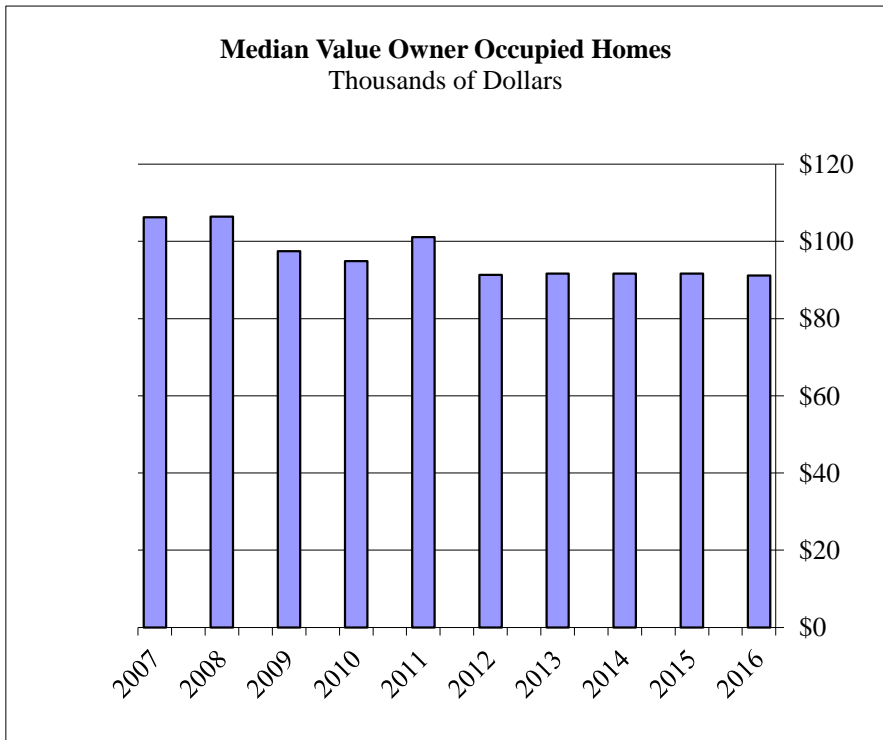
City of Elyria, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population		Total Personal Income (7)	Personal Income Per Capita	Median Household Income	Median Age
2016	54,533	(2)	\$1,083,679,776	\$19,872 (2)	\$40,075 (2)	38.1 (2)
2015	54,533	(2)	1,083,679,776	\$19,872 (2)	\$40,075 (2)	38.1 (2)
2014	54,533	(2)	1,083,679,776	19,872 (2)	40,075 (2)	38.1 (2)
2013	54,533	(2)	1,083,679,776	19,872 (2)	40,075 (2)	38.1 (2)
2012	54,533	(2)	1,083,679,776	19,872 (2)	40,075 (2)	38.1 (2)
2011	54,533	(2)	1,083,679,776	19,872 (2)	40,075 (2)	38.1 (2)
2010	55,953	(1)	1,082,354,832	19,344 (1)	38,156 (1)	34.8 (1)
2009	55,953	(1)	1,082,354,832	19,344 (1)	38,156 (1)	34.8 (1)
2008	55,953	(1)	1,082,354,832	19,344 (1)	38,156 (1)	34.8 (1)
2007	55,953	(1)	1,082,354,832	19,344 (1)	38,156 (1)	34.8 (1)

- (1) U. S. Bureau of Census, 2000 Federal Census
- (2) U. S. Bureau of Census, 2010 Federal Census
- (3) Source: Elyria City Schools Comprehensive Annual Financial Report
- (4) Source: Ohio Department of Job and Family Services
- (5) Source: United States Bureau of Labor Statistics
- (6) Source: Lorain County Auditor
- (7) Computation of per capita personal income multiplied by population



Educational Attainment: Bachelor's Degree or Higher	School Enrollment (3)	Unemployment Rate	Median Value Owner Occupied Homes (6)	Total Assessed Property Value 000's (6)
12.7% (2)	6,266	6.0% (5)	\$91,189 (6)	\$810,061
12.7% (2)	6,466	5.4% (5)	91,628 (6)	810,317
12.7 (2)	6,566	6.7 (5)	91,628 (6)	815,115
12.7 (2)	6,729	7.1 (5)	91,628 (6)	809,667
12.7 (2)	7,520	7.5 (5)	91,307 (6)	878,256
12.7 (2)	7,148	8.2 (5)	101,082 (6)	890,220
5.8 (1)	7,131	10.4 (4)	94,909 (6)	896,122
5.8 (1)	7,289	9.3 (4)	97,440 (6)	955,095
5.8 (1)	7,315	7.0 (4)	106,410 (6)	985,189
5.8 (1)	7,277	6.3 (4)	106,270 (6)	1,027,425



