

**CITY OF FINDLAY
HANCOCK COUNTY, OHIO**

SUPPLEMENTAL REPORTS

DECEMBER 31, 2008

ROBERT SPRAGUE, CITY AUDITOR



Mary Taylor, CPA
Auditor of State

Members of Council and Mayor
City of Findlay
318 Dorney Plaza
Room 313
Findlay, Ohio 45840-3346

We have reviewed the *Independent Auditor's Report* of the City of Findlay, Hancock County, prepared by Julian & Grube, Inc., for the audit period January 1, 2008 through December 31, 2008. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

June 22, 2009

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**CITY OF FINDLAY
HANCOCK COUNTY, OHIO**

**BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

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Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's Report on Supplementary
Schedule of Expenditures of Federal Awards**

Members of Council and Mayor
City of Findlay
Room 313, Municipal Building
318 Dorney Plaza
Findlay, OH 45840

Our audit was conducted for the purpose of forming opinions on the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Hancock County, Ohio, as of and for the year ended December 31, 2008, which collectively comprise the City of Findlay's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as whole.

Julian & Grube, Inc.

Julian & Grube, Inc.
May 27, 2009

CITY OF FINDLAY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANT NUMBER	(A) CASH FEDERAL DISBURSEMENTS
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PASSED THROUGH THE OHIO DEPARTMENT OF DEVELOPMENT			
(B) Small Cities Community Development Block Grant	14.228	N/A	\$ 18,745
Small Cities Community Development Block Grant	14.228	A-F-06-120-1	171,849
Total U.S. Department of Housing and Urban Development			<u>190,594</u>
U.S. DEPARTMENT OF JUSTICE PASSED THROUGH N/A			
Bulletproof Vest Partnership Grant Program	16.607	N/A	1,200
Total U.S. Department of Justice			<u>1,200</u>
U. S. DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION PASSED THROUGH THE N/A			
Airport Improvement Program	20.106	N/A	731,855
U. S. DEPARTMENT OF TRANSPORTATION PASSED THROUGH THE OHIO DEPARTMENT OF TRANSPORTATION			
Highway Planning and Construction	20.205	78111	326,963
Highway Planning and Construction	20.205	78124	18,527
Total Highway Planning and Construction			<u>345,490</u>
Total U.S. Department of Transportation			<u>1,077,345</u>
U. S. ENVIRONMENTAL PROTECTION AGENCY PASSED THROUGH THE N/A			
Brownsfield Assessment and Clean-up Cooperative Agreements	66.818	N/A	117,388
Total U.S. Environmental Protection Agency			<u>117,388</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES PASSED THROUGH THE OHIO DEPARTMENT OF HEALTH			
Public Health Infrastructure	93.283	03-22-0012-PIO-209	29,010
Public Health Infrastructure	93.283	03-22-0012-PIO-108	80,061
Total U.S. Department of Health and Human Services			<u>109,071</u>
U.S. DEPARTMENT OF HOMELAND SECURITY PASSED THROUGH THE OHIO EMERGENCY MANAGEMENT AGENCY, DEPARTMENT OF PUBLIC SAFETY			
Flood Mitigation Assistance	97.029	EMC-2007-FM-E005	51,223
Disaster Grants Public Assistance (Presidentially Declared Disasters)	97.036	063-27048-00	175,551
Hazard Mitigation Grant	97.039	FEMA-DR-1656.04R-OH	698,569
Total U.S. Department of Homeland Security			<u>925,343</u>
Total Federal Financial Assistance			<u>\$ 2,420,941</u>

-Continued

**CITY OF FINDLAY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

- (A) The accompanying Schedule of Expenditures of Federal Awards (the Schedule) summarizes activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting.
- (B) The City has established a revolving loan program to provide low-interest loans to businesses that are creating jobs and meet the other program requirements. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City passed through the Ohio Department of Development. The initial loan of this money is recorded as a disbursement on the accompanying Schedule of Expenditures of Federal Awards (the Schedule). Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule. These loans are collateralized by mortgages on the property. At December 31, 2008, the gross amount of loans outstanding under this program were \$713,042. The total amount of \$18,745 was old revolving loan money released by Ohio Department of Development to be used for the City's Parks and Recreation.

Note: Certain Federal programs require that the City contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has complied with the matching requirements. The expenditures of non-Federal matching funds are not included on the Schedule.



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Members of Council and Mayor
City of Findlay
Room 313, Municipal Building
318 Dorney Plaza
Findlay, OH 45840

We have 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 Findlay, Hancock County, Ohio, as of and for the year ended December 31, 2008, which collectively comprise the City of Findlay's basic financial statements and have issued our report thereon dated May 27, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Findlay's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Findlay's financial statements that is more than inconsequential will not be prevented or detected by the City of Findlay's internal control.

Members of Council and Mayor
City of Findlay

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Findlay's internal control.

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

Compliance and Other Matters

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

We noted certain matters that we reported to management of the City of Findlay in a separate letter dated May 27, 2009.

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



Julian & Grube, Inc.
May 27, 2009



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Report on Compliance With Requirements Applicable to
Each Major Program and on Internal Control Over
Compliance in Accordance With OMB Circular A-133**

Members of Council and Mayor
City of Findlay
Room 313, Municipal Building
318 Dorney Plaza
Findlay, OH 45840

Compliance

We have audited the compliance of the City of Findlay, Hancock County, Ohio, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2008. The City of Findlay's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Findlay's management. Our responsibility is to express an opinion on the City of Findlay's compliance based on our audit.

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

In our opinion, the City of Findlay complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008.

Members of Council and Mayor
City of Findlay

Internal Control Over Compliance

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

A control deficiency in the City of Findlay's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Findlay's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the City of Findlay's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the City of Findlay's internal control.

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 that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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



Julian & Grube, Inc.
May 27, 2009

**CITY OF FINDLAY
HANCOCK COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .505**

DECEMBER 31, 2008

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unqualified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under §.510?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	Airport Improvement Program CFDA #20.106 and Hazard Mitigation Grants CFDA #97.039
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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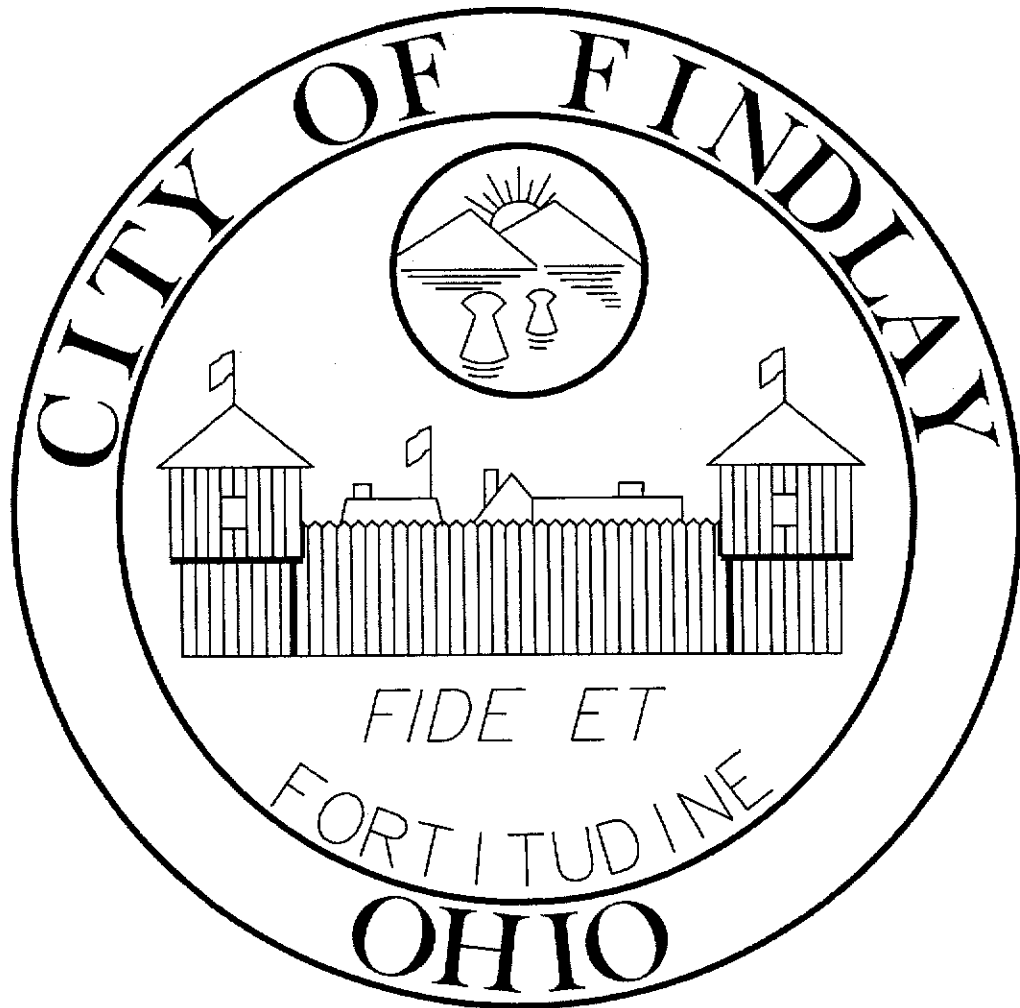
None

**CITY OF FINDLAY
HANCOCK COUNTY, OHIO**

**STATUS OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A-133 § .505**

DECEMBER 31, 2008

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2007-COF-001	The City had a prior period restatement to its capital assets. This is a direct result of the City's lack of ability to initiate, authorize, record, process and report financial data reliably in accordance with generally accepted accounting principles as it relates to capital assets.	Yes	N/A
2007-COF-002	Ohio Revised Code Section 5705.39 in part requires that total appropriations from each fund should not exceed total estimated resources.	Yes	N/A
2007-COF-003	Ohio Revised Code Section 5705.36 in part requires Treasurers to certify to the County Auditor the total amount from all sources which are available for expenditures from each fund in the tax budget along with any unencumbered balances that existed at the end of the preceding year.	Yes	N/A



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended December 31, 2008

CITY OF FINDLAY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

PREPARED BY:

CITY AUDITOR'S OFFICE
ROBERT COLE SPRAGUE, CITY AUDITOR

CITY OF FINDLAY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

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INTRODUCTORY SECTION



AUDITOR'S OFFICE

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

ROBERT COLE SPRAGUE
CITY AUDITOR

May 27, 2009

To the Residents of Findlay, Ohio:

The Comprehensive Annual Financial Report (CAFR) of the City of Findlay (the "City"), Ohio, for the fiscal year ended December 31, 2008, is submitted herewith. The report has been prepared for the citizens of Findlay, the elected officials, bondholders, the investment community, rating agencies, and all persons interested in the financial affairs of the City. This report includes the City's implementation of accounting principles generally accepted in the United States of America (GAAP) set forth by the Governmental Accounting Standards Board (GASB).

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

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

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

As a part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's independent audit for the year ended December 31, 2008 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

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

PROFILE OF THE CITY

The City is located in the northwestern part of the State of Ohio, and is the county seat and largest city in Hancock County. Findlay is a statutory city that operates under the statutes as set forth by the Ohio Revised Code, which requires our elected officials to be a Mayor, Council Members, a City Auditor, a City Treasurer, and a Director of Law. The office of the Treasurer is a part-time position. All officials are elected to four-year terms except the members of Council. Council members serve for a period of two years. There is a President of Council and nine council persons, three of whom are elected at-large and six by the respective wards. The Safety Director and the Service Director are appointed by the Mayor. The Safety Director has administrative responsibility for the safety/security forces and the Service Director oversees the utilities, streets, engineering, parks, and all other service departments.

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

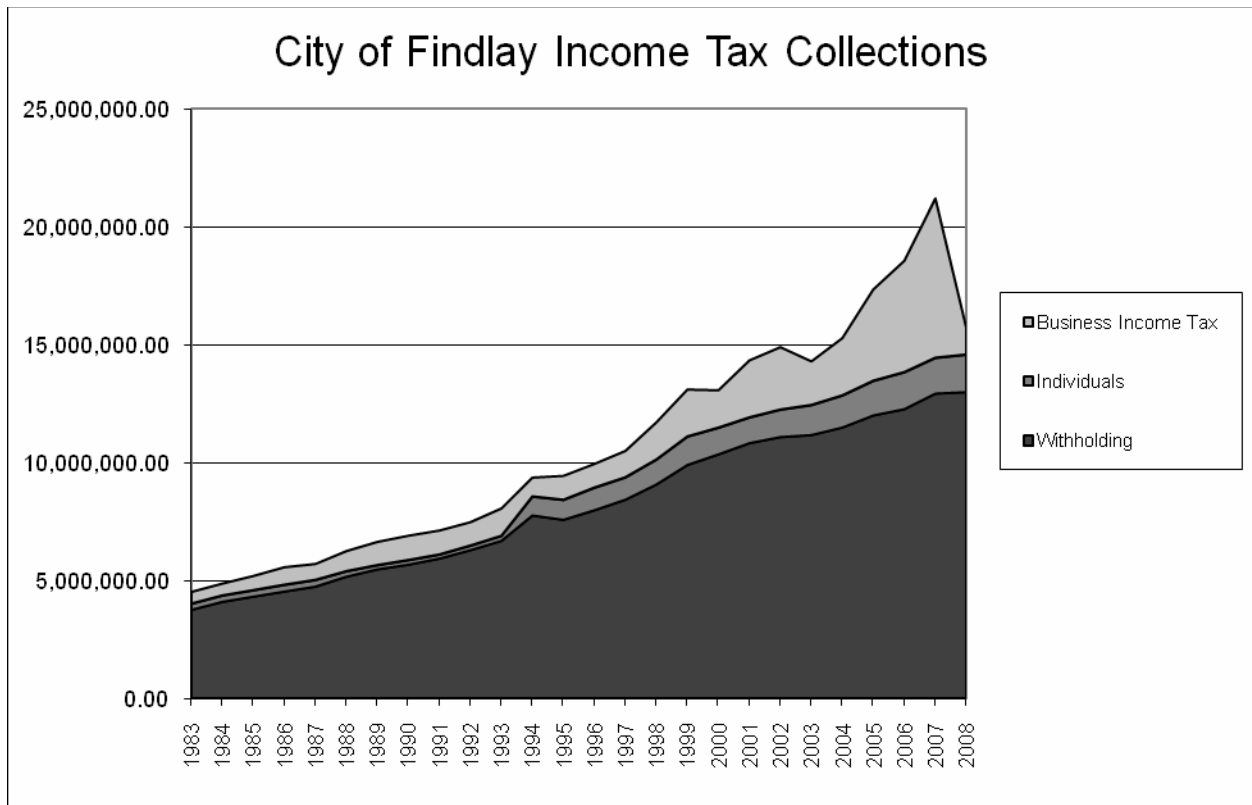
The Findlay Municipal Court (the "Court") operates under two elected municipal judges. The jurisdiction of the Court includes the City of Findlay and all of Hancock County except Washington Township and three precincts of a ward within the City of Fostoria, all of which are serviced by the Fostoria Municipal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

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

ECONOMIC CONDITION AND OUTLOOK

Local Economy

2008 started out as a great year financially, but the national economic downturn in the 3rd and 4th quarters of the year made 2008 a tough financial year for the City. The year started well, as the City had record income tax collections in 2007, driven primarily by large increases in corporate estimated tax payments in the fourth quarter of 2007. As a result of the record income tax collections, the City put away \$1 million in a new Rainy Day Fund for future contingencies (budget stabilization). This proved to be important. The first quarter business income tax collections in 2008 fell well short of the record collection pace set in 2007, but the City was led to believe that this was primarily due to corporations over-estimating taxes in 2007, which made sense given the large payments made in 2007. However, by the third quarter of 2008 it was clear that estimated corporate income tax payments would be substantially lower, reflecting the enormous contraction in the national economy; indeed corporate income tax collections ended the year down approximately \$5.6 million. Since withholding and individual income tax categories were up slightly for the year, the city income tax results were down approximately \$5.5 million overall.



The City took a number of steps to address this unusual shortfall in business income taxes. First, a hiring and spending freeze was implemented to curtail spending. Secondly, the city income tax was bifurcated into “core” revenues and “windfall” revenues, and operational budgets for 2009 were restructured around core revenues. Windfall revenues (defined as business income tax collections above the core estimate) will be split between the capital improvements fund and the rainy day fund. Third, the city income tax was reallocated so that a higher percentage (81%) of core revenues goes to the general fund. By allocating more of the stable, core revenues to general fund and more windfall revenues to capital improvements, it will throw business income tax volatility into the capital improvements fund, which can easily handle either additional or fewer projects during a given year. The general fund operating budget, on the other hand, cannot absorb much volatility because most of the expenses are fixed in the form of personnel. Finally, an overall 9% cut was made to the General Fund budget for 2009 to reduce spending in the face of reduced revenues. While these measures were good strides to close the gap between revenues and expenses, an ongoing gap of \$2 million remains between 2009 budgeted general fund expenses at \$24.8 million and revenues of \$22.8 million. In the future, the City will have to make hard decisions about how to reduce expenses and increase revenues to close this gap.

On the bright side, the City of Findlay received substantial reimbursements from FEMA and the Ohio Emergency Management Agency for flood related expenses incurred during the August 2007 flood. As a result of the reimbursements, a total of \$1,253,186.52 was returned to the general fund; \$197,122 to CIT fund (for capital improvements); \$515,320 to the sewer fund; and \$52,977 was returned to the water fund. Although dealing with the FEMA reimbursement requirements was time consuming, the reimbursement could not have arrived at a better time. In addition, the city was awarded several million dollars of Hazard Mitigation Grant Funds to buy flood prone houses and return these properties to green space. The purchase and demolition of targeted houses around the river has begun and will continue through 2009.

The City was reminded again of the flooding hazard during a February 2008 flood that reached 16.5 feet, whereas the 100 year flood in August 2007 reached 18.5 feet. Surprisingly, the damage during the 16.5 foot flood was not significant compared to the previous 18.5 foot event, bolstering the anticipated benefit of the Hazard Mitigation Grants that are buying and tearing down flood prone properties around the river. In addition, the US Geological Service made good progress in creating a computerized flood inundation model that will show which streets flood at each flood stage. This model is derived from the five new real-time flood gauges on the Blanchard River, Eagle Creek, and Lye Creek. The model will be used to help our community respond to flooding events, letting the public know in advance whether their properties will be affected.