City of Elyria, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Government										
Mayor	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Administration	2.00	2.00	2.00	2.00	1.50	1.50	1.50	1.50	1.50	1.50
Information Technology	4.00	4.00	4.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00
Income Tax	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Finance Director	6.50	7.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Law Director	14.50	14.50	14.00	15.50	15.50	17.50	15.00	16.00	15.50	15.00
Council	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Court	50.50	44.00	47.50	45.00	43.50	44.50	42.00	40.00	46.50	44.50
Civil Service	2.00	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Building & Lands	2.00	1.00	2.00	1.00	1.00	1.00	2.00	1.00	3.00	3.00
Engineer	5.00	5.00	4.00	3.00	4.00	3.00	4.00	4.00	5.00	5.00
Central Maintenance	7.00	7.00	9.00	9.00	9.00	9.00	9.00	8.00	8.00	8.00
Public Safety										
Police	82.00	84.00	77.00	77.00	84.00	83.00	84.00	84.00	86.00	89.00
Police - School Guards	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24.00	24.50
Police - Dispatchers/Office/Other	17.00	15.00	20.00	20.00	16.00	15.50	14.00	17.00	27.00	28.00
Police - Prisoner Support	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.00	22.00
Fire	64.00	66.00	75.00	75.00	74.00	73.00	73.00	52.00	75.00	69.00
Fire - Secretary - Other	2.50	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Communications	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Safety Service	6.00	5.00	5.00	6.00	7.00	7.00	7.00	7.00	7.00	8.00
Traffic Lights	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00
Health										
Cemetery	3.50	4.00	4.00	5.50	4.50	5.00	5.00	5.00	4.50	5.50
Health Administration	17.50	15.00	19.00	18.50	23.00	22.50	22.00	22.00	27.50	26.00
Culture and Recreation										
Parks & Recreation	11.00	10.00	11.00	14.00	15.00	14.00	14.00	15.00	20.00	20.00
Swimming Pools	32.00	25.50	25.00	19.00	19.00	16.00	13.00	12.50	27.00	25.50
Community Environment										
Planning	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Client Advocate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Community Development	4.00	4.00	4.00	4.00	3.50	4.00	5.00	1.00	4.00	5.00
Building	8.50	7.50	9.00	11.00	9.00	6.00	8.00	8.00	13.00	15.00
Highways and Streets										
Street M&R	14.50	14.00	18.00	16.50	16.00	16.00	16.00	14.00	14.00	14.00
Business-type activities										
Sanitation	25.50	24.50	22.00	23.00	22.00	22.00	23.00	25.00	24.00	25.00
Water	49.50	48.50	46.50	46.50	51.00	55.50	51.00	54.00	52.50	51.00
Wastewater	54.00	57.00	56.00	58.00	61.00	62.00	58.00	60.00	57.00	55.50
Totals:	502.00	484.00	500.50	501.00	508.00	506.50	495.00	475.50	592.50	588.50

Source: City Payroll Department - Monthly Employee Count

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

City of Elyria, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013	2012
General Government					
<i>Council and Clerk</i>					
Number of Ordinances Passed	166	149	143	126	168
Number of Resolutions Passed	24	21	36	31	21
Number of Planning Commission docket items	17	14	15	19	33
Zoning Board of Appeals docket items	12	23	18	81	17
<i>Finance Department</i>					
Number of checks/ vouchers issued	27,323	27,590	25,508	23,050	23,667
Interest earnings for fiscal year (cash basis)	\$38,012	\$96,958	\$33,456	\$30,133	\$18,150
Agency Ratings - Moody's Financial Services	NA	NA	NA	A1	A1
Agency Ratings - Standard & Poors Rating Services	AA-	AA-	AA-		
Health Insurance Costs vs General Fund Expenditures %	0.00%	26.13%	23.50%	23.12%	23.11%
General Fund Receipts (modified accrual basis)	\$27,291,796	\$25,955,678	\$25,035,545	\$26,059,948	\$26,100,356
General Fund Expenditures (modified accrual basis)	\$27,173,923	\$26,117,464	\$26,149,910	\$25,663,870	\$25,065,539
General Fund Balances (modified accrual basis)	\$4,168,667	\$4,050,794	\$4,212,580	\$5,326,946	\$4,930,868
<i>Income Tax Department</i>					
Number of Individual Returns	24,925	25,341	25,298	21,444	21,080
Number of Business Returns	4,721	4,671	5,067	2,720	2,801
Number of business withholding accounts	2,591	2,643	2,743	2,421	2,485
Amount of Penalties and Interest Collected	\$167,251	\$131,270	\$215,055	\$213,748	\$139,724
Annual number of Corporate withholding forms processed	25,215	26,901	22,075	21,105	21,223
Annual number of balance due statements forms processed	6,123	5,769	6,914	6,215	5,800
Annual number of reconciliations of withholdings processed	2,878	3,039	2,773	3,099	3,142
<i>Engineer Contracted Services</i>					
Dollar amount of Construction overseen by Engineer	\$7,869,444	\$13,479,965	\$9,631,437	\$3,950,951	\$5,811,356
<i>Municipal Motor Vehicle Tax Fund</i>					
Amount of License Fees Collected for street resurfacing	\$886,587	\$873,822	\$862,403	\$854,195	\$858,327
Average cost per square yard of asphalt (labor & material)	\$13.81	\$13.45	\$12.60	\$12.16	\$11.53
<i>Municipal Court</i>					
Number of Criminal Cases	4,423	4,457	4,371	4,294	4,175
Number of Civil / Traffic cases	12,077	14,052	16,200	14,432	13,453
<i>Health Department</i>					
Number of Health Inspections	1,154	1,488	1,040	1,706	1,399
Public Health Case Management Encounters	989	1,099	1,162	1,965	2,301
Adult immunizations	1,991	1,866	2,210	2,847	2,558
Childhood immunizations	2,001	2,152	2,006	2,504	2,289
Dental sealants applied	3,214	6,971	4,434	6,564	4,522
<i>Civil Service</i>					
Number of police entry tests administered	2	2	1	1	0
Number of fire entry tests administered	0	1	0	0	0
Number of police promotional tests administered	2	0	1	0	3
Number of fire promotional tests administered	0	0	2	1	2
Number of appointments from certified lists	14	8	10	16	10

Note: The City of Elyria Implemented GASB Statement 34 in 2003.

City of Elyria, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2011	2010	2009	2008	2007
General Government					
<i>Council and Clerk</i>					
Number of Ordinances Passed	210	173	253	175	164
Number of Resolutions Passed	29	26	26	27	25
Number of Planning Commission docket items	40	53	61	67	55
Zoning Board of Appeals docket items	21	30	21	20	32
<i>Finance Department</i>					
Number of checks/ vouchers issued	23,594	23,906	24,611	28,174	28,798
Interest earnings for fiscal year (cash basis)	\$24,629	\$27,761	\$108,703	\$687,783	\$1,469,598
Agency Ratings - Moody's Financial Services	A3	A3	A3	A2	A2
Agency Ratings - Standard & Poors Rating Services					
Health Insurance Costs vs General Fund Expenditures %	19.67%	20.24%	18.11%	15.93%	15.60%
General Fund Receipts (modified accrual basis)	\$27,184,807	\$26,121,165	\$25,282,993	\$27,746,672	\$28,907,620
General Fund Expenditures (modified accrual basis)	\$25,916,317	\$24,065,113	\$26,752,915	\$31,085,114	\$28,903,261
General Fund Balances (modified accrual basis)	\$3,896,051	\$2,627,561	\$571,509	\$2,041,431	\$5,379,873
<i>Income Tax Department</i>					
Number of Individual Returns	16,793	17,719	19,656	18,771	18,107
Number of Business Returns	2,531	2,735	2,642	2,187	1,952
Number of business withholding accounts	2,279	2,271	2,357	2,376	2,499
Amount of Penalties and Interest Collected	\$152,269	\$82,274	\$75,904	\$57,708	\$84,365
Annual number of Corporate withholding forms processed	19,174	18,950	18,779	17,843	18,162
Annual number of balance due statements forms processed	9,043	8,894	8,920	9,853	11,336
Annual number of reconciliations of withholdings processed	1,801	1,816	1,885	1,902	1,874
<i>Engineer Contracted Services</i>					
Dollar amount of Construction overseen by Engineer	\$9,856,272	\$16,491,648	\$4,994,181	\$25,325,011	\$2,527,636
<i>Municipal Motor Vehicle Tax Fund</i>					
Amount of License Fees Collected for street resurfacing	\$848,663	\$857,896	\$847,262	\$867,483	\$886,504
Average cost per square yard of asphalt (labor & material)	\$11.21	\$10.67	\$10.53	\$10.94	\$9.10
<i>Municipal Court</i>					
Number of Criminal Cases	5,249	4,077	4,780	4,347	4,231
Number of Civil / Traffic cases	13,831	11,842	14,287	17,898	16,558
<i>Health Department</i>					
Number of Health Inspections	1,478	1,494	1,721	1,899	1,196
Public Health Case Management Encounters	3,529	3,308	3,499	5,237	5,027
Adult immunizations	3,757	5,104	11,535	5,685	5,681
Childhood immunizations	1,892	1,983	2,246	3,087	3,271
Dental sealants applied	4,459	3,457	2,884	2,700	2,829
<i>Civil Service</i>					
Number of police entry tests administered	1	0	1	0	1
Number of fire entry tests administered	0	1	0	0	1
Number of police promotional tests administered	0	1	0	0	1
Number of fire promotional tests administered	0	1	0	4	0
Number of appointments from certified lists	11	17	4	7	16