In 2007, the City faced a 100-year flood, but our active, self-reliant citizens and community organizations have bounced back from that setback stronger than ever. From our experiences during and after the flood, we know that working together we can overcome difficult situations. As we face the largest financial recession in a generation, our community will show the same resiliency as we did during the flood. We will emerge a more resourceful and more efficient city than before.

Long-Term Financial Planning

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

Another exciting development is that the City has put into written policy many of its traditional, conservative financial practices. In 2008, City Council adopted a Debt Policy, which limits the type and amount of debt the City is willing to assume. City Council has also created a "Rainy Day" Reserve Balance of \$1 million to be used for operations during emergencies, and they have also adopted a Minimum Fund Balance policy of \$3 million for our general fund.

Planning has become a key part of managing our departments and the services they provide to the residents of the City. Findlay's 5-year capital improvement plan is in the process of being updated with new projects and equipment. This capital plan enables the City to make choices based on broad, long-term needs. This expenditure planning tool also helps us make decisions on our debt service commitments.

Major Initiatives

The City successfully issued \$8.2 million of long-term bonds to finance renovations to the CUBE (recreational ice-hockey rink), construction of the Diamonds (5 competition-level ball diamonds), and widening of County Road 236. The City issued 25 year bonds with level debt service at a True Interest Cost of 4.38% over the life of the bonds. A local selling group of investment brokers was formed, and several million dollars of the bond issue went to these retail customers. The proceeds from the bond issuance were used to repay the note that came due in October 2008 for the aforementioned projects. Bonding these projects out long-term in the summer of 2008 proved to be good timing as the mortgage debacle took hold in the fall, causing the demise of Lehman, Bear Stearns, Merrill Lynch, etc. and credit became scarce.

As gas prices skyrocketed and City health care expenses increased, council was given a financial update at the six month mark of 2008 to examine how the City was holding up with its budget. Everyone agreed that this was a beneficial process for the City, and it has now been codified that a six month budget review meeting will be held with council each year. This builds on our implementation of new, formal financial processes that began last year with the minimum fund balance policy, creation of the Rainy Day Fund, creation of a five year capital improvement plan, and a debt policy.

One result of the five year capital improvement plan was a recognition that the water and sewer rates needed to be increased to keep up with needed maintenance, capital improvements, and operational expenses. As a result, the Chief Engineer created a water and sewer financial model and new increases were implemented by City Council as a result of the model. Also, Council commissioned a full water and sewer rate study to be done by an outside rate consultant in 2009, with annual updates to the model in future years.

The radio-read water meter project started in 2008, and the first phase has been installed successfully. Eventually, this will further automate the front office functions in the Utility Billing department as well as give them real-time information about water usage and leaks. Water Pollution Control purchased a back-up generator so that the plant is able to maintain operations and treat sewage even in the event of a power outage. Also, one-time incentives in the form of reduced water and sewer charges were offered to Cooper Tire, the City's largest employer, during Cooper's decision to close one of their four US plants. Cooper was also offered a 3 year non-carry forward income tax credit equal to 100% of the payroll taxes paid by their employees. Fortunately for the citizens of Findlay, Cooper closed the Albany, Georgia plant, avoiding massive layoffs in the Findlay area from the community's largest employer. It is estimated that Cooper's direct and indirect impact to the City of Findlay income tax base is between \$1 million to \$2 million per year.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Findlay for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2007. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

ACKNOWLEDGEMENTS

The staff of the Auditor's office is a very talented, knowledgeable group; thank you to Ginger Sampson, CPA, Carolyn Ehrnschwender, Susan Spangler, and Amy Baird for their accurate and diligent work during 2008, which created the foundation for these financial reports. A special thanks to Ginger Sampson for her knowledge, dedication, and very hard work, which are instrumental in issuing the City's CAFR.

Respectfully submitted,



Robert Cole Sprague
City Auditor

CITY OF FINDLAY, OHIO

DECEMBER 31, 2008

ELECTED OFFICIALS

Mayor	Pete Sehnert
Auditor	Robert Cole Sprague
Municipal Court Judge	Kevin C. Smith
Municipal Court Judge	Robert Fry
Treasurer	Deborah Preston
Law Director	David A. Hackenberg
Council President	Robert E. Schuck
At Large	Randy C. Ward
At Large	John Urbanski
At Large	James P. Slough
First Ward	J. Michael Slough
Second Ward	Randy Van Dyne
Third Ward	K.C. Collette
Fourth Ward	R. Ronald Monday
Fifth Ward	Deb Seng
Sixth Ward	William J. Schedel, Jr

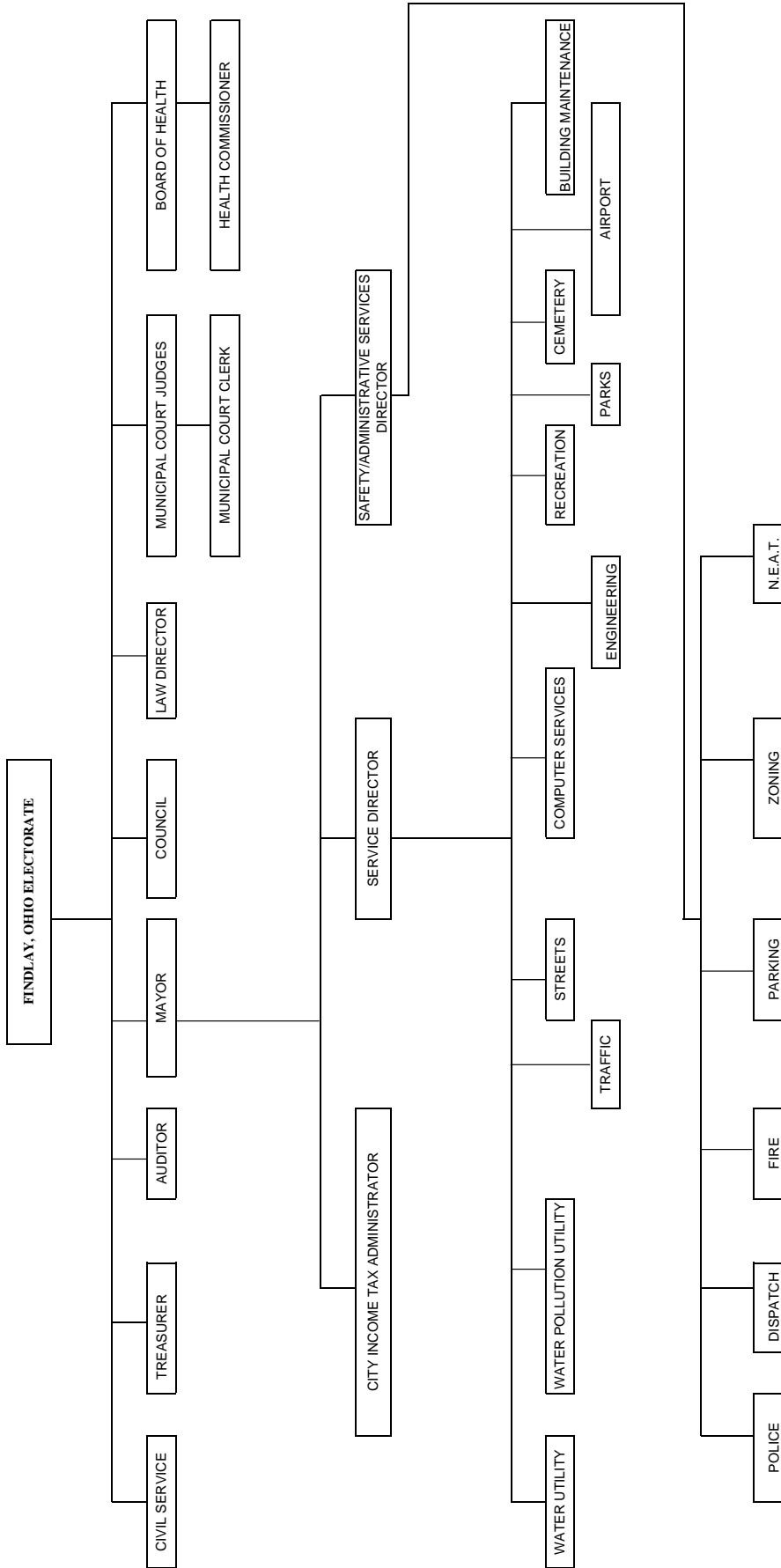
APPOINTED OFFICIALS

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

CITY AUDITOR'S OFFICE

City Auditor	Robert Cole Sprague
Deputy Auditor	Ginger Sampson, CPA
Audit Clerk	Carolyn Ehrnschwender
Audit Clerk	Susan Spangler
Audit Clerk	Amy Baird

CITY OF FINDLAY ORGANIZATIONAL CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Findlay
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

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



A handwritten signature in black ink, appearing to read "M. L. R. T.", written in a cursive style.

President

A handwritten signature in black ink, reading "Jeffrey R. Emer", written in a cursive style.

Executive Director

FINANCIAL SECTION



Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

Members of Council and Mayor
City of Findlay
Room 313, Municipal Building
318 Dorney Plaza
Findlay, Ohio 45840

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Hancock County, Ohio, as of and for the year ended December 31, 2008, which collectively comprise the City of Findlay's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Findlay's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

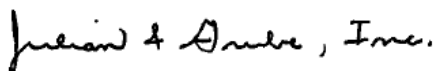
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Hancock County, Ohio, as of December 31, 2008 and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund and major special revenue funds: the street maintenance and repair fund and the city income tax administration fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Independent Auditor's Report
City of Findlay

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2009, on our consideration of the City of Findlay's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 15 through 32 is not a required part of the basic financial statements, but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Findlay's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Julian & Grube, Inc.
May 27, 2009

CITY OF FINDLAY, OHIO

MANAGEMENTS DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2008

The management's discussion and analysis (MD&A) City of Findlay's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2008. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2008 are as follows:

- The total net assets of the City increased \$4,065,760 over the prior year. Net assets of governmental activities decreased \$895,830 or 1.10% from 2007 and net assets of business-type activities increased \$4,961,590 or 4.28% over 2007.
- General revenues accounted for \$24,912,325 or 78.09% of total governmental activities revenue. Program specific revenues accounted for \$6,988,010 or 21.91% of total governmental activities revenue.
- The City had \$31,959,681 in expenses related to governmental activities; \$6,988,010 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$24,971,671 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$24,912,325.
- The general fund had revenues of \$12,033,339 in 2008. This represents an increase of \$1,110,151 from 2007 revenues. Transfers-in amounted to \$14,165,486 and the City issued bonds of \$4,145,000 with a discount of (\$22,530) and a premium on notes of \$6,501 which are reported under other financing sources. The expenditures of the general fund, which totaled \$28,565,179 in 2008, decreased \$178,092 from 2007. The City had transfers out to other funds of \$1,931,440. The net decrease in fund balance for the general fund was \$170,853 or 2.83%.
- The street maintenance and repair fund had revenues and other financing sources of \$9,162,257 in 2008. This represents an increase of \$3,999,408 from 2007 revenues and other financing sources. The expenditures and other financing uses of the street maintenance and repair fund, which totaled \$4,965,844 in 2008, decreased \$3,816,493 from 2007. The net increase in fund balance for the street maintenance and repair fund was \$4,314,582 or 185.04%.
- The city income tax administration fund had revenues and other financing sources of \$16,236,881 in 2008. This represents a decrease of \$5,157,825 from 2007 revenues and other financing sources. The expenditures of the city income tax administration fund, which totaled \$881,449 in 2008, decreased \$554 from 2007. The net decrease in fund balance for the city income tax administration fund was \$647,520 or 20.55%.
- Net assets for the business-type activities which are made up of the Water, Water Pollution Control, Airport, Parking Facilities, and Swimming Pool enterprise funds, increased in 2008 by \$4,961,590. This increase in net assets was due primarily to adequate charges for services revenue to cover operating expenses.

Using this Comprehensive Annual Financial Report

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

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2008

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

Reporting the City as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2008?" The statement of net assets and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. The accrual basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

Reporting the City's Most Significant Funds

Fund Financial Statements

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 22.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2008

Governmental Funds

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

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

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, street maintenance and repair fund and city income tax administration fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 36-45 of this report.

Proprietary Funds

The City maintains two different types of proprietary funds; enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, water pollution control, airport, parking facilities, and swimming pool functions. The water, water pollution control and airport funds are considered major funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The basic proprietary fund financial statements can be found on pages 46-53 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Private-purpose trust and agency funds are the City's fiduciary fund types. The basic fiduciary fund financial statements can be found on pages 54-55 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 57-93 of this report.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008

Government-Wide Financial Analysis

The table below provides a summary of the City's net assets at December 31, 2008 and 2007:

	Net Assets					
	Governmental	Business-type	Governmental	Business-type		
	Activities	Activities	Activities	Activities	2008	2007
	2008	2008	2007	2007	Total	Total
<u>Assets</u>						
Current and other assets	\$ 23,759,860	\$ 16,662,122	\$ 32,166,664	\$ 18,557,950	\$ 40,421,982	\$ 50,724,614
Capital assets, net	<u>78,217,827</u>	<u>153,231,303</u>	<u>74,519,324</u>	<u>151,380,130</u>	<u>231,449,130</u>	<u>225,899,454</u>
Total assets	<u>101,977,687</u>	<u>169,893,425</u>	<u>106,685,988</u>	<u>169,938,080</u>	<u>271,871,112</u>	<u>276,624,068</u>
<u>Liabilities</u>						
Long-term liabilities outstanding	15,622,655	47,172,130	8,004,740	51,586,891	62,794,785	59,591,631
Other liabilities	<u>5,694,154</u>	<u>1,950,143</u>	<u>17,124,540</u>	<u>2,541,627</u>	<u>7,644,297</u>	<u>19,666,167</u>
Total liabilities	<u>21,316,809</u>	<u>49,122,273</u>	<u>25,129,280</u>	<u>54,128,518</u>	<u>70,439,082</u>	<u>79,257,798</u>
<u>Net Assets</u>						
Invested in capital assets, net of related debt	67,497,148	107,016,529	60,888,257	100,827,108	174,513,677	161,715,365
Restricted	9,607,709	8,644,312	9,003,256	7,901,048	18,252,021	16,904,304
Unrestricted	<u>3,556,021</u>	<u>5,110,311</u>	<u>11,665,195</u>	<u>7,081,406</u>	<u>8,666,332</u>	<u>18,746,601</u>
Total net assets	<u>\$ 80,660,878</u>	<u>\$ 120,771,152</u>	<u>\$ 81,556,708</u>	<u>\$ 115,809,562</u>	<u>\$ 201,432,030</u>	<u>\$ 197,366,270</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At December 31, 2008, the City's assets exceeded liabilities by \$201,432,030. At year-end, net assets were \$80,660,878 and \$120,771,152 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net assets. At year-end, capital assets represented 85.13% of total assets. Capital assets include land, buildings and improvements, improvements other than buildings, machinery and equipment, utility plant in service, utility lines in service, construction in progress and infrastructure. Capital assets, net of related debt to acquire the assets at December 31, 2008, were \$67,497,148 and \$107,016,529 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2008, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

A portion of the City's net assets, \$18,252,021 represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net assets of \$3,556,021 may be used to meet the government's ongoing obligations to citizens and creditors.

CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

The table below shows the changes in net assets for fiscal year 2008 and 2007:

	Change in Net Assets					
	Governmental	Business-type	Governmental	Business-type	2008	2007
	Activities	Activities	Activities	Activities	Total	Total
	<u>2008</u>	<u>2008</u>	<u>2007</u>	<u>2007</u>		
Revenues						
Program revenues:						
Charges for services	\$ 3,796,374	\$ 16,860,819	\$ 3,790,619	\$ 17,433,333	\$ 20,657,193	\$ 21,223,952
Operating grants and contributions	2,607,745	12,469	2,607,559	-	2,620,214	2,607,559
Capital grants and contributions	583,891	2,342,423	1,540,453	3,497,107	2,926,314	5,037,560
Total program revenues	<u>6,988,010</u>	<u>19,215,711</u>	<u>7,938,631</u>	<u>20,930,440</u>	<u>26,203,721</u>	<u>28,869,071</u>
General revenues:						
Property taxes	3,193,688	-	3,170,345	-	3,193,688	3,170,345
Income taxes	15,550,207	-	21,067,032	-	15,550,207	21,067,032
Unrestricted grants and entitlements	4,327,630	-	2,711,937	-	4,327,630	2,711,937
Investment earnings	660,515	475,668	1,309,801	710,300	1,136,183	2,020,101
Miscellaneous	1,180,285	265,199	1,164,610	324,139	1,445,484	1,488,749
Total general revenues	<u>24,912,325</u>	<u>740,867</u>	<u>29,423,725</u>	<u>1,034,439</u>	<u>25,653,192</u>	<u>30,458,164</u>
Total revenues	<u>31,900,335</u>	<u>19,956,578</u>	<u>37,362,356</u>	<u>21,964,879</u>	<u>51,856,913</u>	<u>59,327,235</u>
Expenses:						
General government	7,704,101	-	8,023,535	-	7,704,101	8,023,535
Security of persons and property	14,678,503	-	14,680,286	-	14,678,503	14,680,286
Public health and welfare	1,702,053	-	1,640,736	-	1,702,053	1,640,736
Transportation	5,437,592	-	5,196,310	-	5,437,592	5,196,310
Leisure time activity	1,931,170	-	1,557,008	-	1,931,170	1,557,008
Other	587	-	-	-	587	-
Interest and fiscal charges	505,675	-	567,264	-	505,675	567,264
Water	-	6,349,090	-	6,844,630	6,349,090	6,844,630
Water pollution control	-	7,382,633	-	7,418,266	7,382,633	7,418,266
Airport	-	1,782,535	-	1,718,628	1,782,535	1,718,628
Parking facilities	-	112,539	-	126,429	112,539	126,429
Swimming pool	-	204,675	-	159,333	204,675	159,333
Total expenses	<u>31,959,681</u>	<u>15,831,472</u>	<u>31,665,139</u>	<u>16,267,286</u>	<u>47,791,153</u>	<u>47,932,425</u>
Increase in net assets before extraordinary items and transfers	(59,346)	4,125,106	5,697,217	5,697,593	4,065,760	11,394,810
Extraordinary item- Loss due to flood damage	-	-	(312,238)	(580,000)	-	(892,238)
Transfers	(836,484)	836,484	(410,194)	410,194	-	-
Increase in net assets	<u>(895,830)</u>	<u>4,961,590</u>	<u>4,974,785</u>	<u>5,527,787</u>	<u>4,065,760</u>	<u>10,502,572</u>
Net assets at beginning of year	<u>81,556,708</u>	<u>115,809,562</u>	<u>76,581,923</u>	<u>110,281,775</u>	<u>197,366,270</u>	<u>186,863,698</u>
Net assets at end of year	<u>\$ 80,660,878</u>	<u>\$ 120,771,152</u>	<u>\$ 81,556,708</u>	<u>\$ 115,809,562</u>	<u>\$ 201,432,030</u>	<u>\$ 197,366,270</u>

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2008

Governmental Activities

Governmental activities net assets decreased \$895,830 in 2008 primarily due to income tax revenue decreasing 26.19% from 2007. The national economic downturn in the 3rd and 4th quarters of 2008 resulted in lower income tax collections for the City. It became clear in the third quarter of 2008 that estimated corporate income tax payments would be substantially lower than the previous year. Although withholding and individual income tax categories were up slightly for the year, the City income tax results were down approximately \$5.5 million from 2007.