Note: The City of Elyria Implemented GASB Statement 34 in 2003. (continued)

City of Elyria, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013	2012
Building Department Indicators					
Construction Permits Issued	2,598	1,579	1,344	1,415	1,774
Estimated Value of Construction	\$58,761,414	\$32,184,655	\$18,343,671	\$47,588,307	\$55,202,075
Amount of Revenue generated from permits	\$480,212	\$372,355	\$185,510	\$227,259	\$313,004
Amount of Revenue from contractor registrations issued	\$86,100	\$68,110	\$79,090	\$80,572	\$87,250
Public Safety					
Police					
Total Calls for Services	40,456	42,279	40,637	42,477	41,457
Number of traffic citations issued	2,187	2,874	3,153	4,094	3,704
Number of parking citations issued	175	216	1,294	2,151	1,018
Number of arrests	4,398	7,430	7,733	8,757	8,605
Number of accident reports completed	1,588	1,560	1,512	1,650	1,734
Serious offenses	2,527	2,804	3,071	3,216	3,546
Police Dept. Auxiliary hours worked	1,599	2,807	2,095	2,472	3,690
DUI Arrests	129	141	172	198	313
Prisoners	0	0	0	0	0
Prisoner meal costs	\$0	\$0	\$0	\$0	\$0
Property damage accidents	1,278	1,204	1,220	1,287	1,396
Fatalities from Motor Vehicle Accidents	4	0	0	1	1
Fire					
EMS Calls	2,623	2,223	2,055	2,559	2,588
Fire Calls	162	190	173	181	237
Fires with Loss	136	107	49	101	199
Fires with Losses exceeding \$10K	19	23	19	31	17
Fire Safety Inspections	490	171	617	502	491
Number of times Mutual Aid given to Fire and EMS	23	14	17	13	11
Number of times Mutual Aid received for Fire and EMS	8	9	4	3	6
Health					
Cemetery burials	143	124	125	148	140
Cemetery cremations	65	60	42	60	37
Cemetery sale of lots	144	116	113	147	124
Cemetery receipts	\$286,210	\$233,810	\$231,165	\$114,460	\$96,305

Note: The City of Elyria Implemented GASB Statement 34 in 2003.

City of Elyria, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2011	2010	2009	2008	2007
Building Department Indicators					
Construction Permits Issued	2,353	1,635	636	1,648	1,578
Estimated Value of Construction	\$64,288,602	\$29,963,745	\$76,572,474	\$15,605,172	\$49,756,670
Amount of Revenue generated from permits	\$615,676	\$322,361	\$699,151	\$189,290	\$475,716
Amount of Revenue from contractor registrations issued	\$88,900	\$77,800	\$76,050	\$74,350	\$82,325
Public Safety					
Police					
Total Calls for Services	42,140	40,132	42,547	38,285	37,409
Number of traffic citations issued	4,548	2,869	3,733	4,631	5,041
Number of parking citations issued	273	247	454	1,390	1,301
Number of arrests	10,341	7,743	9,440	11,094	11,194
Number of accident reports completed	1,834	1,772	1,805	2,063	2,095
Serious offenses	3,577	3,433	3,795	3,760	3,909
Police Dept. Auxiliary hours worked	2,618	2,433	2,394	489	633
DUI Arrests	456	235	338	617	541
Prisoners	0	0	3,007	4,376	4,087
Prisoner meal costs	\$0	\$0	\$55,775	\$97,733	\$108,798
Property damage accidents	1,463	1,421	1,448	1,672	1,684
Fatalities from Motor Vehicle Accidents	2	3	3	1	2
Fire					
EMS Calls	2,190	1,474	1,335	2,231	2,508
Fire Calls	267	246	268	268	246
Fires with Loss	123	152	252	120	125
Fires with Losses exceeding \$10K	30	41	20	30	21
Fire Safety Inspections	694	73	70	590	734
Number of times Mutual Aid given to Fire and EMS	12	13	14	17	22
Number of times Mutual Aid received for Fire and EMS	3	18	25	20	12
Health					
Cemetery burials	142	137	144	206	198
Cemetery cremations	43	57	45	39	45
Cemetery sale of lots	119	134	132	189	168
Cemetery receipts	\$74,680	\$80,300	\$86,385	\$110,405	\$89,965