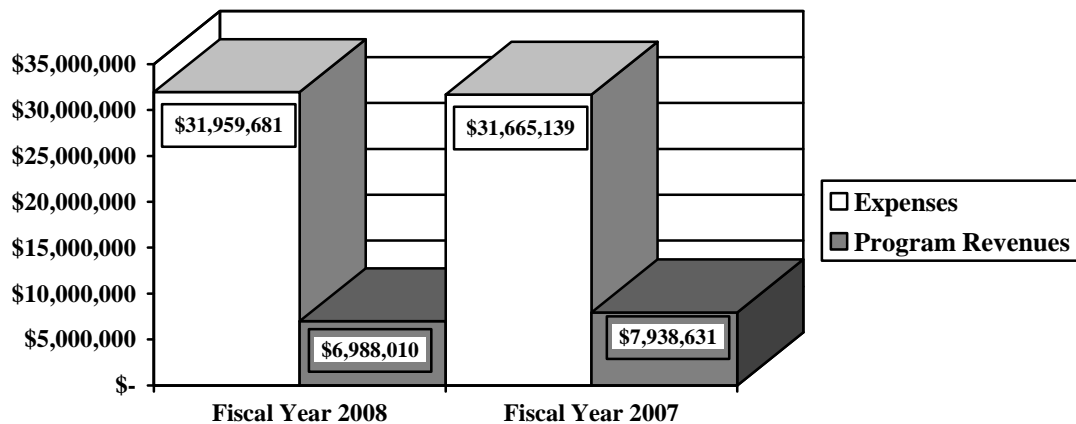
Security of persons and property, which primarily supports the operations of the police and fire departments accounted for \$14,678,503 of the total expenses of the City. These expenses were partially funded by \$93,886 in direct charges to users of the services. General government expenses totaled \$7,704,101. General government expenses were partially funded by \$2,658,578 in direct charges to users of the services.

The state and federal government contributed to the City a total of \$2,607,745 in operating grants and contributions and \$583,891 in capital grants and contributions. These operating grants and contributions consist primarily of restricted federal and state grant revenues, property tax rollbacks, fuel taxes and motor vehicle license fees. These revenues are restricted to a particular program or purpose. Of the total operating grants and contributions, \$2,584,354 subsidized transportation programs. \$426,855 of the capital grants and contributions subsidized transportation programs.

General revenues totaled \$24,912,325, and amounted to 78.09% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$3,193,688 and \$15,550,207, respectively. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government and local government revenue assistance, making up \$4,327,630.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As can be seen in the graph below, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

Governmental Activities – Program Revenues vs. Total Expenses



CITY OF FINDLAY, OHIO

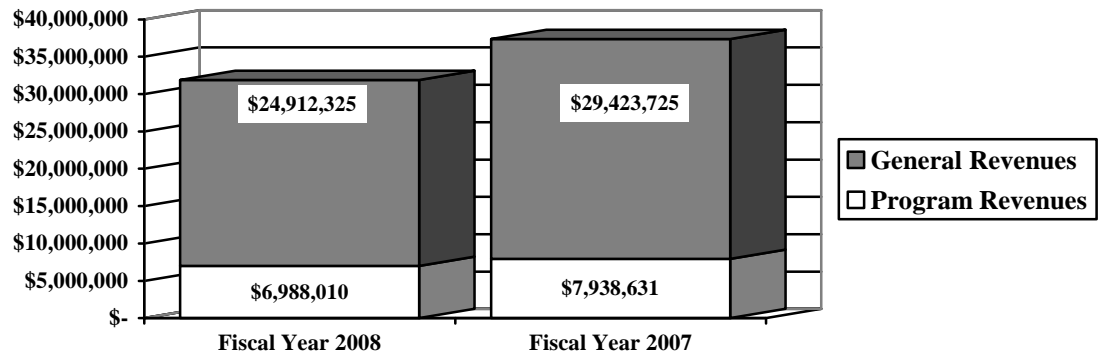
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

Governmental Activities

	Total Cost of Services <u>2008</u>	Net Cost of Services <u>2008</u>	Total Cost of Services <u>2007</u>	Net Cost of Services <u>2007</u>
Program Expenses:				
General government	\$ 7,704,101	\$ 5,022,132	\$ 8,023,535	\$ 5,380,943
Security of persons and property	14,678,503	14,584,617	14,680,286	14,653,193
Public health and welfare	1,702,053	1,280,047	1,640,736	1,265,594
Transportation	5,437,592	2,399,836	5,196,310	870,621
Leisure time activity	1,931,170	1,236,258	1,557,008	1,020,646
Other	587	587	-	-
Interest and fiscal charges	<u>505,675</u>	<u>448,194</u>	<u>567,264</u>	<u>535,511</u>
Total	<u>\$ 31,959,681</u>	<u>\$ 24,971,671</u>	<u>\$ 31,665,139</u>	<u>\$23,726,508</u>

The dependence upon general revenues for governmental activities is apparent, with 78.13% of expenses supported through taxes and other general revenues.

Governmental Activities – General and Program Revenues



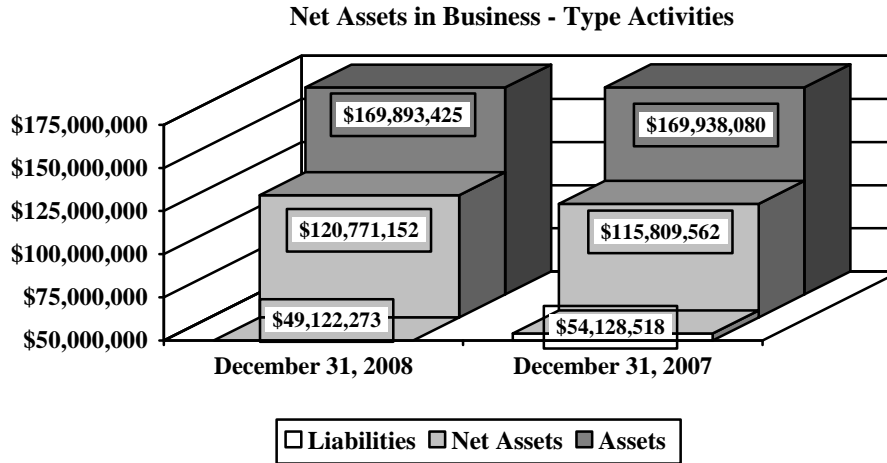
Business-type Activities

The net assets of the business-type activities include the water, water pollution control, airport, parking facilities, and swimming pool enterprise funds. These programs had program revenues of \$19,215,711, general revenues of \$740,867, expenses of \$15,831,472 and transfers in of \$836,484.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008

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



Net assets of the business-type activities continued to grow despite the economic downturn in the local economy. The City's charges for services program revenues decreased \$572,524 or 3.28% from 2007. The City's capital grants and contributions program revenues decreased approximately \$1.1 million due primarily to lower grants and contributions for the airport fund. Expenses decreased \$435,814 or 2.68% from 2007. Despite the decrease in revenues, the City's business-type activities generate revenues sufficient to provide for an increase to the net assets.

Financial Analysis of the Government's Funds

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unreserved fund balance may serve as a useful measure of the City's net resources available for spending at year-end. The City's governmental funds (as presented on the balance sheet on pages 36-37) reported a combined fund balance of \$14,149,300 which is \$2,781,658 above last year's total of \$11,367,642. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2008 for all governmental funds.

	Fund Balances 12/31/08	Fund Balances (deficit) 12/31/07	Fund Balances 12/31/06	Increase/ (Decrease) 2008 - 2007	Increase/ (Decrease) 2007 - 2006
Major funds:					
General	\$ 5,863,694	\$ 6,034,547	\$ 6,872,285	\$ (170,853)	\$ (837,738)
Street repair and maintenance	1,982,861	(2,331,721)	1,287,128	4,314,582	(3,618,849)
City income tax administration	2,502,755	3,150,275	3,062,790	(647,520)	87,485
Other nonmajor governmental funds	3,799,990	4,514,541	4,159,480	(714,551)	355,061
Total	<u>\$ 14,149,300</u>	<u>\$ 11,367,642</u>	<u>\$ 15,381,683</u>	<u>\$ 2,781,658</u>	<u>\$ (4,014,041)</u>

CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

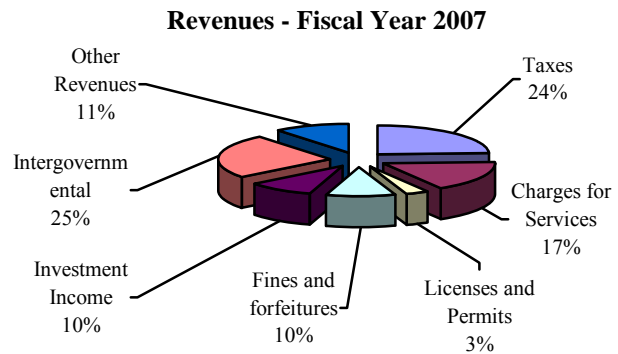
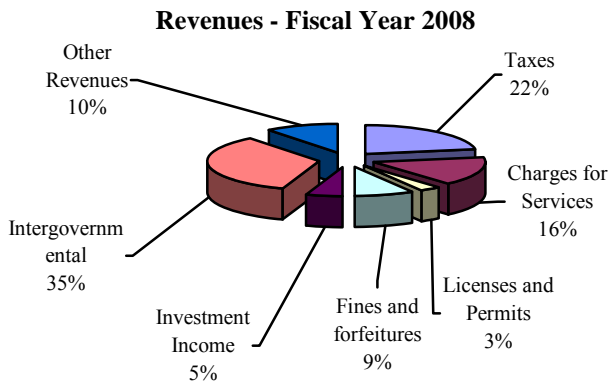
General Fund

The City's general fund balance decreased \$170,853, primarily due to transfers out to other funds in the amount of \$1,931,440 and interest expenditures on the fund liability note of approximately \$135,813.

The table that follows assists in illustrating the revenues of the general fund for 2008, 2007 and 2006.

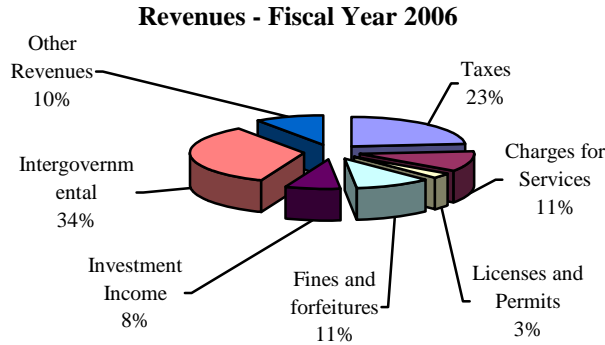
	<u>2008</u> <u>Amount</u>	<u>2007</u> <u>Amount</u>	<u>2006</u> <u>Amount</u>	<u>Increase/ Decrease</u> <u>2008 - 2007</u>	<u>Increase/ Decrease</u> <u>2007 - 2006</u>
<u>Revenues</u>					
Taxes	\$ 2,666,772	\$ 2,645,547	\$ 2,575,307	\$ 21,225	\$ 70,240
Charges for services	1,962,430	1,879,613	1,217,693	82,817	661,920
Licenses and permits	335,820	348,671	326,340	(12,851)	22,331
Fines and forfeitures	1,057,595	1,115,732	1,170,267	(58,137)	(54,535)
Investment income	621,428	1,044,899	866,093	(423,471)	178,806
Intergovernmental	4,128,454	2,713,734	3,756,671	1,414,720	(1,042,937)
Other	<u>1,260,840</u>	<u>1,174,992</u>	<u>1,051,741</u>	<u>85,848</u>	<u>123,251</u>
Total	<u>\$ 12,033,339</u>	<u>\$ 10,923,188</u>	<u>\$ 10,964,112</u>	<u>\$ 1,110,151</u>	<u>\$ (40,924)</u>

Tax revenue in the general fund represents property taxes. Tax revenue represents 22% of all general fund revenue. The general fund receives 2.6 mills in real estate collections on an annual basis, and there are no voted levies in addition to that millage. Tax revenue increased slightly by 0.80% from prior year. Income taxes are collected in the city income tax administration fund (a major special revenue fund). This fund transferred approximately \$13 million in income tax receipts to the general fund during 2008. The transfer of income tax receipts is reported as an other financing source in the general fund and is not included in the revenues listed above. The decrease in investment income is primarily due a decrease in the interest rate on applicable investments coupled with a decrease in the fair market value of federal agency securities. These securities fluctuate in value depending upon market conditions. The value at year-end is for reporting purposes only, as it is the City's intention to hold the investments until the maturity date. The increase in charges for services revenue is due to an increase in the collections of charges. Intergovernmental revenues increased as all flood related intergovernmental revenues from 2007 were included in the calculation of the extraordinary loss due to the flood rather than being reported as revenue. All other revenue remained comparable to 2007.



CITY OF FINDLAY, OHIO

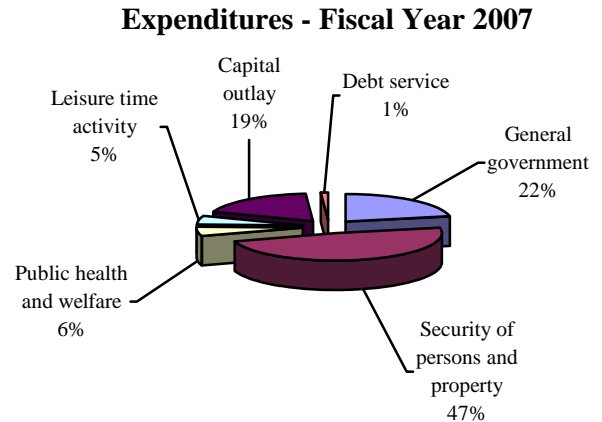
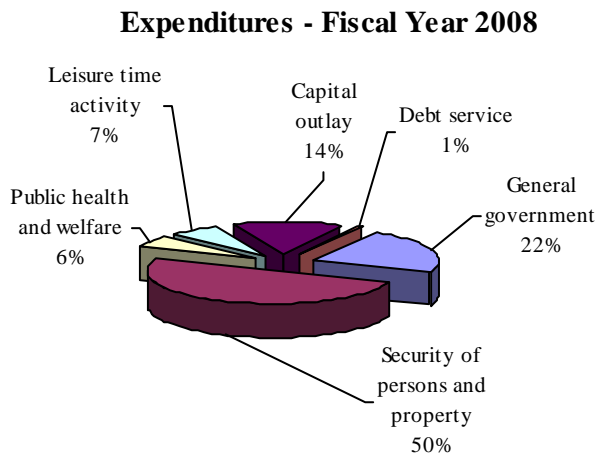
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**



The table that follows assists in illustrating the expenditures of the general fund for 2008, 2007 and 2006.

	<u>2008</u> Amount	<u>2007</u> Amount	<u>2006</u> Amount	<u>Increase/ Decrease</u> 2008 - 2007	<u>Increase/ Decrease</u> 2007 - 2006
<u>Expenditures</u>					
General government	\$ 6,320,296	\$ 6,328,295	\$ 5,189,298	\$ (7,999)	\$ 1,138,997
Security of persons and property	14,453,818	13,797,301	13,929,863	656,517	(132,562)
Public health and welfare	1,622,117	1,585,466	1,467,461	36,651	118,005
Leisure time activity	1,871,879	1,408,200	1,267,736	463,679	140,464
Capital outlay	4,096,135	5,318,906	5,302,723	(1,222,771)	16,183
Debt service	200,934	305,103	-	(104,169)	305,103
Total	<u>\$ 28,565,179</u>	<u>\$ 28,743,271</u>	<u>\$ 27,157,081</u>	<u>\$ (178,092)</u>	<u>\$ 1,586,190</u>

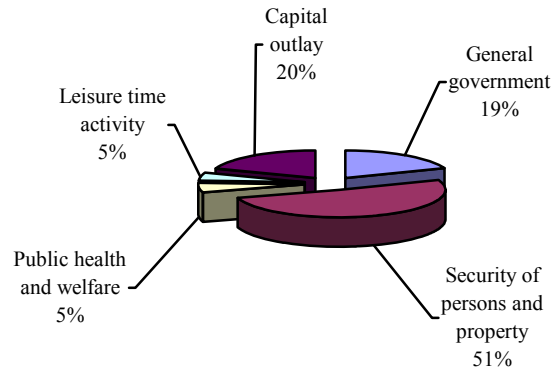
Security of persons and property expenditures relate primarily to police and fire operations. These expenditures increased primarily due to increased activities performed by these departments. Capital outlay expenditures decreased as the City continued two major projects: the Hancock Recreation Center rehabilitation (the "Cube") and County Road 236 widening. The City had fewer expenditures related to these projects in 2008 than in 2007. Debt service expenditures decreased due to interest expenditures on the fund liability note payable. All other expenditures remained comparable to 2007.



CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2008

Expenditures - Fiscal Year 2006



Street Maintenance and Repair Fund

The street maintenance and repair fund had revenues of \$2,331,161 in 2008. This represents a decrease of \$229,205 from 2007 revenues. The expenditures of the street maintenance and repair fund, which totaled \$4,835,070 in 2008, decreased \$3,911,651 from 2007. The net increase in fund balance for the street maintenance and repair fund was \$4,314,582 or 185.04%. The street maintenance and repair fund reported a note payable as a fund liability in 2007 which caused the fund to have a deficit fund balance at year-end 2007.

City Income Tax Administration Fund

The city income tax administration fund had revenues and other financing sources of \$16,236,881 in 2008. This represents a decrease of \$5,157,825 from 2007 revenues and other financing sources. Income taxes decreased substantially as described in the assessment of the governmental activities on page 20 and in the local economy section of the letter of transmittal. The expenditures of the city income tax administration fund, which totaled \$881,449 in 2008, decreased \$554 from 2007. The net decrease in fund balance for the city income tax administration fund was \$647,520 or 20.55%. The City Income tax rate is and has been 1.0% since it was imposed January 1, 1967. For 2008, the city income tax allocation was 75% to general fund, and 22% to general capital improvements that are not enterprise fund related and 3% for flood mitigation. Beginning January 1, 2009 the income tax allocation is 81% to the general fund and 19% to general capital improvements that are not enterprise fund related. The allocation is determined by ordinance of Council and can be changed, based on need. Please refer to the table titled General Government Revenues in the Statistical Section of this report for a 10-year history of the income tax collections.

General Fund Budgeting Highlights

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

For the general fund, the most significant changes were between the original and final budgeted amount in the area of expenditures and other financing uses, which increased \$5,552,527 from \$26,800,462 to \$32,352,989. The primary reason for the increase is that capital outlays of the general fund are budgeted on a multi-year project basis and are not included in the original budget as part of the annual appropriation process. The final budget amounts for these projects represent supplemental appropriations which equal the actual capital outlays incurred during the year. This accounts for approximately \$4,096,135 of the \$5,552,527 increase from the original budget to the final budget.

CITY OF FINDLAY, OHIO

**MANAGEMENTS DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

In addition, the City increased budgeted transfers out from \$980,750 to \$1,931,440 to finance other funds. Actual revenues and other financing sources of \$30,350,326 were lower than final budgeted revenues and other financing sources of \$31,568,890 by \$1,218,564 primarily due to a decrease in actual transfers in, intergovernmental revenues and fines and forfeitures. The other significant change was between the final budgeted expenditures and actual expenditures. Actual expenditures came in \$1,833,840 less than the final budgeted amounts.

Proprietary Funds

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

Water Fund

Our waterworks system has been municipally owned since it was first developed in 1888. Improvements have been made as needed and are financed from revenues of the system. The current facilities include two upland raw water storage reservoirs with a capacity of 6.4 billion gallons, a raw water pump station located at the reservoir, raw water lines that feed into the lime-soda softening water treatment plant, high service pumps, and a 289-mile distribution system with two elevated storage tanks. There is treated water storage capacity at the plant of 4.5 million gallons plus 2.75 million gallons in the two elevated towers. The plant is able to treat 16 million gallons per day, and in the future can be expanded to 24 million gallons per day when the customer demand for treated water increases to that level.

User charge rates are established to provide revenue for operation and maintenance of the treatment facility, the reservoir, and the distribution system. In addition, the charge rates must be set to support all capital improvements and debt service requirements. In accordance with Ohio law, the Service Director has the ability to revise the charge rates. Information regarding water customers for 2008 is presented below:

Ten Largest Single Water Customers

<u>Customer Account</u>	<u>Volume *HCF</u>	<u>Revenue</u>	<u>% of Total Revenue</u>
Whirlpool	128,869	\$410,412	6.06%
Ball Metal	76,345	246,732	3.64%
Cooper Tire	91,756	203,718	3.01%
University of Findlay	45,074	125,367	1.85%
Hancock County Government	34,896	88,968	1.31%
Blanchard Valley Hospital	36,692	83,789	1.24%
Marathon	26,064	66,571	0.98%
Createc Corportation	27,632	59,242	0.87%
Findlay City Schools	17,714	57,586	0.85%
Sanoh America (Hisan)	<u>25,321</u>	<u>53,579</u>	<u>0.79%</u>
Total Top Ten	510,363	1,395,964	20.60%
All Other Customers	<u>1,825,999</u>	<u>5,382,569</u>	<u>79.40%</u>
Total	<u>2,336,362</u>	<u>\$6,778,533</u>	<u>100.00%</u>

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008

**Total Customer Use
By Class & Location**

<u>Customer Class</u>	<u>*HCF Water Use</u>	<u>Revenue</u>	<u>% of Total Revenue</u>
Inside City/Residential	1,040,275	\$2,926,896	43.17%
Inside City/Commercial	594,796	1,602,831	23.65%
Inside City/Industrial	231,759	523,222	7.72%
Outside City/Residential	206,510	827,737	12.21%
Outside City/Commercial	48,482	217,306	3.21%
Outside City/Industrial	<u>214,540</u>	<u>680,541</u>	<u>10.04%</u>
Total	<u>2,336,362</u>	<u>\$6,778,533</u>	<u>100.00%</u>
Total Water Customers	17,486		

* Hundred Cubic Feet

Water Pollution Control Fund

The City's wastewater treatment facility has been updated and improved to maintain compliance with all EPA discharge permit standards. During 1987 and 1988, major renovations were made to the Broad Avenue treatment plant and a 6.0 million gallon per day (MGD) oxidation ditch type of treatment plant was constructed on River Road. In 2000, construction began on two additional oxidation ditches, two additional final clarifiers and UV disinfecting at the River Road Plant. This expansion of the facility was fully operational in July 2001, and in 2002 the original activated sludge plant on Broad Avenue was decommissioned and demolished. The design of the River Road Plant allows for the construction of additional modules as demand on the facilities increases. Currently the treatment plant provides for a 15 MGD average design flow and a 40 MGD peak design flow. In addition, the city is working toward a comprehensive stormwater management plan to comply with EPA guidelines. Information regarding wastewater customers for 2008 is presented below:

Ten Largest Single Wastewater Customers

<u>Customer</u>	<u>Revenue</u>	<u>Percent of Total</u>
University of Findlay	\$145,890	1.84%
Cooper Tire	109,724	1.38%
Whirlpool	90,357	1.14%
Ball Metal	72,406	0.91%
Blanchard Valley Hospital	70,124	0.88%
Findlay City Schools	67,013	0.84%
Marathon	66,323	0.83%
Village of Arcadia	56,293	0.71%
Hancock County Government	46,594	0.59%
Sanoh America (Hisan)	<u>47,563</u>	<u>0.60%</u>
Total Top Ten	\$ 772,287	9.72%
All Other Customers	<u>7,170,630</u>	<u>90.28%</u>
Grand Total	<u>\$7,942,917</u>	<u>100.00%</u>

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008

**Total Customer Use
By Class & Location**

<u>Customer Class</u>	<u>Revenue</u>	<u>% of Total Revenue</u>
Inside City/Residential	\$4,359,239	54.88%
Inside City/Commercial	1,706,208	21.48%
Inside City/Industrial	405,626	5.10%
Outside City/Residential	1,043,402	13.14%
Outside City/Commercial	196,796	2.48%
Outside City/Industrial	<u>231,646</u>	<u>2.92%</u>
 Total	 <u>\$7,942,917</u>	 <u>100.00%</u>
 Total Wastewater Customers Inside Corp		15,557
 Total Wastewater Customers Outside Corp		2,323

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2008, the City had \$231,449,130 (net of accumulated depreciation) invested in land, non-depreciable land improvements, buildings and improvements, improvements other than buildings (I.O.T.B.), machinery and equipment, utility plant in service, utility lines in service, infrastructure and construction in progress (CIP). Of this total, \$78,217,827 was reported in governmental activities and \$153,231,303 was reported in business-type activities. The following table shows fiscal year 2008 balances compared to 2007:

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

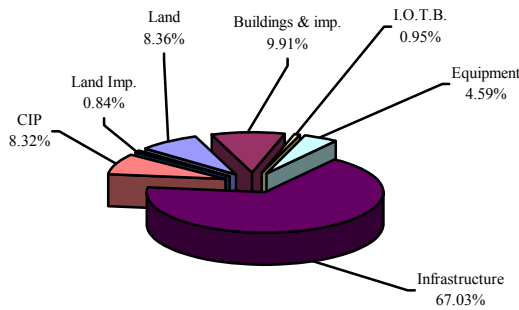
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Land	\$ 6,539,360	\$ 5,265,291	\$ 4,734,694	\$ 4,734,694	\$ 11,274,054	\$ 9,999,985
Land improvements	653,392	653,392	-	-	653,392	653,392
Buildings and improvements	7,754,219	7,104,867	397,965	480,139	8,152,184	7,585,006
I.O.T.B.	743,997	229,213	8,003,546	8,697,005	8,747,543	8,926,218
Utility plant in service	-	-	53,057,574	49,727,950	53,057,574	49,727,950
Utility lines in service	-	-	81,184,600	78,523,873	81,184,600	78,523,873
Machinery and equipment	3,593,109	3,708,354	1,836,037	1,504,942	5,429,146	5,213,296
Infrastructure	52,428,817	48,033,316	-	-	52,428,817	48,033,316
Construction in progress	<u>6,504,933</u>	<u>9,524,891</u>	<u>4,016,887</u>	<u>7,711,527</u>	<u>10,521,820</u>	<u>17,236,418</u>
 Totals	 <u>\$ 78,217,827</u>	 <u>\$ 74,519,324</u>	 <u>\$ 153,231,303</u>	 <u>\$ 151,380,130</u>	 <u>\$ 231,449,130</u>	 <u>\$ 225,899,454</u>

CITY OF FINDLAY, OHIO

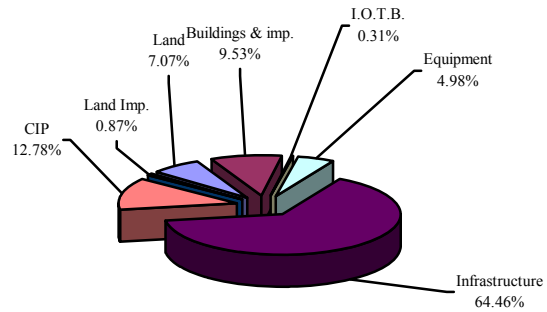
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008**

The following graphs show the breakdown of governmental capital assets by category for 2008 and 2007.

Capital Assets - Governmental Activities 2008



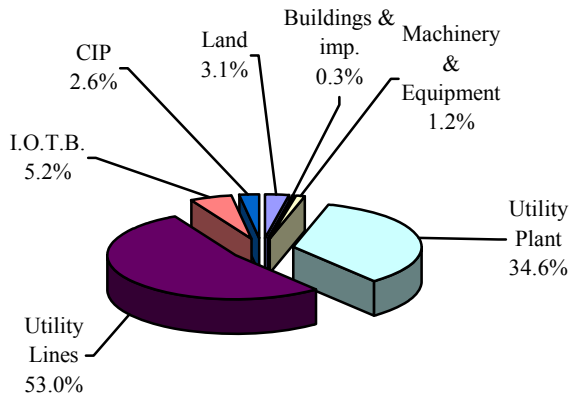
Capital Assets - Governmental Activities 2007



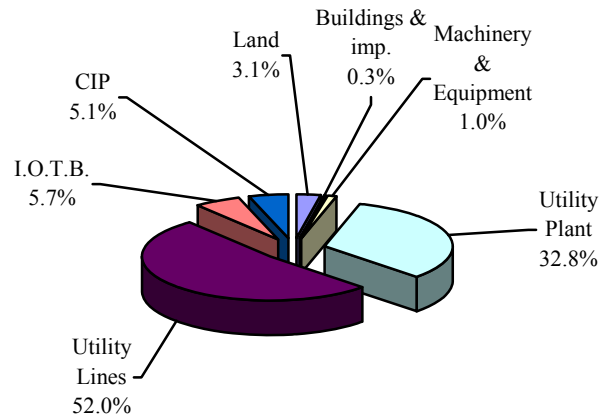
The City's largest governmental capital asset category is infrastructure which includes streets, storm sewers, and traffic signals. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 67.03% of the City's total governmental capital assets.

The following graphs show the breakdown of business-type capital assets by category for 2008 and 2007.

Capital Assets - Business-Type Activities 2008



Capital Assets - Business-Type Activities 2007



The City's largest business-type capital asset category, are utility lines that primarily includes water and sewer lines. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City's utility lines (cost less accumulated depreciation) represents approximately 53.0% of the City's total business-type capital assets. See Note 10 to the basic financial statements for further detail on capital assets.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

Debt Administration

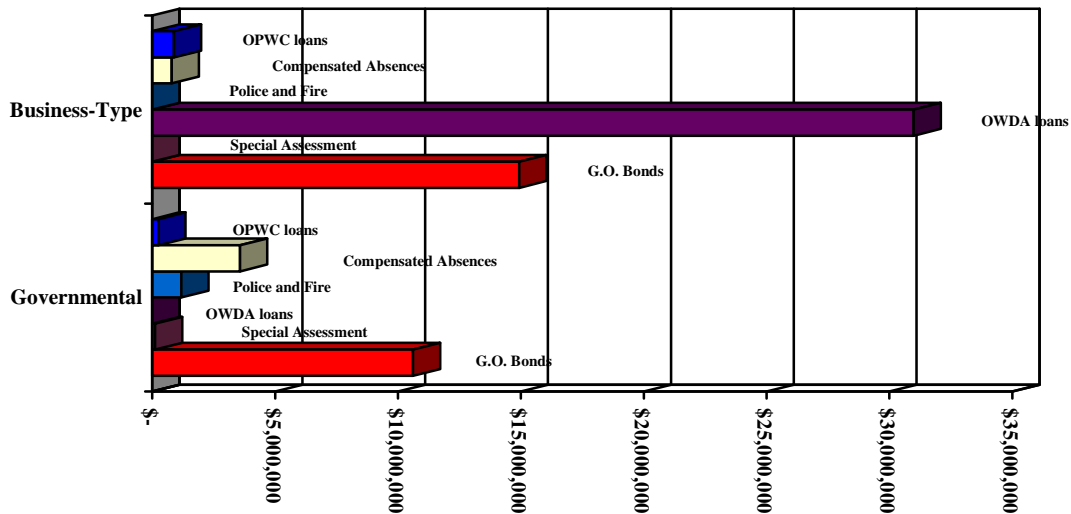
The City had the following long-term obligations outstanding at December 31, 2008 and 2007:

	Governmental Activities	
	2008	2007
Compensated absences	\$ 3,574,770	\$ 3,669,261
Police and Fire past service	1,182,555	1,206,404
OPWC loans	242,555	257,238
Special Assessment bonds	106,185	165,205
General Obligation bonds	10,610,000	2,765,000
Total long-term obligations	\$ 15,716,065	\$ 8,063,108

	Business-Type Activities	
	2008	2007
General Obligation bonds	\$ 14,935,000	\$ 17,775,000
OPWC loans	880,450	727,397
OWDA loans	30,979,789	32,781,584
Compensated absences	790,001	838,251
Total long-term obligations	\$ 47,585,240	\$ 52,122,232

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

Long-term obligations



CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

It has long been the policy of the City to borrow money only for those projects that cannot be supported from the current available cash balances. When financing is necessary, careful consideration is given to total construction costs, length of payback period, and available interest rates before debt is actually issued. The City currently maintains an Aa3 credit rating with Moody's Investors Service and a AA rating from Standard and Poors.

During 2008, the City issued a \$194,309 Ohio Public Works Commission loan for the purpose of waterline improvements.

The City has issued short-term note obligations to finance various projects. The notes payable were paid off from the issue of \$8,200,000 in general obligation bonds. Information on the City's notes payable activity for 2008 is presented in Note 8 to the financial statements.

See Note 13 to the basic financial statements for further detail on the City long-term obligations outstanding at year-end.

Economic Conditions and Outlook

Significant employers in the area are Marathon Oil, Cooper Tire & Rubber, Ball Metal, Whirlpool, Dow Chemical, Lowe's Distribution, Bridgestone, Kohl's Distribution, Nissin Brake, Best Buy Distribution, Sanoh America, Blanchard Valley Hospital, Hancock County, Findlay City Schools, Findlay Publishing, and the City of Findlay. In addition, our community has significant companies in a number of diverse industries: software development, trucking, plastics, car parts suppliers, aggregate producers, environmental remediation, publishing, corporate research, job placement, construction of assembly line machines, steel, drainage tile, and many more. Marathon and Cooper have traditionally been anti-cyclical and have done very well in recessions, serving as a stabilizing factor for our local economy.

2008 income tax collections were down a total of \$5,500,274 from 2007 levels. The entire decrease came from a \$5,634,467 decline in business income tax collections. Payroll withholding and individuals were up slightly from 2007. The decline is a direct reflection of the national economic story as it played out during the summer and fall of 2008. This 26% decline in year over year tax collections is unprecedented. However, part of what makes the decline so large is because the last few years of tax collections have been so high.

GreaterFindlay Inc., the economic development organization in Findlay, named Ray De Winkle as their new CEO in 2008. He has outlined his objectives as retaining and attracting companies that sell goods and services outside Hancock County. He has also placed an emphasis on meeting with all existing businesses to listen to companies located in the community in an effort to retain them. Findlay's local philanthropic foundation, the Community Foundation, welcomed Kathy Kreuchauf as its new President in 2008 while still giving out \$3.3M in grants during 2008. The Findlay Hancock County Public Library also changed leadership as Jeff Winkle was tapped as its new director.

Poet Biorefining began operating their ethanol refinery outside nearby Fostoria in October of 2008. This will be one of four operating ethanol plants in Ohio and may help drive local demand for corn from area farmers. Marathon Oil added 41 jobs in their Findlay operations, and Garner Transportation Group added 15. However, many other area companies announced job reductions in 2008, including Nissan Brake, Cooper Tire, Ball Metal, Cummins Filtration, and Molten Manufacturing.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

The Findlay City Schools passed a replacement levy on the November 2008 elections ballot, which will increase their income starting in 2009. The University of Findlay opened a new animal science building near their western farm to offer pre-veterinary hands-on training to students. The 31,000 square foot building houses animals and classrooms together and includes a laboratory, pharmacy, locker rooms, offices, instructional demonstration areas, and animal holding pens. According to school officials, it is one of the best buildings of its kind in the nation. School enrollment is growing, and the University has added 30 faculty members over the last four years.

Blanchard Valley Hospital has begun construction on an \$11 million outpatient center. The center will offer CT scans, MRI, and ultrasounds, and will have a general diagnostic radiology room and outpatient laboratory. Blanchard Valley has also opened a new Wound Care center which specializes in treating chronic, non-healing wounds and brings with it the only hyperbaric oxygen chamber in Hancock County.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. Robert Cole Sprague, Auditor, City of Findlay, 318 Dorney Plaza, 313 Municipal Building, Findlay, Ohio 45840.