Note: The City of Elyria Implemented GASB Statement 34 in 2003. (continued)

City of Elyria, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013	2012
Culture and Recreation					
<i>Recreation</i>					
Number of parks	13	13	13	13	13
Size of parks in acreage	358	358	358	358	358
Recreation Swimming pool receipts	\$39,619	\$34,493	\$35,149	\$43,007	\$39,419
Recreation Mens & Womens League/Program receipts	257,915	223,349	235,170	225,712	226,485
Recreation Ice rink receipts	170,153	150,047	156,734	163,276	131,262
Recreation Concessions and miscellaneous receipts	100,037	90,874	62,098	53,127	52,307
Safety Town Students	0	204	292	256	316
Fireworks donations	28,965	49,824	48,292	0	0
Total Recreation Department receipts	<u>\$596,689</u>	<u>\$548,791</u>	<u>\$537,735</u>	<u>\$485,378</u>	<u>\$449,789</u>
Community Development					
Community Development Block Grants	\$623,587	\$638,366	\$628,843	\$609,876	\$584,824
Community Development Block Grant Program Income	\$97,056	\$93,645	\$7,638	\$31,843	\$45,413
Comprehensive Housing Improvement Program Grants	\$0	\$250,000	\$0	\$0	\$250,000
Comprehensive Housing Improvement Program Income	\$27,164	\$22,425	\$64,789	\$0	\$52,387
Enterprise Zone/Community Reinvestment Area Fees	\$2,450	\$1,700	\$3,150	\$1,700	\$1,400
Basic Utility Services					
Refuse collection rates (by month)					
Residential - Rate increase June 1, 2015	\$ 24.74	\$ 23.91	\$ 23.11	\$ 23.11	\$ 22.23
Homestead - Rate increase June 1, 2015	17.32	16.74	16.18	16.18	15.56
Commercial:					
Basic	n/a	n/a	68.48	68.48	65.84
One-yard container	n/a	n/a	41.08	41.08	39.50
Two-yard container	n/a	n/a	53.40	53.40	51.34
Cost per cubic yard	n/a	n/a	13.35	13.35	12.84
Extra pick-up charge	n/a	n/a	39.02	39.02	37.52
Refuse collection customer counts					
Residential	15,444	13,559	13,487	13,515	13,591
Homestead	2,751	2,698	2,721	2,697	2,649
Commercial	n/a	n/a	104	106	127
Total	<u>18,195</u>	<u>16,257</u>	<u>16,312</u>	<u>16,318</u>	<u>16,367</u>
Refuse receipts by customer type					
Residential	\$ 3,894,187	\$ 4,061,844	\$ 3,926,256	\$ 4,105,386	\$ 3,793,925
Homestead	\$ 540,389	\$ 558,463	\$ 530,412	\$ 525,920	\$ 544,693
Commercial	\$ -	\$ -	\$ 14,131	\$ 72,440	\$ 90,410
Total	<u>\$ 4,434,576</u>	<u>\$ 4,620,307</u>	<u>\$ 4,470,799</u>	<u>\$ 4,703,746</u>	<u>\$ 4,429,028</u>

Note: The City of Elyria Implemented GASB Statement 34 in 2003.