CITY OF FINDLAY, OHIO

STATEMENT OF NET ASSETS
DECEMBER 31, 2008

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in pooled cash and investments	\$ 12,893,713	\$ 5,350,727	\$ 18,244,440
Cash in segregated accounts	264,321	-	264,321
Cash with fiduciary agent	102,376	-	102,376
Cash with escrow agent	59,364	26,570	85,934
Receivables (net of allowances for uncollectibles)	6,661,973	1,937,327	8,599,300
Internal balances	1,440	(1,440)	-
Due from other governments	2,133,296	-	2,133,296
Prepayments	86,729	62,734	149,463
Materials and supplies inventory.	365,046	474,539	839,585
Deferred bond costs	144,651	-	144,651
Restricted assets:			
Equity in pooled cash and cash investments	1,046,951	8,644,312	9,691,263
Deferred bond costs	-	167,353	167,353
Capital assets:			
Nondepreciable capital assets	13,697,685	8,751,581	22,449,266
Depreciable capital assets, net	64,520,142	144,479,722	208,999,864
Total capital assets.	<u>78,217,827</u>	<u>153,231,303</u>	<u>231,449,130</u>
Total assets.	<u>101,977,687</u>	<u>169,893,425</u>	<u>271,871,112</u>
Liabilities:			
Accounts payable.	1,308,843	367,417	1,676,260
Contracts payable.	15,979	28,142	44,121
Retainage payable	25,571	26,570	52,141
Insurance deposits payable	-	96,387	96,387
Accrued wages and benefits	743,258	189,817	933,075
Due to other governments	6,355	-	6,355
Claims payable.	719	-	719
Deferred revenue.	-	9,531	9,531
Unearned revenue.	3,088,590	-	3,088,590
Deposits held and due to others	266,009	357,167	623,176
Matured bonds payable.	33,793	-	33,793
Accrued interest payable.	205,037	875,112	1,080,149
Long-term liabilities:			
Due within one year	2,319,481	5,201,719	7,521,200
Due in more than one year	13,303,174	41,970,411	55,273,585
Total liabilities	<u>21,316,809</u>	<u>49,122,273</u>	<u>70,439,082</u>
Net assets:			
Invested in capital assets, net of related debt	67,497,148	107,016,529	174,513,677
Restricted for:			
Capital projects.	807,513	5,144,813	5,952,326
Debt service	-	3,499,499	3,499,499
Security of persons and property programs	46,058	-	46,058
General government operations.	371,730	-	371,730
Transportation improvement projects	2,556,627	-	2,556,627
Income tax distribution	3,653,954	-	3,653,954
Economic development programs	957,002	-	957,002
Perpetual care:			
Expendable	1,343	-	1,343
Nonexpendable	1,106,527	-	1,106,527
Other purposes	106,955	-	106,955
Unrestricted.	<u>3,556,021</u>	<u>5,110,311</u>	<u>8,666,332</u>
Total net assets	<u>\$ 80,660,878</u>	<u>\$ 120,771,152</u>	<u>\$ 201,432,030</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities:				
General government	\$ 7,704,101	\$ 2,658,578	\$ 23,391	\$ -
Security of persons and property	14,678,503	93,886	-	-
Public health and welfare	1,702,053	422,006	-	-
Transportation.	5,437,592	26,547	2,584,354	426,855
Leisure time activity.	1,931,170	537,876	-	157,036
Other	587	-	-	-
Interest and fiscal charges.	505,675	57,481	-	-
Total governmental activities	<u>31,959,681</u>	<u>3,796,374</u>	<u>2,607,745</u>	<u>583,891</u>
Business-Type Activities:				
Water	6,349,090	7,395,768	-	1,273,825
Water pollution control.	7,382,633	8,472,743	12,469	946,029
Airport	1,782,535	870,610	-	122,569
Parking facilities	112,539	57,214	-	-
Swimming pool.	204,675	64,484	-	-
Total business-type activities	<u>15,831,472</u>	<u>16,860,819</u>	<u>12,469</u>	<u>2,342,423</u>
Total primary government	<u>\$ 47,791,153</u>	<u>\$ 20,657,193</u>	<u>\$ 2,620,214</u>	<u>\$ 2,926,314</u>

General Revenues:

Property taxes levied for:

- General purposes.
 - Police and fire pensions
- Income taxes levied for:
- General purposes.
- Grants and entitlements not restricted to specific programs
- Investment earnings
- Miscellaneous

Total general revenues.

Transfers.

Change in net assets.

Net assets at beginning of year

Net assets at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
\$ (5,022,132)	\$ -	\$ (5,022,132)
(14,584,617)	-	(14,584,617)
(1,280,047)	-	(1,280,047)
(2,399,836)	-	(2,399,836)
(1,236,258)	-	(1,236,258)
(587)	-	(587)
(448,194)	-	(448,194)
<u>(24,971,671)</u>	<u>-</u>	<u>(24,971,671)</u>
-	2,320,503	2,320,503
-	2,048,608	2,048,608
-	(789,356)	(789,356)
-	(55,325)	(55,325)
-	<u>(140,191)</u>	<u>(140,191)</u>
-	<u>3,384,239</u>	<u>3,384,239</u>
<u>(24,971,671)</u>	<u>3,384,239</u>	<u>(21,587,432)</u>
2,666,772	-	2,666,772
526,916	-	526,916
15,550,207	-	15,550,207
4,327,630	-	4,327,630
660,515	475,668	1,136,183
<u>1,180,285</u>	<u>265,199</u>	<u>1,445,484</u>
24,912,325	740,867	25,653,192
<u>(836,484)</u>	<u>836,484</u>	<u>-</u>
(895,830)	4,961,590	4,065,760
<u>81,556,708</u>	<u>115,809,562</u>	<u>197,366,270</u>
<u>\$ 80,660,878</u>	<u>\$ 120,771,152</u>	<u>\$ 201,432,030</u>

CITY OF FINDLAY, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR 2007)

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>City Income Tax Administration</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 7,198,690	\$ 1,730,000	\$ 162,443
Cash in segregated accounts	20,361	-	-
Cash with fiduciary agent	-	-	-
Cash with escrow agent	2,001	23,570	-
Receivables (net of allowance for uncollectibles)	2,746,157	15,238	2,473,437
Interfund loan receivable	-	-	-
Due from other governments	1,519,434	542,668	-
Prepayments.	68,886	16,790	1,053
Materials and supplies inventory	-	360,910	-
Restricted assets:			
Equity in pooled cash and cash equivalents	-	-	1,046,951
Total assets	<u>\$ 11,555,529</u>	<u>\$ 2,689,176</u>	<u>\$ 3,683,884</u>
Liabilities:			
Accounts payable	\$ 1,166,438	\$ 122,802	\$ 12,726
Contracts payable	15,979	-	-
Retainage payable.	2,001	23,570	-
Insurance deposits payable.	235,565	25,709	4,735
Accrued wages and benefits.	662,656	73,103	7,499
Compensated absences payable.	119,938	46,550	-
Interfund loan payable	-	-	-
Due to other governments.	6,355	-	-
Matured bonds payable	-	-	-
Notes payable.	-	-	-
Accrued interest payable	-	-	-
Deferred revenue	974,269	414,581	1,156,169
Unearned revenue	2,508,634	-	-
Total liabilities	<u>5,691,835</u>	<u>706,315</u>	<u>1,181,129</u>
Fund Balances:			
Reserved for encumbrances.	651,644	1,328,816	3,380
Reserved for prepayments	68,886	16,790	1,053
Reserved for materials and supplies inventory	-	360,910	-
Reserved for loans receivable	-	-	-
Reserved for debt service.	-	-	-
Reserved for perpetual care.	-	-	-
Reserved for capital improvements.	-	-	1,046,951
Unreserved:			
Designated for budget stabilization	1,000,000	-	-
Undesignated, reported in:			
General fund	4,143,164	-	-
Special revenue funds.	-	276,345	1,451,371
Permanent fund	-	-	-
Capital projects funds.	-	-	-
Total fund balances	<u>5,863,694</u>	<u>1,982,861</u>	<u>2,502,755</u>
Total liabilities and fund balances.	<u>\$ 11,555,529</u>	<u>\$ 2,689,176</u>	<u>\$ 3,683,884</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Other Governmental Funds	Total Governmental Funds 2008	Total Governmental Funds 2007
\$ 2,675,047	\$ 11,766,180	\$ 18,173,972
243,960	264,321	207,103
102,376	102,376	594,029
33,793	59,364	293,738
1,425,903	6,660,735	7,026,341
-	-	2,365
71,194	2,133,296	2,897,272
-	86,729	85,685
-	360,910	245,927
-	1,046,951	1,458,449
<u>\$ 4,552,273</u>	<u>\$ 22,480,862</u>	<u>\$ 30,984,881</u>
\$ 5,692	\$ 1,307,658	\$ 1,387,880
-	15,979	421,267
-	25,571	257,968
-	266,009	686,545
-	743,258	562,603
-	166,488	-
-	-	2,365
-	6,355	7,682
33,793	33,793	35,770
-	-	10,530,000
-	-	70,200
132,842	2,677,861	2,572,294
579,956	3,088,590	3,082,665
<u>752,283</u>	<u>8,331,562</u>	<u>19,617,239</u>
3,000	1,986,840	1,613,172
-	86,729	85,685
-	360,910	245,927
713,042	713,042	808,977
78,008	78,008	160,697
1,106,527	1,106,527	1,082,017
-	1,046,951	1,458,449
-	1,000,000	-
-	4,143,164	4,839,070
1,090,557	2,818,273	236,907
1,343	1,343	10,642
<u>807,513</u>	<u>807,513</u>	<u>826,099</u>
<u>3,799,990</u>	<u>14,149,300</u>	<u>11,367,642</u>
<u>\$ 4,552,273</u>	<u>\$ 22,480,862</u>	<u>\$ 30,984,881</u>

CITY OF FINDLAY, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2008

Total governmental fund balances		\$ 14,149,300
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and therefore are not reported in the funds.		78,215,453
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Income taxes receivable	1,156,169	
Special assessments receivable	73,269	
Accounts receivable	109,936	
Intergovernmental receivables	1,338,487	
Total		2,677,861
Unamortized balances of bond related transactions are not recorded in the funds.		
Unamortized premiums on bonds issued	(68,079)	
Unamortized discounts on bonds issued	46,155	
Unamortized deferred charges on refundings	115,334	
Unamortized bond issue costs	144,651	
Total		238,061
Internal service funds are used by management to charge the costs of self-insurance and central stores operations to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. The net assets of the internal service funds, including internal balances of \$1,440, are:		1,134,817
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities are as follows:		
Accrued interest payable	(205,037)	
Special assessment bonds	(106,185)	
General obligation bonds	(10,610,000)	
OPWC loans	(242,555)	
Police and fire past service liability	(1,182,555)	
Compensated absences	(3,408,282)	
Total		(15,754,614)
Net assets of governmental activities		\$ 80,660,878

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF FINDLAY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2008
 (WITH COMPARATIVE TOTALS FOR 2007)

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>City Income Tax Administration</u>
Revenues:			
Municipal income taxes	\$ -	\$ -	\$ 15,646,020
Property and other taxes	2,666,772	56	-
Charges for services	1,962,430	11,309	12,618
Licenses and permits	335,820	-	-
Fines and forfeitures	1,057,595	-	-
Intergovernmental	4,128,454	2,238,439	-
Special assessments	-	-	-
Investment income	621,428	7,444	-
Rental income	58,677	-	-
Contributions and donations	157,036	-	-
Reimbursements	1,007,391	16,730	61,189
Tax increment financing	-	-	-
Other	37,736	57,183	-
Total revenues	<u>12,033,339</u>	<u>2,331,161</u>	<u>15,719,827</u>
Expenditures:			
Current:			
General government	6,320,296	-	881,449
Security of persons and property	14,453,818	-	-
Public health and welfare	1,622,117	-	-
Transportation	-	2,768,504	-
Leisure time activity	1,871,879	-	-
Other	-	-	-
Capital outlay	4,096,135	1,885,192	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	135,813	112,264	-
Bond issuance costs	59,470	63,593	-
Note issuance costs	5,651	5,517	-
Total expenditures	<u>28,565,179</u>	<u>4,835,070</u>	<u>881,449</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(16,531,840)</u>	<u>(2,503,909)</u>	<u>14,838,378</u>
Other financing sources (uses):			
Sale of capital assets	-	35,096	-
Issuance of bonds	4,145,000	4,055,000	-
Discount on bonds sold	(22,530)	(24,407)	-
Premium on notes sold	6,501	6,347	-
Transfers in	14,165,486	2,734,653	517,054
Transfers out	(1,931,440)	(106,367)	(16,002,840)
Total other financing sources (uses)	<u>16,363,017</u>	<u>6,700,322</u>	<u>(15,485,786)</u>
Extraordinary item:			
Loss due to flood damage	-	-	-
Net change in fund balances	(168,823)	4,196,413	(647,408)
Fund balances at beginning of year	6,034,547	(2,331,721)	3,150,275
Increase in reserve for inventory	-	114,983	-
Increase (decrease) in prepaids	(2,030)	3,186	(112)
Fund balances (deficit) at end of year	<u>\$ 5,863,694</u>	<u>\$ 1,982,861</u>	<u>\$ 2,502,755</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Other Governmental Funds	Total Governmental Funds 2008	Total Governmental Funds 2007
\$ -	\$ 15,646,020	\$ 21,043,910
526,916	3,193,744	3,170,345
24,700	2,011,057	2,053,334
-	335,820	348,671
120,895	1,178,490	1,239,933
401,917	6,768,810	5,363,039
47,171	47,171	103,550
82,517	711,389	1,250,630
-	58,677	57,231
-	157,036	160,000
-	1,085,310	943,393
40,383	40,383	-
-	94,919	82,381
1,244,499	31,328,826	35,816,417
181,836	7,383,581	7,267,755
16,604	14,470,422	13,812,880
51,945	1,674,062	1,636,529
23,058	2,791,562	2,693,686
-	1,871,879	1,408,200
587	587	-
928,103	6,909,430	11,368,519
428,703	428,703	483,353
115,184	363,261	616,955
-	123,063	-
-	11,168	10,284
1,746,020	36,027,718	39,298,161
(501,521)	(4,698,892)	(3,481,744)
-	35,096	-
-	8,200,000	-
-	(46,937)	-
-	12,848	69,206
710,495	18,127,688	22,021,990
(923,525)	(18,964,172)	(22,432,184)
(213,030)	7,364,523	(340,988)
-	-	(192,824)
(714,551)	2,665,631	(4,015,556)
4,514,541	11,367,642	15,381,683
-	114,983	-
-	1,044	1,515
\$ 3,799,990	\$ 14,149,300	\$ 11,367,642

CITY OF FINDLAY, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

Net change in fund balances - total governmental funds		\$ 2,665,631
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Government funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period (net of internal service fund and contributed asset activity):		
Capital outlays	7,158,020	
Depreciation expense	<u>(3,730,885)</u>	
		3,427,135
Contributed infrastructure from outside developers is not recorded in the governmental funds; however, the contribution is recorded as revenue in the statement of activities.		426,855
The effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations and impairments) is to decrease net assets.		(153,297)
Governmental funds report expenditures for prepaids and consumable inventories when purchased. However, in the statement of activities, they are reported as an expense when consumed.		116,027
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		105,567
Bond issuance costs are reported as expenditures in the funds; however, they are amortized over the life of the bonds in the statement of activities.		123,063
Bond issuance discounts are reported as an other financing use in the funds; however, they are amortized over the life of the bonds in the statement of activities.		46,937
The issuance of bonds are reported as an other financing source in the funds; however, they are recorded as a liability on the statement of net assets.		(8,200,000)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items contributed to additional interest being reported on the statement of activities:		
Increase in accrued interest payable	(125,779)	
Amortization of bond premiums	10,910	
Amortization of bond discounts	(782)	
Amortization of deferred charges on refundings	(22,023)	
Amortization of bond issue costs	<u>(6,420)</u>	
		(144,094)
Repayment of bonds, loans and the police and fire past service liability are expenditures in the governmental funds, but the repayments reduce long-term liabilities on the statement of net assets.		452,552
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		260,979
Internal service funds are used by management to charge the costs of self-insurance and central stores operations to individual funds are not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service funds revenues are eliminated. The net revenue (expense) of the internal service funds, including internal balance activity of \$1,426, is allocated among the governmental activities.		<u>(23,185)</u>
Change in net assets of governmental activities		<u><u>\$ (895,830)</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Property and other taxes	\$ 2,832,437	\$ 2,832,437	\$ 2,666,772	\$ (165,665)
Charges for services	1,888,257	1,892,382	1,962,430	70,048
Licenses and permits.	337,751	337,751	335,820	(1,931)
Fines and forfeitures.	1,138,769	1,138,769	1,057,595	(81,174)
Intergovernmental	3,998,522	4,010,960	4,128,454	117,494
Investment income	607,673	607,673	621,428	13,755
Rental income	56,400	56,400	58,677	2,277
Contributions and donations	15,300	3,700	157,036	153,336
Reimbursements.	854,246	854,246	1,007,391	153,145
Other	24,675	24,675	37,736	13,061
Total revenues.	<u>11,754,030</u>	<u>11,758,993</u>	<u>12,033,339</u>	<u>274,346</u>
Expenditures:				
Current:				
General government	7,069,743	7,219,356	6,320,296	899,060
Security of persons and property	14,785,950	14,885,382	14,453,818	431,564
Public health and welfare.	1,768,224	1,755,220	1,622,117	133,103
Leisure time activity	2,195,795	2,241,992	1,871,879	370,113
Capital outlay	-	4,096,135	4,096,135	-
Debt service:				
Interest and fiscal charges	-	135,813	135,813	-
Bond issuance costs	-	59,470	59,470	-
Note issuance costs	-	5,651	5,651	-
Total expenditures	<u>25,819,712</u>	<u>30,399,019</u>	<u>28,565,179</u>	<u>1,833,840</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,065,682)</u>	<u>(18,640,026)</u>	<u>(16,531,840)</u>	<u>2,108,186</u>
Other financing sources (uses):				
Issuance of bonds	1,990,000	4,110,000	4,145,000	35,000
Discount on bonds sold	-	(22,530)	(22,530)	-
Premium on notes sold	4,483	4,483	6,501	2,018
Transfers in	15,681,837	15,695,414	14,165,486	(1,529,928)
Transfers out	(980,750)	(1,931,440)	(1,931,440)	-
Total other financing sources (uses)	<u>16,695,570</u>	<u>17,855,927</u>	<u>16,363,017</u>	<u>(1,492,910)</u>
Net change in fund balance	2,629,888	(784,099)	(168,823)	615,276
Fund balance at beginning of year	6,034,547	6,034,547	6,034,547	-
Decrease in reserve for prepaids	<u>(2,030)</u>	<u>(2,030)</u>	<u>(2,030)</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 8,662,405</u>	<u>\$ 5,248,418</u>	<u>\$ 5,863,694</u>	<u>\$ 615,276</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
 STREET MAINTENANCE AND REPAIR
 FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 100	\$ 100	\$ 56	\$ (44)
Charges for services	4,500	4,500	11,309	6,809
Intergovernmental	1,800,000	2,182,041	2,238,439	56,398
Investment income	-	-	7,444	7,444
Reimbursements.	1,400	1,400	16,730	15,330
Other	22,800	22,800	57,183	34,383
Total revenues.	<u>1,828,800</u>	<u>2,210,841</u>	<u>2,331,161</u>	<u>120,320</u>
Expenditures:				
Current:				
Transportation	2,831,518	2,862,079	2,768,504	93,575
Capital outlay	-	1,885,192	1,885,192	-
Debt service:				
Interest and fiscal charges	-	112,264	112,264	-
Bond issuance costs	-	63,593	63,593	-
Note issuance costs	-	5,517	5,517	-
Total expenditures	<u>2,831,518</u>	<u>4,928,645</u>	<u>4,835,070</u>	<u>93,575</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,002,718)</u>	<u>(2,717,804)</u>	<u>(2,503,909)</u>	<u>213,895</u>
Other financing sources (uses):				
Sale of capital assets.	-	-	35,096	35,096
Issuance of bonds	180,000	4,085,000	4,055,000	(30,000)
Discount on bonds sold	-	(24,407)	(24,407)	-
Premium on notes sold	3,889	3,889	6,347	2,458
Transfers in	720,000	2,387,362	2,734,653	347,291
Transfers out	-	(106,367)	(106,367)	-
Total other financing sources (uses)	<u>903,889</u>	<u>6,345,477</u>	<u>6,700,322</u>	<u>354,845</u>
Net change in fund balance	(98,829)	3,627,673	4,196,413	568,740
Fund balance at beginning of year	(2,331,721)	(2,331,721)	(2,331,721)	-
Increase in reserve for inventory	114,983	114,983	114,983	-
Increase in reserve for prepaids.	3,186	3,186	3,186	-
Fund balance (deficit) at end of year	<u>\$ (2,312,381)</u>	<u>\$ 1,414,121</u>	<u>\$ 1,982,861</u>	<u>\$ 568,740</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
 CITY INCOME TAX ADMINISTRATION
 FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Municipal income taxes	\$ 20,500,000	\$ 20,500,000	\$ 15,646,020	\$ (4,853,980)
Charges for services	12,330	12,330	12,618	288
Reimbursements	-	-	61,189	61,189
Total revenues.	<u>20,512,330</u>	<u>20,512,330</u>	<u>15,719,827</u>	<u>(4,792,503)</u>
Expenditures:				
Current:				
General government	911,550	920,214	881,449	38,765
Total expenditures	<u>911,550</u>	<u>920,214</u>	<u>881,449</u>	<u>38,765</u>
Excess (deficiency) of revenues over (under) expenditures	<u>19,600,780</u>	<u>19,592,116</u>	<u>14,838,378</u>	<u>(4,753,738)</u>
Other financing sources (uses):				
Transfers in	-	18,434	517,054	498,620
Transfers out	(14,732,981)	(18,722,354)	(16,002,840)	2,719,514
Total other financing sources (uses)	<u>(14,732,981)</u>	<u>(18,703,920)</u>	<u>(15,485,786)</u>	<u>3,218,134</u>
Net change in fund balance	4,867,799	888,196	(647,408)	(1,535,604)
Fund balance at beginning of year	3,150,275	3,150,275	3,150,275	-
Decrease in reserve for prepaids	<u>(112)</u>	<u>(112)</u>	<u>(112)</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 8,017,962</u>	<u>\$ 4,038,359</u>	<u>\$ 2,502,755</u>	<u>\$ (1,535,604)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 DECEMBER 31, 2008
 (WITH COMPARATIVE TOTALS FOR 2007)

	Business-type Activities -Enterprise Funds			
	Water	Water Pollution Control	Airport	Other Enterprise
Assets:				
Current assets:				
Equity in pooled cash and investments	\$ 4,021,486	\$ 1,123,130	\$ 128,870	\$ 77,241
Cash with escrow agent.	26,570	-	-	-
Receivables (net of allowance for uncollectibles) . .	1,485,722	425,249	23,382	2,974
Due from other funds	-	381,932	-	-
Due from other governments	-	-	-	-
Prepayments.	28,738	18,521	12,925	2,550
Materials and supplies inventory	412,879	10,918	50,742	-
Total current assets	<u>5,975,395</u>	<u>1,959,750</u>	<u>215,919</u>	<u>82,765</u>
Noncurrent assets:				
Restricted Assets:				
Equity in pooled cash and investments.	1,300,099	7,311,094	33,119	-
Deferred bond costs.	74,403	91,265	1,685	-
Capital assets:				
Nondepreciable capital assets.	1,842,000	822,408	5,991,211	95,962
Depreciable capital assets, net	50,229,831	86,268,235	7,439,514	542,142
Total noncurrent assets	<u>53,446,333</u>	<u>94,493,002</u>	<u>13,465,529</u>	<u>638,104</u>
Total assets	<u>59,421,728</u>	<u>96,452,752</u>	<u>13,681,448</u>	<u>720,869</u>
Liabilities:				
Current liabilities:				
Accounts payable.	168,927	168,858	25,585	4,047
Contracts payable.	20,922	7,220	-	-
Retainage payable.	26,570	-	-	-
Insurance deposits payable.	58,200	31,171	6,426	590
Accrued wages and benefits	98,508	77,765	10,650	2,894
Compensated absences payable.	224,910	134,415	19,468	7,659
Due to other funds	381,932	-	-	-
Deposits held and due to others	357,167	-	-	-
Deferred revenue	6,247	310	-	2,974
Claims payable	-	-	-	-
Current portion of loans payable	197,800	1,712,467	-	-
Current portion of bonds	1,755,000	1,110,000	40,000	-
Accrued interest payable.	152,538	719,455	3,119	-
Total current liabilities	<u>3,448,721</u>	<u>3,961,661</u>	<u>105,248</u>	<u>18,164</u>
Long-term liabilities:				
General obligation bonds	5,339,264	6,152,473	125,151	-
Compensated absences payable	209,446	156,201	25,330	12,574
Loans payable	4,405,823	25,544,149	-	-
Total long-term liabilities	<u>9,954,533</u>	<u>31,852,823</u>	<u>150,481</u>	<u>12,574</u>
Total liabilities	<u>13,403,254</u>	<u>35,814,484</u>	<u>255,729</u>	<u>30,738</u>
Net assets:				
Invested in capital assets, net of related debt. . . .	40,448,347	52,662,819	13,267,259	638,104
Restricted for:				
Capital projects	705,641	4,439,172	-	-
Debt service	594,458	2,871,922	33,119	-
Unrestricted	4,270,028	664,355	125,341	52,027
Total net assets	<u>\$ 46,018,474</u>	<u>\$ 60,638,268</u>	<u>\$ 13,425,719</u>	<u>\$ 690,131</u>

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

Net assets of business-type activities

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

2008 Enterprise Funds Total	2007 Enterprise Funds Total	2008 Governmental Activities - Internal Service Funds	2007 Governmental Activities - Internal Service Funds
\$ 5,350,727	\$ 7,083,235	\$ 1,127,533	\$ 1,142,751
26,570	34,560	-	-
1,937,327	2,080,387	1,238	9,093
381,932	395,551	-	-
-	623,530	-	-
62,734	59,138	-	-
474,539	580,448	4,136	4,282
<u>8,233,829</u>	<u>10,856,849</u>	<u>1,132,907</u>	<u>1,156,126</u>
8,644,312	7,901,048	-	-
167,353	195,618	-	-
8,751,581	12,446,221	-	-
144,479,722	138,933,909	2,374	4,564
162,042,968	159,476,796	2,374	4,564
<u>170,276,797</u>	<u>170,333,645</u>	<u>1,135,281</u>	<u>1,160,690</u>
367,417	301,819	1,185	2,702
28,142	656,151	-	-
26,570	34,560	-	-
96,387	220,211	-	-
189,817	142,468	-	-
386,452	397,344	-	-
381,932	395,551	-	-
357,167	224,000	-	-
9,531	22,801	-	-
-	-	719	-
1,910,267	1,762,514	-	-
2,905,000	2,840,000	-	-
875,112	939,617	-	-
<u>7,533,794</u>	<u>7,937,036</u>	<u>1,904</u>	<u>2,702</u>
11,616,888	14,399,659	-	-
403,551	440,907	-	-
29,949,972	31,746,467	-	-
41,970,411	46,587,033	-	-
<u>49,504,205</u>	<u>54,524,069</u>	<u>1,904</u>	<u>2,702</u>
107,016,529	100,827,108	2,374	4,564
5,144,813	5,291,559	-	-
3,499,499	2,609,489	-	-
5,111,751	7,081,420	1,131,003	1,153,424
120,772,592	115,809,576	\$ 1,133,377	\$ 1,157,988
(1,440)	(14)		
<u>\$ 120,771,152</u>	<u>\$ 115,809,562</u>		

CITY OF FINDLAY, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR 2007)

	Business-type Activities - Enterprise Funds			
	<u>Water</u>	<u>Water Pollution Control</u>	<u>Airport</u>	<u>Other Enterprise</u>
Operating revenues:				
Charges for services	\$ 7,395,768	\$ 8,472,743	\$ 37,062	\$ 121,698
Other	50,169	14,620	833,548	19,231
Total operating revenues	<u>7,445,937</u>	<u>8,487,363</u>	<u>870,610</u>	<u>140,929</u>
Operating expenses:				
Personal services	2,748,743	2,151,339	291,111	165,569
Contract services	574,250	995,357	112,909	51,020
Materials and supplies	1,008,788	418,055	634,950	57,437
Utilities	322,947	420,068	21,552	4,913
Depreciation	1,102,743	1,884,087	711,804	38,275
Total operating expenses	<u>5,757,471</u>	<u>5,868,906</u>	<u>1,772,326</u>	<u>317,214</u>
Operating income (loss)	<u>1,688,466</u>	<u>2,618,457</u>	<u>(901,716)</u>	<u>(176,285)</u>
Nonoperating revenues (expenses):				
Other nonoperating revenues	58,260	81,038	41,720	161
Intergovernmental	-	12,469	122,569	-
Interest revenue	233,009	242,659	-	-
Loss on disposal of capital assets	(18,955)	(12,166)	-	-
Interest expense and fiscal charges	(571,590)	(1,501,209)	(10,209)	-
Total nonoperating revenues (expenses)	<u>(299,276)</u>	<u>(1,177,209)</u>	<u>154,080</u>	<u>161</u>
Income (loss) before contributions and transfers	1,389,190	1,441,248	(747,636)	(176,124)
Capital contributions	1,273,825	946,029	-	-
Transfers in	62,401	515,319	158,000	133,000
Transfers out	(21,599)	-	(10,637)	-
Income before extraordinary item	2,703,817	2,902,596	(600,273)	(43,124)
Extraordinary item:				
Loss due to flood damage	-	-	-	-
Changes in net assets	2,703,817	2,902,596	(600,273)	(43,124)
Net assets at beginning of year	<u>43,314,657</u>	<u>57,735,672</u>	<u>14,025,992</u>	<u>733,255</u>
Net assets at end of year	<u>\$ 46,018,474</u>	<u>\$ 60,638,268</u>	<u>\$ 13,425,719</u>	<u>\$ 690,131</u>

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

Changes in net assets of business-type activities

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

2008	2007	2008	2007
Enterprise	Enterprise	Governmental	Governmental
Funds Total	Funds Total	Activities -	Activities -
		Internal	Internal
		Service Funds	Service Funds
\$ 16,027,271	\$ 16,510,573	\$ 23,679	\$ 25,078
917,568	1,051,282	-	-
<u>16,944,839</u>	<u>17,561,855</u>	<u>23,679</u>	<u>25,078</u>
5,356,762	5,374,131	-	-
1,733,536	2,029,538	64,918	10,948
2,119,230	2,235,742	20,268	21,503
769,480	721,850	-	-
<u>3,736,909</u>	<u>3,574,907</u>	<u>2,191</u>	<u>2,190</u>
<u>13,715,917</u>	<u>13,936,168</u>	<u>87,377</u>	<u>34,641</u>
<u>3,228,922</u>	<u>3,625,687</u>	<u>(63,698)</u>	<u>(9,563)</u>
181,179	195,617	-	-
135,038	2,271,893	-	-
475,668	710,300	39,087	59,171
(31,121)	(87,100)	-	-
<u>(2,083,008)</u>	<u>(2,243,771)</u>	<u>-</u>	<u>-</u>
<u>(1,322,244)</u>	<u>846,939</u>	<u>39,087</u>	<u>59,171</u>
1,906,678	4,472,626	(24,611)	49,608
2,219,854	1,225,214	-	-
868,720	435,380	-	-
<u>(32,236)</u>	<u>(25,186)</u>	<u>-</u>	<u>-</u>
4,963,016	6,108,034	(24,611)	49,608
-	(580,000)	-	-
4,963,016	5,528,034	(24,611)	49,608
		<u>1,157,988</u>	<u>1,108,380</u>
		<u>\$ 1,133,377</u>	<u>\$ 1,157,988</u>
(1,426)	(247)		
<u>\$ 4,961,590</u>	<u>\$ 5,527,787</u>		

CITY OF FINDLAY, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2008
 (WITH COMPARATIVE TOTALS FOR 2007)

	Business-type Activities - Enterprise Funds			
	Water	Water Pollution Control	Airport	Other Enterprise
Cash flows from operating activities:				
Cash received from customers	\$ 7,402,382	\$ 8,485,122	\$ 37,062	\$ 121,698
Cash received from other operations.	50,169	14,620	897,762	19,231
Cash payments for personal services	(2,827,079)	(2,187,459)	(297,197)	(169,749)
Cash payments for contract services	(443,572)	(1,004,891)	(112,849)	(50,644)
Cash payments for materials and supplies	(933,583)	(324,982)	(631,519)	(57,639)
Cash payments for utilities.	(336,566)	(420,068)	(21,552)	(4,913)
Net cash provided by (used in) operating activities.	<u>2,911,751</u>	<u>4,562,342</u>	<u>(128,293)</u>	<u>(142,016)</u>
Cash flows from noncapital financing activities:				
Other non-capital revenues	58,260	84,038	41,719	161
Payments for flood damage repairs	-	-	-	-
Grants and contributions	-	12,469	731,855	-
Transfers in	62,401	515,319	158,000	133,000
Transfers out.	(21,599)	-	(10,637)	-
Net cash provided by (used in) noncapital financing activities	<u>99,062</u>	<u>611,826</u>	<u>920,937</u>	<u>133,161</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(1,710,843)	(1,516,575)	(799,941)	-
Principal paid on bonds	(1,715,000)	(1,080,000)	(45,000)	-
Interest paid on bonds	(349,739)	(350,469)	(7,588)	-
Proceeds of loans.	208,553	-	-	-
Principal paid on loans.	(199,219)	(1,643,832)	-	-
Interest paid on loans	(122,650)	(1,169,571)	-	-
Net cash (used in) capital and related financing activities	<u>(3,888,898)</u>	<u>(5,760,447)</u>	<u>(852,529)</u>	<u>-</u>
Cash flows from investing activities:				
Interest received.	<u>256,886</u>	<u>278,984</u>	<u>-</u>	<u>-</u>
Net cash provided by investing activities.	<u>256,886</u>	<u>278,984</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(621,199)	(307,295)	(59,885)	(8,855)
Cash and cash equivalents at beginning of year	<u>5,969,354</u>	<u>8,741,519</u>	<u>221,874</u>	<u>86,096</u>
Cash and cash equivalents at end of year.	<u><u>\$ 5,348,155</u></u>	<u><u>\$ 8,434,224</u></u>	<u><u>\$ 161,989</u></u>	<u><u>\$ 77,241</u></u>

2008	2007	2008	2007
Enterprise	Enterprise	Governmental	Governmental
Funds Total	Funds Total	Activities -	Activities -
		Internal	Internal
		Service Funds	Service Funds
\$ 16,046,264	\$ 16,544,672	\$ 23,679	\$ 25,078
981,782	1,019,671	-	-
(5,481,484)	(5,320,684)	-	-
(1,611,956)	(1,985,728)	(64,199)	(10,948)
(1,947,723)	(2,217,510)	(21,640)	(19,620)
(783,099)	(735,037)	-	-
<u>7,203,784</u>	<u>7,305,384</u>	<u>(62,160)</u>	<u>(5,490)</u>
184,178	195,617	-	-
-	(580,000)	-	-
744,324	1,992,567	-	-
868,720	435,380	-	-
(32,236)	(25,186)	-	-
<u>1,764,986</u>	<u>2,018,378</u>	<u>-</u>	<u>-</u>
(4,027,359)	(2,790,187)	-	-
(2,840,000)	(2,770,000)	-	-
(707,796)	(786,183)	-	-
208,553	315,275	-	-
(1,843,051)	(1,762,917)	-	-
(1,292,221)	(1,367,506)	-	-
<u>(10,501,874)</u>	<u>(9,161,518)</u>	<u>-</u>	<u>-</u>
<u>535,870</u>	<u>781,457</u>	<u>46,942</u>	<u>50,432</u>
<u>535,870</u>	<u>781,457</u>	<u>46,942</u>	<u>50,432</u>
(997,234)	943,701	(15,218)	44,942
15,018,843	14,075,142	1,142,751	1,097,809
<u>\$ 14,021,609</u>	<u>\$ 15,018,843</u>	<u>\$ 1,127,533</u>	<u>\$ 1,142,751</u>

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CITY OF FINDLAY, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2008
 (WITH COMPARATIVE TOTALS FOR 2007)

	Business-type Activities - Enterprise Funds			
	Water	Water Pollution Control	Airport	Other Enterprise
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 1,688,466	\$ 2,618,457	\$ (901,716)	\$ (176,285)
Adjustments to reconcile operating income (loss) to net cash (used in) operating activities:				
Depreciation	1,102,743	1,884,087	711,804	38,275
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	22,639	(1,021)	64,214	(2,974)
Decrease in due from other funds	-	13,619	-	-
(Increase) decrease in materials and supplies inventory	66,163	194	39,552	-
(Increase) decrease in prepayments.	(2,532)	(1,501)	60	376
Increase (decrease) in accounts payable.	9,042	92,879	(36,121)	(202)
Increase in claims payable.	-	-	-	-
Increase in accrued wages and benefits	23,711	20,209	2,696	733
Increase (decrease) in compensated absences payable	(38,460)	(4,916)	(2,617)	(2,254)
(Decrease) in insurance deposits payable	(63,587)	(51,413)	(6,165)	(2,659)
Increase in deposits held and due to others	133,167	-	-	-
Increase (decrease) in deferred revenue	(16,025)	(219)	-	2,974
Increase (decrease) in retainage payable	43	(8,033)	-	-
(Decrease) in due to other funds	(13,619)	-	-	-
Net cash provided by (used in) operating activities . .	<u>\$ 2,911,751</u>	<u>\$ 4,562,342</u>	<u>\$ (128,293)</u>	<u>\$ (142,016)</u>

Non-cash Transactions:

During 2008, the Water Pollution Control fund received \$946,029 in capital contributions primarily donated sewer lines from private developers. At December 31, 2008 and 2007, the Water Pollution Control fund purchased \$7,220 and \$0, respectively, in capital assets on account.