City of Elyria, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2011	2010	2009	2008	2007
Culture and Recreation					
<i>Recreation</i>					
Number of parks	13	13	13	13	13
Size of parks in acreage	358	358	358	358	358
Recreation Swimming pool receipts	\$30,713	\$26,772	\$25,256	\$63,558	\$59,416
Recreation Mens & Womens League/Program receipts	220,382	205,116	191,514	255,188	269,060
Recreation Ice rink receipts	147,878	151,321	154,326	137,250	145,867
Recreation Concessions and miscellaneous receipts	56,624	66,388	49,024	94,379	94,153
Safety Town Students	375	334	356	400	405
Fireworks donations	0	0	0	12,207	14,287
Total Recreation Department receipts	<u>\$455,972</u>	<u>\$449,931</u>	<u>\$420,476</u>	<u>\$562,982</u>	<u>\$583,188</u>
Community Development					
Community Development Block Grants	\$738,024	\$601,606	\$865,418	\$764,224	\$827,159
Community Development Block Grant Program Income	\$26,186	\$48,101	\$70,192	\$40,049	\$36,606
Comprehensive Housing Improvement Program Grants	\$0	\$60,874	\$0	\$0	\$0
Comprehensive Housing Improvement Program Income	\$184	\$11,500	\$28,828	\$5,323	\$49,067
Enterprise Zone/Community Reinvestment Area Fees	\$2,000	\$1,900	\$3,300	\$4,500	\$8,000
Basic Utility Services					
Refuse collection rates (by month)					
Residential - Rate increase June 1, 2015	\$ 21.37	\$ 20.55	\$ 19.76	\$ 16.83	\$ 16.10
Homestead - Rate increase June 1, 2015	14.96	14.38	13.83	7.79	7.45
Commercial:					
Basic	63.31	60.88	58.54	49.86	47.71
One-yard container	37.98	36.52	35.11	29.91	28.62
Two-yard container	49.37	47.47	45.65	38.88	37.20
Cost per cubic yard	12.34	11.87	11.41	9.72	9.30
Extra pick-up charge	36.07	34.69	33.35	28.41	27.19
Refuse collection customer counts					
Residential	13,774	13,833	13,804	14,030	15,120
Homestead	2,611	2,433	2,396	2,132	879
Commercial	155	164	166	139	137
Total	<u>16,540</u>	<u>16,430</u>	<u>16,366</u>	<u>16,301</u>	<u>16,136</u>
Refuse receipts by customer type					
Residential	\$ 3,617,886	\$ 3,538,055	\$ 3,280,849	\$ 2,829,389	\$ 3,068,058
Homestead	\$ 471,175	\$ 426,193	\$ 405,546	\$ 106,673	\$ 86,179
Commercial	\$ 135,167	\$ 143,530	\$ 135,100	\$ 121,110	\$ 111,396
Total	<u>\$ 4,224,228</u>	<u>\$ 4,107,778</u>	<u>\$ 3,821,495</u>	<u>\$ 3,057,172</u>	<u>\$ 3,265,633</u>

Note: The City of Elyria Implemented GASB Statement 34 in 2003. (continued)

City of Elyria, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013	2012
Water Department					
Water Rates per 1st 300 Cu ft of water used					
Residential	\$ 14.82	\$ 14.25	\$ 13.70	\$ 12.30	\$ 10.86
Homestead	10.46	10.06	9.67	8.68	7.67
Minimum charge 301 - 7,000 Cu ft per HCF of water used	3.93	3.78	3.63	3.26	2.88
Minimum charge 7,001 - 20,000 Cu ft per HCF of water used	3.85	3.70	3.56	3.20	2.82
Minimum charge > 20,001 Cu ft per HCF of water used	3.77	3.63	3.49	3.13	2.76
Water customer counts					
Residential	20,568	16,164	16,439	16,128	15,816
Homestead	3,169	2,968	2,979	2,962	2,928
Commercial	1,609	1,378	1,401	1,360	1,332
Total	<u>25,346</u>	<u>20,510</u>	<u>20,819</u>	<u>20,450</u>	<u>20,076</u>
Water billings by customer type					
Residential	\$ 5,625,565	\$ 5,596,160	\$ 5,668,669	\$ 5,223,226	\$ 4,788,831
Homestead	\$ 582,636	\$ 584,017	\$ 581,157	\$ 524,856	\$ 487,950
Commercial	\$ 5,993,575	\$ 6,672,699	\$ 6,829,196	\$ 5,643,231	\$ 5,045,527
Total	<u>\$ 12,201,776</u>	<u>\$ 12,852,876</u>	<u>\$ 13,079,022</u>	<u>\$ 11,391,313</u>	<u>\$ 10,322,308</u>
Water usage by customer type (in hundred cubic feet)					
Residential	1,170,543	1,498,881	1,381,732	1,488,195	1,508,713
Homestead	136,204	175,315	151,111	182,117	156,300
Commercial	2,649,642	2,921,319	2,933,642	2,391,838	2,038,099
Total	<u>3,956,389</u>	<u>4,595,515</u>	<u>4,466,485</u>	<u>4,062,150</u>	<u>3,703,112</u>
Wastewater Department					
Sewer rates					
Minimum Charge 0 to 3 HCF-Sewer OMR	\$ 12.93	\$ 12.39	\$ 11.88	\$ 11.43	\$ 10.98
Charge per HCF over 3 HCF	4.31	4.13	3.96	3.81	3.66
Minimum Charge 0 to 3 HCF-DEBT	7.02	6.72	6.45	6.21	5.97
Charge per HCF over 3 HCF	2.35	2.24	2.15	2.07	1.99
Monitor Fee	0.25	0.25	0.25	0.25	0.25
Sewer customer counts by type					
Residential/Homestead	20,962	17,671	17,654	17,632	17,732
Commercial	1,392	1,203	1,204	1,209	1,239
Total	<u>22,354</u>	<u>18,874</u>	<u>18,858</u>	<u>18,841</u>	<u>18,971</u>
Sewer receipts by customer type					
Residential/Homestead	\$ 7,288,860	\$ 7,219,027	\$ 7,197,773	\$ 5,970,440	\$ 7,020,062
Commercial	\$ 4,423,905	\$ 4,569,088	\$ 4,303,838	\$ 4,969,365	\$ 4,077,146
Total	<u>\$ 11,712,765</u>	<u>\$ 11,788,115</u>	<u>\$ 11,501,611</u>	<u>\$ 10,939,805</u>	<u>\$ 11,097,208</u>
Sewer usage by customer type (in hundred cubic feet)					
Residential/Homestead	1,094,460	1,133,285	1,178,032	1,015,381	1,242,489
Commercial	1,086,012	712,759	704,393	845,130	721,619
Total	<u>2,180,472</u>	<u>1,846,044</u>	<u>1,882,425</u>	<u>1,860,511</u>	<u>1,964,108</u>