During 2008, the Swimming Pool fund received capital asset contributions from the Parking Facilities fund with a net book value of \$0. The contributed assets had a cost of \$5,833 and accumulated depreciation of \$5,833.

During 2008, the Parking Facilities fund contributed capital assets with a net book value of \$0 to the governmental activities. The contributed assets had a cost of \$9,191 and accumulated depreciation of \$9,191.

During 2008, the Water fund received \$1,273,825 in capital contributions primarily donated water lines from private developers. At December 31, 2008 and 2007, the Water fund purchased \$20,922 and \$26,928, respectively, in capital assets on account.

At December 31, 2008 and 2007, the Airport fund purchased \$0 and \$629,223, respectively, in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>2008 Enterprise Funds Total</u>	<u>2007 Enterprise Funds Total</u>	<u>2008 Governmental Activities - Internal Service Funds</u>	<u>2007 Governmental Activities - Internal Service Funds</u>
\$ 3,228,922	\$ 3,625,687	\$ (63,698)	\$ (9,563)
3,736,909	3,574,907	2,191	2,190
82,858	(23,264)	-	-
13,619	13,187	-	-
105,909	(47,623)	146	398
(3,597)	(2,561)	-	-
65,598	65,855	(1,518)	1,485
-	-	719	-
47,349	5,756	-	-
(48,247)	114,302	-	-
(123,824)	(66,611)	-	-
133,167	167,153	-	-
(13,270)	12,565	-	-
(7,990)	(120,782)	-	-
(13,619)	(13,187)	-	-
<u>\$ 7,203,784</u>	<u>\$ 7,305,384</u>	<u>\$ (62,160)</u>	<u>\$ (5,490)</u>

CITY OF FINDLAY, OHIO

STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 DECEMBER 31, 2008

	<u>Private-Purpose Trust</u>	<u>Agency</u>
Assets:		
Equity in pooled cash and investments	\$ 172,485	\$ 286,531
Cash in segregated accounts	-	39,345
Receivables:		
Accrued interest.	145	-
	<hr/>	<hr/>
Total assets.	<u>172,630</u>	<u>\$ 325,876</u>
 Liabilities:		
Accounts payable	-	\$ 4,427
Deposits held and due to others	-	321,449
	<hr/>	<hr/>
Total liabilities	<u>-</u>	<u>\$ 325,876</u>
 Net Assets:		
Held in trust for private cemetery care	<u>172,630</u>	
Total net assets	<u>\$ 172,630</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

	<u>Private-Purpose Trust</u>
Additions:	
Interest	\$ 4,356
Gifts and contributions.	<u>10,200</u>
Total Additions.	<u>14,556</u>
Deductions:	
Cemetery care	<u>3,796</u>
Changes in net assets	10,760
Net assets at the beginning of the year.	<u>161,870</u>
Net assets at the end of the year	<u>\$ 172,630</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 1 - DESCRIPTION OF THE CITY

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

B. Basis of Presentation

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

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

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

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

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

C. Fund Accounting

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

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

General fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. This includes, but is not limited to, police and fire protection, public health activities, cemetery, all recreation activities (other than the swimming pool) and the general administration of City functions.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

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

City income tax administration - This fund accounts for the receipts from the assessment of a 1% income tax and the cost of operating the collection department. The use of this money is determined by Council. For 2008, 75% is transferred to the general fund, 22% is used for general capital improvements and 3% is used for flood mitigation as recommended by the administration and appropriated by Council. For 2009, 81% will be transferred to the general fund and 19% will be used for general capital improvements as recommended by the administration and appropriated by Council.

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

Other governmental funds of the City are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds; and (c) for grants and other resources whose use is restricted to a particular purpose.

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

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

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

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

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

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

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

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

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

D. Measurement Focus and Basis of Accounting

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

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

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

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

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

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

E. Basis of Accounting

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

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

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

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

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

Property taxes for which there is an enforceable legal claim as of December 31, 2008, but which were levied to finance year 2009 operations, and other revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as unearned revenue in the governmental funds. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2008, are recorded as deferred revenue in the governmental funds.

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

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

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

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

F. Budgetary Process

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

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

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

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

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

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

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008**

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

G. Cash and Cash Equivalents

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

During 2008, investments were limited to STAR Ohio, federal agency securities, U.S. treasury notes and certificates of deposit. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as certificates of deposit, are reported at cost.

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2008. STAR Ohio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on December 31, 2008.

Following Ohio statutes, the Council has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during 2008 amounted to \$621,428, which includes \$277,122 assigned from other City funds as not all funds of the City receive interest earnings.

For purposes of the statement of cash flows and for presentation on the financial statements, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

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

H. Inventories of Materials and Supplies

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

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

I. Prepaids

Amounts recorded for prepaid items represent the unamortized portion of insurance policies that expire in 2009 or later. Governmental funds use the purchase method of accounting whereby insurance is recognized as an expenditure when purchased. Proprietary funds recognize insurance expense as it is incurred.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

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

J. Capital Assets

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

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

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

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

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

K. Compensated Absences

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

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

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

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

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

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

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

L. Accrued Liabilities and Long-Term Obligations

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

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

M. Interfund Activity

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

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008**

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

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

N. Fund Balance Reserves and Designation

Reserved fund balances indicate that portion of fund equity which is not available for current appropriation or use. The unreserved portions of fund equity reflected in the governmental funds are available for use within the specific purposes of the funds. Designated fund balance indicates that portion of fund equity that is designated for a specific use by City Council.

The City reports a reservation of fund balance for amounts representing encumbrances outstanding, materials and supplies inventory, prepayments, loans receivable, debt service, perpetual care and capital improvements in the governmental fund financial statements. The City reports a designation of fund balance for monies set-aside by Council for budget stabilization.

O. Estimates

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

P. Contributions of Capital

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

Q. Net Assets

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

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

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

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

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

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

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

On the governmental fund financial statements, issuance costs and bond premiums and discounts are recognized in the current period. The reconciliation between the bonds face value and the amount reported on the statement of net assets is presented in Note 13.

S. Interfund Balances

On fund financial statements, receivables and payables resulting from services provided from one fund to another is classified as “due to/from other funds.” Receivables and payables resulting from interfund loans are classified as “interfund loans payable/receivable”. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2008. During fiscal year 2007, the City experienced an extraordinary item for losses due to flood damage. The City reported a net loss of \$312,238 and \$580,000 in governmental activities and business-type activities, respectively, related to damages caused by a flood. The losses were net of federal, state and insurance reimbursements received or due to the City at December 31, 2007. The extraordinary loss reported for the governmental activities also included losses related to the impairment of capital assets that were caused by the flood damage.

U. Comparative Data and Presentation of Financial Information

Comparative total data for the prior year have been presented in selected sections of the financial statements in order to provide an understanding of the changes in the government’s financial position and operations.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 3 - ACCOUNTABILITY

Change in Accounting Principles

For 2008, the City has implemented GASB Statement No. 45, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions", GASB Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations" and GASB Statement No. 50, "Pension Disclosures".

GASB Statement No. 45 establishes uniform standards of financial reporting for other postemployment benefits and increases the usefulness and improves the faithfulness of representations in the financial reports. The implementation of GASB Statement No. 45 did not have an effect on the financial statements of the City; however, certain disclosures related to postemployment benefits (see Note 15) have been modified to conform to the new reporting requirements.

GASB Statement No. 49 addresses accounting and financial reporting standards for pollution remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The implementation of GASB Statement No. 49 did not have an effect on the financial statements of the City.

GASB Statement No. 50 establishes standards that more closely align the financial reporting requirements for pensions with those of other postemployment benefits. The implementation of GASB Statement No. 50 did not have an effect on the financial statements of the City.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and,
6. The State Treasurer's investment pool (STAR Ohio).

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

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

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

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

Cash with Fiduciary Agent: At fiscal year-end, the City had \$102,376 on deposit with the Hancock County Treasurer. The data regarding insurance and collateralization can be obtained from the Hancock County Comprehensive Annual Financial Report for the year ended December 31, 2008. This amount is not included in the City's depository balance below.

Cash with Escrow Agent: At fiscal year-end, the City had \$85,934 on deposit with financial institutions for retainage escrow accounts and bond and coupon payments. These amounts are included in the City's depository balance below.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Cash in Segregated Accounts: At fiscal year-end, the City had \$303,666 deposited with a financial institution for monies related to the Revolving Loan special revenue fund (a nonmajor governmental fund), the Municipal Court agency fund and for police special drug operations. These amounts are included in the City's depository balance below.

A. Deposits with Financial Institutions

At December 31, 2008, the carrying amount of all City deposits was \$8,819,635 and the bank balance of all City deposits was \$8,728,771. Of the bank balance, \$3,914,494 was covered by pledged collateral held by the Federal Reserve Bank of Boston in the name of the City, \$3,503,000, was exposed to custodial risk as discussed below and \$1,311,277 was covered by the Federal Deposit Insurance Corporation.

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

B. Investments

As of December 31, 2008, the City had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>		
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>
FHLB	\$ 1,007,500	\$ 1,007,500	\$ -	\$ -
FNMA	2,014,380	2,014,380	-	-
U.S. Treasury Notes	12,187,870	5,033,430	6,136,120	1,018,320
STAR Ohio	4,754,934	4,754,934	-	-
Total	\$ 19,964,684	\$ 12,810,244	\$ 6,136,120	\$ 1,018,320

The weighted average length to maturity of investment is .40 years.

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Credit Risk: STAR Ohio carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard service rating. The City's investments in federal agency securities and U.S treasury notes carry a rating of AAA by Standard & Poor's and Aaa by Moody's. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities and U.S. treasury notes are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the City's name. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

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

The following table includes the percentage of each investment type held by the City at December 31, 2008:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FHLB	\$ 1,007,500	5.05
FNMA	2,014,380	10.09
U.S. Treasury Notes	12,187,870	61.04
STAR Ohio	<u>4,754,934</u>	<u>23.82</u>
Total	<u>\$ 19,964,684</u>	<u>100.00</u>

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of December 31, 2008:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 8,819,635
Investments	19,964,684
Cash with fiduciary agent	<u>102,376</u>
Total	<u>\$ 28,886,695</u>
 <u>Cash and investments per statement of net assets</u>	
Governmental activities	\$ 14,366,725
Business type activities	14,021,609
Fiduciary funds	<u>498,361</u>
Total	<u>\$ 28,886,695</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 5 - INTERFUND TRANSFERS

Interfund transfers for the year ended December 31, 2008, consisted of the following, as reported in the fund financial statements:

Transfers to	Transfers from						Total
	General	City Income Tax	Street Maintenance and Repair	Nonmajor Governmental	Water	Airport	
General	\$ -	\$ 13,437,024	\$ -	\$ 728,462	\$ -	\$ -	\$ 14,165,486
City Income Tax	378,451	-	106,367	-	21,599	10,637	517,054
Street maintenance and repair	720,000	1,819,590	-	195,063	-	-	2,734,653
Nonmajor governmental	1,269	709,226	-	-	-	-	710,495
Water	62,401	-	-	-	-	-	62,401
Sewer	515,319	-	-	-	-	-	515,319
Airport	133,000	25,000	-	-	-	-	158,000
Nonmajor enterprise	121,000	12,000	-	-	-	-	133,000
Total	<u>\$ 1,931,440</u>	<u>\$ 16,002,840</u>	<u>\$ 106,367</u>	<u>\$ 923,525</u>	<u>\$ 21,599</u>	<u>\$ 10,637</u>	<u>\$ 18,996,408</u>

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

All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

NOTE 6 - TAXES

A. Property Tax

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 6 - TAXES - (Continued)

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2008 public utility property taxes became a lien December 31, 2007, are levied after October 1, 2008, and are collected in 2009 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

Tangible personal property tax revenues received in 2008 (other than public utility property) represent the collection of 2008 taxes. Tangible personal property taxes received in 2008 were levied after October 1, 2007, on the true value as of December 31, 2007. Tangible personal property tax is being phased out - the assessment percentage for property, including inventory, was 6.25% for 2008. This percentage will be reduced to zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the City due to the phasing out of the tax. In calendar years 2008-2010, the City will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Findlay. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2008 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by unearned revenue since the current taxes were not levied to finance 2008 operations and the collection of delinquent taxes has been offset by deferred revenue since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue.

The tax rate applicable to the 2008 operations was 3.2 mills. The assessed values of real and tangible personal property upon which 2008 property tax receipts were based are as follows:

Real property	\$ 793,505,110
Tangible personal property	39,237,296
Real and personal public utility	<u>17,749,490</u>
Total assessed value	<u>\$ 850,491,896</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 6 - TAXES - (Continued)

B. City Income Tax

The City levies an income tax of 1% on the gross salaries, wages, and other service compensation earned by residents of the City and to the earnings of nonresidents working within the City. This tax also applies to the net income of businesses operating within the City. Residents of the City are granted a credit of 1/2% for taxes paid to other Ohio municipalities. The City also requires certain employers to remit withholding taxes on a monthly basis as opposed to a quarterly basis.

The receipts of the City income tax and the administrative costs associated with their collection are accounted for in the City Income Tax Administration fund. Income tax receipts, net of the related administrative costs, are disbursed, appropriated, and allocated in accordance with City Ordinance by which 75% of such receipts are transferred to the general fund, 22% are restricted for general capital improvements and 3% are used for flood mitigation. For 2009, 81% will be transferred to the general fund and 19% will be used for general capital improvements.

NOTE 7 - RECEIVABLES

A. Governmental Funds

The City's receivables from outside parties at December 31, 2008, by fund, are shown as follows:

	Major Funds				
	General	City	Street	Nonmajor Governmental Funds	Total Governmental Funds
		Administration	Maintenance and Repair		
Income taxes	\$ -	\$ 2,473,437	\$ -	\$ -	\$ 2,473,437
Property taxes	2,508,634	-	-	579,956	3,088,590
Hotel/motel taxes	54,696	-	-	-	54,696
Economic development loans	-	-	-	713,042	713,042
Special assessments	-	-	-	131,562	131,562
Miscellaneous	94,928	-	15,238	-	110,166
Accrued interest - unrestricted	87,899	-	-	1,343	89,242
Total receivables, net of allowances	<u>\$ 2,746,157</u>	<u>\$ 2,473,437</u>	<u>\$ 15,238</u>	<u>\$ 1,425,903</u>	<u>\$ 6,660,735</u>
Due from other governments:					
Property tax rollbacks	\$ 117,729	\$ -	\$ -	\$ 27,194	\$ 144,923
Hazard mitigation grant	393,636	-	-	-	393,636
Estate taxes	476,795	-	-	-	476,795
Local government funds	401,994	-	-	-	401,994
State tax	129,280	-	-	-	129,280
Fuel tax	-	-	516,463	41,875	558,338
Motor vehicle license fees	-	-	26,205	2,125	28,330
Total due from other governments	<u>1,519,434</u>	<u>-</u>	<u>542,668</u>	<u>71,194</u>	<u>2,133,296</u>
Total due from outside parties	<u>\$ 4,265,591</u>	<u>\$ 2,473,437</u>	<u>\$ 557,906</u>	<u>\$ 1,497,097</u>	<u>\$ 8,794,031</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 7 – RECEIVABLES - (Continued)

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

City income taxes accrued at December 31, 2008 represent income taxes due the City at year-end. Delinquent income taxes represent interest, penalties, and additional taxes due as a result of audits of returns filed.

Property taxes accrued at December 31, 2008 represent the City's portion of 2009 taxes to be collected by the Hancock County Treasurer during 2009 based on the assessed value of property described in Note 6.A.

Hotel/Motel taxes accrued at December 31, 2008 represent 2008 transient lodging taxes due to the City at year-end from hotels and motels located within the City's corporation limits.

Economic development loans receivable at December 31, 2008 reported in the Revolving Loan Fund (a nonmajor governmental fund) represent loans to qualified businesses for the purpose of economic development. These loans are being repaid over a number of years.

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

Due from other governments in the general fund represents 2008 State taxes, local government monies and property tax rollbacks (intergovernmental) anticipated to be received by the City from January 1, 2009 through June 30, 2009 and hazard mitigation grants due to the City at year-end. Due from other governments in the special revenue funds represents 2008 motor vehicle license fees, gasoline excise taxes, and property tax rollbacks anticipated to be received by the City from January 1, 2009 to June 30, 2009.

Accrued interest represents the amount of interest that has accrued on investments as of December 31, 2008.

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

B. Proprietary Funds

The City's receivables from outside parties at December 31, 2008, by fund, are shown as follows:

	Major Funds			Nonmajor Enterprise Funds	Internal Service Funds	Total Proprietary Funds
	Water	Water Pollution Control	Airport			
	Water	Control	Airport			
Billed and unbilled charges for servicee	\$ 1,446,117	\$ 375,240	\$ 23,382	\$ 2,974	\$ -	\$ 1,847,713
Accrued interest - unrestricted	39,605	50,009	-	-	1,238	90,852
Total receivables, net of allowances	\$ 1,485,722	\$ 425,249	\$ 23,382	\$ 2,974	\$ 1,238	\$ 1,938,565
Total due from outside parties	\$ 1,485,722	\$ 425,249	\$ 23,382	\$ 2,974	\$ 1,238	\$ 1,938,565

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 7 – RECEIVABLES – (Continued)

Residents are billed on a bi-monthly basis for water and wastewater service with approximately one-half of the City's customers being billed each month. All service receivables are carried in the Water Fund with an interfund payable being recognized for the portion of the billing related to the water pollution control fund. This interfund payable is eliminated for reporting on the government-wide financial statements. Unbilled service receivables are accrued based upon the consumption for the applicable area of the City during the related period.