Note: The City of Elyria Implemented GASB Statement 34 in 2003.

(continued)

City of Elyria, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2011	2010	2009	2008	2007
Water Department					
Water Rates per 1st 300 Cu ft of water used					
Residential	\$ 9.40	\$ 8.07	\$ 7.14	\$ 5.58	\$ 5.34
Homestead	6.64	5.70	5.04	3.94	3.77
Minimum charge 301 - 7,000 Cu ft per HCF of water used	2.49	2.14	1.89	1.48	1.42
Minimum charge 7,001 - 20,000 Cu ft per HCF of water used	2.44	2.10	1.86	1.45	1.39
Minimum charge > 20,001 Cu ft per HCF of water used	2.39	2.05	1.82	1.42	1.36
Water customer counts					
Residential	15,205	19,004	20,674	20,063	21,269
Homestead	2,683	3,389	2,898	2,436	1,101
Commercial	1,311	780	700	696	645
Total	19,199	23,173	24,272	23,195	23,015
Water billings by customer type					
Residential	\$ 3,899,005	\$ 3,616,709	\$ 3,175,836	\$ 3,205,689	\$ 3,575,876
Homestead	\$ 371,648	\$ 354,286	\$ 267,765	\$ 202,927	\$ 84,111
Commercial	\$ 4,758,603	\$ 3,562,542	\$ 3,139,508	\$ 2,399,281	\$ 1,980,216
Total	\$ 9,029,256	\$ 7,533,537	\$ 6,583,109	\$ 5,807,897	\$ 5,640,203
Water usage by customer type (in hundred cubic feet)					
Residential	1,463,477	1,636,410	1,557,487	1,817,704	1,993,219
Homestead	154,246	156,001	146,133	127,274	50,206
Commercial	2,157,193	1,681,107	1,910,820	1,849,009	1,884,235
Total	3,774,916	3,473,518	3,614,440	3,793,987	3,927,660
Wastewater Department					
Sewer rates					
Minimum Charge 0 to 3 HCF-Sewer OMR	\$ 10.56	\$ 10.05	\$ 9.30	\$ 9.06	\$ 8.65
Charge per HCF over 3 HCF	3.52	3.35	3.10	3.02	2.88
Minimum Charge 0 to 3 HCF-DEBT	5.73	5.46	5.07	4.92	4.70
Charge per HCF over 3 HCF	1.91	1.82	1.69	1.64	1.56
Monitor Fee	0.25	0.25	0.25	0.25	0.25
Sewer customer counts by type					
Residential/Homestead	17,805	18,268	18,391	18,272	18,601
Commercial	1,231	690	610	534	555
Total	19,036	18,958	19,001	18,806	19,156
Sewer receipts by customer type					
Residential/Homestead	\$ 8,504,094	\$ 6,916,909	\$ 7,359,087	\$ 7,076,703	\$ 6,971,417
Commercial	\$ 3,958,436	\$ 3,405,838	\$ 2,362,215	\$ 2,584,665	\$ 2,699,187
Total	\$ 12,462,530	\$ 10,322,747	\$ 9,721,302	\$ 9,661,368	\$ 9,670,604
Sewer usage by customer type (in hundred cubic feet)					
Residential/Homestead	1,566,131	1,350,105	1,497,027	1,487,219	1,528,087
Commercial	728,994	606,978	602,978	527,854	568,544
Total	2,295,125	1,957,083	2,100,005	2,015,073	2,096,631

Note: The City of Elyria Implemented GASB Statement 34 in 2003.

City of Elyria, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Government										
Square Footage Occupied - City Hall	62,103	62,103	62,103	62,103	62,103	62,103	62,103	62,103	62,103	62,103
Square Footage Occupied - Muni Court	49,000	49,000	49,000	49,000	49,000	49,000	49,000	49,000	49,000	49,000
Municipal Court Vehicles	1	2	2	2	2	2	2	2	2	2
Engineering Vehicles	7	5	5	5	5	5	5	5	5	5
Central Maintenance Garage Vehicles	5	4	4	4	4	4	4	4	3	3
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Square Footage of Building	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000
Vehicles	105	93	93	93	93	93	95	91	99	99
Fire										
Stations	4	4	4	4	4	4	4	4	4	4
Square Footage of Station #1 Cedar St.	8,784	8,784	8,784	8,784	8,784	8,784	8,784	8,784	8,784	8,784
Square Footage of Station #2 E. Broad St.	16,364	16,364	16,364	16,364	16,364	16,364	16,364	16,364	16,364	16,364
Square Footage of Station #3 Lorain Blvd.	7,443	7,443	7,443	7,443	7,443	7,443	7,443	7,443	7,443	7,443
Square Footage of Station #4 N. Abbe Rd.	6,750	6,750	6,750	6,750	6,750	6,750	6,750	6,750	6,750	6,750
Vehicles	20	25	25	25	25	25	26	26	23	23
Communications										
Vehicles	6	7	7	7	7	7	7	7	6	6
Safety Service										
Vehicles	0	0	0	0	0	0	1	1	2	2
Health										
Health										
Vehicles	5	6	6	6	6	6	7	7	6	6
Cemetery										
Vehicles	9	12	12	12	12	12	13	13	13	13

Source: City insurance policy vehicle and building location schedules.

Note: The City of Elyria Implemented GASB Statement 34 in 2003.

City of Elyria, Ohio
Capital Assets Statistics by Function/Program (Continued)
Last Ten Years

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Culture and Recreation										
Number of Parks	13	13	13	13	13	13	13	13	13	13
Number of Pools	2	2	2	2	2	4	4	4	4	4
Number of Ice Rinks	1	1	1	1	1	1	1	1	1	1
Number of Tennis Courts	4	4	4	4	4	4	4	4	4	4
Number of Skateboarding Areas	1	1	1	1	1	1	1	1	1	1
Number of Baseball Diamonds	10	10	10	10	10	10	10	10	10	10
Number of Soccer Fields	2	2	2	2	2	2	2	2	2	2
Square Footage of North Park Center	22,908	22,908	22,908	22,908	22,908	22,908	22,908	22,908	22,908	22,908
Square Footage of South Park Center	10,256	10,256	10,256	10,256	10,256	10,256	10,256	10,256	10,256	10,256
Square Footage of East Park Center	11,288	11,288	11,288	11,288	11,288	11,288	11,288	11,288	11,288	11,288
Square Footage of West Park Center	9,922	9,922	9,922	9,922	9,922	9,922	9,922	9,922	9,922	9,922
Vehicles	30	30	30	30	30	30	35	35	35	35
Community Environment										
Community Development										
Vehicles	2	3	3	3	3	3	4	4	6	6
Housing Code Enforcement										
Vehicles	7	3	3	3	3	3	4	4	6	6
Highways and Streets										
Streets (miles)	192	192	192	192	192	192	192	192	192	192
Service Vehicles	15	29	29	29	29	29	27	26	31	31
Water										
Water Lines (miles)	220	220	220	220	220	220	220	220	220	220
Vehicles	31	35	35	35	35	35	31	31	22	22
Sanitation										
Vehicles	22	20	20	20	20	20	21	19	18	18
Wastewater										
Sanitary Sewers (miles)	184	184	184	184	184	184	184	184	184	184
Storm Sewers (miles)	113	113	113	113	113	113	113	113	113	113
Vehicles	36	41	41	41	41	41	41	41	39	39

Source: City insurance policy vehicle and building location schedules.

Note: The City of Elyria Implemented GASB Statement 34 in 2003.



Dave Yost • Auditor of State

CITY OF ELYRIA

LORAIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
SEPTEMBER 19, 2017