Accrued interest represents the amount of interest that has accrued on investments as of December 31, 2008.

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

NOTE 8 - NOTES PAYABLE

The City had the following note activity during fiscal year 2008:

	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance 12/31/07</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/08</u>
Various Purpose	11/06/2007	06/06/2008	\$ 10,530,000		\$ (10,530,000)	\$ -
Various Purpose	06/04/2008	10/21/2008	-	8,030,000	(8,030,000)	-
Total			<u>\$ 10,530,000</u>	<u>\$ 8,030,000</u>	<u>\$ (18,560,000)</u>	<u>\$ -</u>

Various Purpose Note

On June 4, 2008, the City issued \$8,030,000 in general obligation bond anticipation notes to retire the notes issued on November 6, 2007. These notes bore an interest rate of 2.375% and matured October 21, 2008. The City repaid the bond anticipation notes using \$8,200,000 in proceeds generated from the Series 2008 various purpose general obligation bond issue on July 23, 2008 (see Note 13.A). Activity related to the note and bond issue is reported in the general fund and Street Maintenance and Repair fund as the notes were short-term liabilities and recorded as fund liabilities of the funds that received the proceeds.

NOTE 9 - INTERFUND ASSETS/LIABILITIES

Due To/From Other Funds

Individual fund interfund asset and liability balances, as reported on the fund financial statements at December 31, 2008, were as follows:

<u>Due to</u>	<u>Due from</u>	<u>Amount</u>
Water pollution control	Water	<u>\$ 381,932</u>

Due to/from other funds is recorded for the amounts billed from the sewer fund to the water fund for goods and services provided. This amount is eliminated for reporting on the government-wide financial statements.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 10 - CAPITAL ASSETS

A. Governmental activities

Governmental activities capital asset activity for the year ended December 31, 2008, was as follows:

	Balance			Balance
<u>Governmental activities:</u>	<u>12/31/07</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/08</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 5,265,291	\$ 1,274,069	\$ -	\$ 6,539,360
Nondepreciable land improvements	653,392	-	-	653,392
Construction in progress	<u>9,524,891</u>	<u>2,256,873</u>	<u>(5,276,831)</u>	<u>6,504,933</u>
Total capital assets, not being depreciated	<u>15,443,574</u>	<u>3,530,942</u>	<u>(5,276,831)</u>	<u>13,697,685</u>
<i>Capital assets, being depreciated:</i>				
Buildings and improvements	10,902,000	960,536	(1,693)	11,860,843
Improvements other than buildings	481,105	546,840	-	1,027,945
Equipment	11,011,042	856,315	(323,789)	11,543,568
Infrastructure	<u>83,219,734</u>	<u>6,976,264</u>	<u>(165,286)</u>	<u>90,030,712</u>
Total capital assets, being depreciated	<u>105,613,881</u>	<u>9,339,955</u>	<u>(490,768)</u>	<u>114,463,068</u>
<i>Less: accumulated depreciation:</i>				
Buildings and improvements	(3,797,133)	(310,491)	1,000	(4,106,624)
Improvements other than buildings	(251,892)	(32,056)	-	(283,948)
Equipment	(7,302,688)	(938,003)	290,232	(7,950,459)
Infrastructure	<u>(35,186,418)</u>	<u>(2,461,716)</u>	<u>46,239</u>	<u>(37,601,895)</u>
Total accumulated depreciation	<u>(46,538,131)</u>	<u>(3,742,266)</u>	<u>337,471</u>	<u>(49,942,926)</u>
Total capital assets, being depreciated, net	<u>59,075,750</u>	<u>5,597,689</u>	<u>(153,297)</u>	<u>64,520,142</u>
Governmental activities capital assets, net	<u>\$ 74,519,324</u>	<u>\$ 9,128,631</u>	<u>\$(5,430,128)</u>	<u>\$ 78,217,827</u>

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

<u>Governmental activities:</u>	
General government	\$ 285,807
Security of persons and property	568,515
Transportation	2,718,512
Leisure time activities	128,526
Public health and welfare	<u>31,715</u>
Total depreciation expense	3,733,075
Accumulated depreciation on capital assets contributed from Parking fund	<u>9,191</u>
Total additions to accumulated depreciation	<u>\$ 3,742,266</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 10 - CAPITAL ASSETS - (Continued)

During 2008, the Parking Facilities fund (a nonmajor enterprise fund) contributed equipment with both a cost and accumulated depreciation of \$9,191 to the governmental activities. The net book value of the contributed asset was \$0. The additions in the above schedule reflect this activity.

B. Business-type activities

Business-type activities capital asset activity for the year ended December 31, 2008, was as follows:

	Balance			Balance
<u>Business-type activities:</u>	<u>12/31/07</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/08</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 4,734,694	\$ -	\$ -	\$ 4,734,694
Construction in progress	<u>7,711,527</u>	<u>1,613,861</u>	<u>(5,308,501)</u>	<u>4,016,887</u>
Total capital assets, not being depreciated	<u>12,446,221</u>	<u>1,613,861</u>	<u>(5,308,501)</u>	<u>8,751,581</u>
<i>Capital assets, being depreciated:</i>				
Buildings	1,632,539	-	-	1,632,539
Utility plant in service	72,345,938	4,751,407	-	77,097,345
Utility lines in service	94,357,841	3,804,813	(16,777)	98,145,877
Improvements other than buildings	14,282,217	-	(213,595)	14,068,622
Machinery and equipment	<u>7,066,324</u>	<u>757,624</u>	<u>(166,610)</u>	<u>7,657,338</u>
Total capital assets, being depreciated	<u>189,684,859</u>	<u>9,313,844</u>	<u>(396,982)</u>	<u>198,601,721</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(1,152,400)	(82,174)	-	(1,234,574)
Utility plant in service	(22,617,988)	(1,421,783)	-	(24,039,771)
Utility lines in service	(15,833,968)	(1,152,984)	25,675	(16,961,277)
Improvements other than buildings	(5,585,212)	(693,459)	213,595	(6,065,076)
Machinery and equipment	<u>(5,561,382)</u>	<u>(386,509)</u>	<u>126,590</u>	<u>(5,821,301)</u>
Total accumulated depreciation	<u>(50,750,950)</u>	<u>(3,736,909)</u>	<u>365,860</u>	<u>(54,121,999)</u>
Total capital assets, being depreciated, net	<u>138,933,909</u>	<u>5,576,935</u>	<u>(31,122)</u>	<u>144,479,722</u>
Business-type activities capital assets, net	<u>\$ 151,380,130</u>	<u>\$ 7,190,796</u>	<u>\$ (5,339,623)</u>	<u>\$ 153,231,303</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 10 - CAPITAL ASSETS - (Continued)

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

Business-type activities:

Water	\$ 1,102,743
Water pollution control	1,884,087
Airport	711,804
Parking	13,854
Swimming pool	<u>24,421</u>
Total	<u>\$ 3,736,909</u>

During 2008, the Parking Facilities fund contributed equipment with both a cost and accumulated depreciation of \$9,191 to the governmental activities. In addition, the Parking Facilities fund (a nonmajor enterprise fund) contributed equipment with both a cost and accumulated depreciation of \$5,833 to the Swimming Pool fund (a nonmajor enterprise fund). The net book value of the contributed assets was \$0. The disposals in the above schedule reflect this activity.

NOTE 11 - RISK MANAGEMENT

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

The City's plan covers a limit of \$1,000,000 per occurrence for bodily injury liability and \$1,000,000 aggregate for property damage liability.

No settlements have exceeded this insurance coverage in any of the past three years. The City is fully insured through premium-based insurance policies for all other types of insurance including building and contents, fleet, worker's compensation, public officials' liability, etc. There has been no significant reduction in coverage from the prior year.

The City's policy for reporting a claims liability is based on the requirements GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims. It is the opinion of the City's legal counsel that, as of December 31, 2008, there were no material outstanding claims pending for the Self-Insurance fund. Claims activity for 2008 and 2007 are as follows:

	<u>2008</u>	<u>2007</u>
Claims payable, beginning of the year	\$ -	\$ -
Current year claims and changes in estimates	44,527	1,636
Claim payments	<u>(43,808)</u>	<u>(1,636)</u>
Claims payable, end of year	<u>\$ 719</u>	<u>\$ -</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 12 - RESTRICTED ASSETS

Restricted assets at December 31, 2008 are comprised of the following:

	<u>Cash and Investments</u>	<u>Deferred Bond Costs</u>	<u>Total</u>
<u>Major governmental funds:</u>			
City income tax administration fund:			
Restricted for capital improvements	<u>\$ 1,046,951</u>	<u>\$ -</u>	<u>\$ 1,046,951</u>
<u>Major business-type funds:</u>			
Water fund:			
Restricted for capital improvements			
to utility lines	\$ 705,641	\$ -	\$ 705,641
Restricted for debt service	594,458	-	594,458
Deferred bond costs	<u>-</u>	<u>74,403</u>	<u>74,403</u>
	<u>1,300,099</u>	<u>74,403</u>	<u>1,374,502</u>
Water pollution control fund:			
Restricted for capital improvements			
to utility lines	4,439,172	-	4,439,172
Restricted for debt service	2,871,922	-	2,871,922
Deferred bond costs	<u>-</u>	<u>91,265</u>	<u>91,265</u>
	<u>7,311,094</u>	<u>91,265</u>	<u>7,402,359</u>
Airport fund:			
Restricted for debt service	33,119	-	33,119
Deferred bond costs	<u>-</u>	<u>1,685</u>	<u>1,685</u>
	<u>33,119</u>	<u>1,685</u>	<u>34,804</u>
Total business-type activities	<u>\$ 8,644,312</u>	<u>\$ 167,353</u>	<u>\$ 8,811,665</u>

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 13 - LONG-TERM OBLIGATIONS

A. Governmental activities

During fiscal year 2008, the following changes occurred in the City's governmental activities long-term obligations:

	Interest	Maturity	Balance				Balance	Amounts
Governmental activities:	<u>Rate</u>	<u>Date</u>	<u>12/31/07</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/08</u>	<u>Due in</u>	
								<u>One Year</u>
<u>General obligation bonds</u>								
Series 2004 fire improvement refunding	2.50- 5.25%	2016	\$ 1,455,000	\$ -	\$ (130,000)	\$ 1,325,000	\$ 130,000	
Series 2004 city-wide radio refunding	2.50 - 3.75%	2011	630,000	-	(150,000)	480,000	155,000	
Series 2003 HRC land acquisition	2.00 - 3.60%	2015	680,000	-	(75,000)	605,000	80,000	
Series 2008 HRC rehab	3.25 - 4.50%	2033	-	2,340,000	-	2,340,000	30,000	
Series 2008 CR 236 land acquisition	3.25 - 4.50%	2033	-	700,000	-	700,000	10,000	
Series 2008 CR 236 widening	3.25 - 4.50%	2028	-	3,355,000	-	3,355,000	35,000	
Series 2008 five plex (ball diamonds)	3.25 - 4.00%	2018	-	1,805,000	-	1,805,000	155,000	
Total general obligation bonds			<u>2,765,000</u>	<u>8,200,000</u>	<u>(355,000)</u>	<u>10,610,000</u>	<u>595,000</u>	
<u>Special assessment bonds</u>								
Series 1994 Eagle Street improvements	6.30%	2009	12,000	-	(6,000)	6,000	6,000	
Series 1995 Canterbury Court	5.50%	2010	31,500	-	(10,500)	21,000	10,500	
Series 1998 West Yates improvements	3.65 - 4.50%	2008	20,000	-	(20,000)	-	-	
Series 2001 Rockwell Avenue improvements	4.70%	2011	58,200	-	(14,550)	43,650	14,550	
Series 2002 Hunters Creek swale	5.25%	2012	21,575	-	(4,315)	17,260	4,315	
Series 2003 East Melrose business park	8.43%	2013	21,930	-	(3,655)	18,275	3,655	
Total special assessment bonds			<u>165,205</u>	<u>-</u>	<u>(59,020)</u>	<u>106,185</u>	<u>39,020</u>	
<u>OPWC loans</u>								
Crystal/Melrose intersection	0%	2024	118,800	-	(7,200)	111,600	7,200	
Howard Street improvements	0%	2026	138,438	-	(7,483)	130,955	7,483	
Total OPWC loans payable			<u>257,238</u>	<u>-</u>	<u>(14,683)</u>	<u>242,555</u>	<u>14,683</u>	
<u>Other long-term obligations</u>								
Police and fire past service liability	4.30%	2035	1,206,404	-	(23,849)	1,182,555	24,873	
Compensated absences			3,669,261	1,435,959	(1,530,450)	3,574,770	1,645,905	
Total other long-term obligations			<u>4,875,665</u>	<u>1,435,959</u>	<u>(1,554,299)</u>	<u>4,757,325</u>	<u>1,670,778</u>	
Total governmental activities								
long-term obligations			8,063,108	<u>\$ 9,635,959</u>	<u>\$ (1,983,002)</u>	15,716,065	<u>\$ 2,319,481</u>	
Add: Unamortized premium on bond issue			78,989			68,079		
Less: Unamortized discount on bond issue			-			(46,155)		
Less: Unamortized deferred charges on refundings			(137,357)			(115,334)		
Total reported on the statement of net assets			<u>\$ 8,004,740</u>			<u>\$ 15,622,655</u>		

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

Series 2004 Various Purpose Bonds (Fire Improvement Refunding Portion)

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 13.B). A portion of the proceeds, \$1,615,000, were used to advance refund the callable portion of the Series 1996 Fire Improvement Bonds (principal \$1,525,000) by purchasing State and Local Government Securities (SLGS) that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the advance refunding (in-substance defeased). The assets held in trust as a result of the advance refunding are not included in the financial statements. The balance of the refunded bonds was \$1,285,000 at December 31, 2008.

The refunding issue is comprised of current interest serial bonds, par value \$1,615,000. During 2008, the City made principal payments of \$130,000 on these bonds leaving a liability at year-end of \$1,325,000. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2016. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

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

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 13.B). A portion of the proceeds, \$805,000, were used to advance refund the callable portion of the Series 1996 City-wide Radio System Bonds (principal \$745,000) by purchasing SLGS that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the advance refunding (in-substance defeased). The assets held in trust as a result of the advance refunding are not included in the financial statements. The balance of the refunded bonds was \$470,000 at December 31, 2008.

The refunding issue is comprised of current interest serial bonds, par value \$805,000. During 2008, the City made principal payments of \$150,000 on these bonds leaving a liability at year-end of \$480,000. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2011. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

Series 2003 Various Purpose Bonds (HRC Land Portion)

On May 22, 2003, the City issued \$9,820,000 in various purpose general obligation bonds to fund various projects (also see Note 13.B). A portion of the proceeds, \$956,500, were used to reimburse the general fund for the purchase of land adjacent to the Hancock Recreation Center. During 2008, the City made \$75,000 in principal payments on these bonds leaving a liability of \$605,000 at year-end. The principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2015. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

Series 2008 Various Purpose Bonds (HRC Rehab Portion)

On July 23, 2008, the City issued \$8,200,000 in various purpose general obligation bonds to fund various projects. A portion of the proceeds, \$2,340,000, were issued for the purpose of renovating, constructing, reconstructing, and expanding the Hancock Recreation Center (HRC), including acquisition of approximately 5.5 acres of land and interests in land adjacent to the HRC, furnishing and equipping same; and all appurtenances relating thereto. The first principal and interest payment on these bonds are due July 1, 2009. The bonds mature on July 1, 2033.

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

On July 23, 2008, the City issued \$8,200,000 in various purpose general obligation bonds to fund various projects. A portion of the proceeds, \$700,000, were issued for the purpose of acquiring right-of-way along County Road 236 between U.S. Rt. 224 and State Route 12 to be used for the County Road 236 widening project. The first principal and interest payment on these bonds are due July 1, 2009. The bonds mature on July 1, 2033.

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

On July 23, 2008, the City issued \$8,200,000 in various purpose general obligation bonds to fund various projects. A portion of the proceeds, \$3,355,000, were issued for the purpose of improving County Road 236 by widening, constructing, reconstructing, grading, repaving and constructing drainage improvements and related infrastructure with landscaping, traffic control devices, lighting, and other appurtenances relating thereto. The first principal and interest payment on these bonds are due July 1, 2009. The bonds mature on July 1, 2028.

Series 2008 Various Purpose Bonds (Five Plex Portion)

On July 23, 2008, the City issued \$8,200,000 in various purpose general obligation bonds to fund various projects. A portion of the proceeds, \$1,805,000, were issued for the purpose of improving athletic field and a perimeter walkway for the HRC Five Plex (ball diamonds) Sports Complex (the "Five Plex"), including grading, landscaping, irrigation, paving, fencing, lighting, signage, and all other improvements and appurtenances thereto. The first principal and interest payment on these bonds are due July 1, 2009. The bonds mature on July 1, 2018.

The principal and interest payments on the Series 2008 Various Purpose Bonds will be made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

Ohio Public Works Commission (OPWC) Loans

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

Special Assessment Bonds

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

Police and Fire Past Service Liability

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

Compensated Absences

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

Future Debt Service Requirements

The following is a schedule of future principal and interest payments to retire the governmental activities bonds, loans and police and fire past service liability outstanding at December 31, 2008:

Year Ending December 31,	General Obligation Bonds			Special Assessment Bonds			OPWC Loans
	Principal	Interest	Total	Principal	Interest	Total	Principal
2009	\$ 595,000	\$ 411,762	\$ 1,006,762	\$ 39,020	\$ 6,034	\$ 45,054	\$ 14,683
2010	615,000	412,404	1,027,404	33,020	3,857	36,877	14,683
2011	630,000	390,866	1,020,866	22,520	2,062	24,582	14,684
2012	485,000	366,741	851,741	7,970	842	8,812	14,683
2013	505,000	349,311	854,311	3,655	308	3,963	14,683
2014 - 2018	2,080,000	1,458,234	3,538,234	-	-	-	73,416
2019 - 2023	1,645,000	1,103,696	2,748,696	-	-	-	73,416
2024 - 2028	2,005,000	731,613	2,736,613	-	-	-	22,307
2029 - 2033	2,050,000	285,750	2,335,750	-	-	-	-
Totals	<u>\$10,610,000</u>	<u>\$ 5,510,377</u>	<u>\$16,120,377</u>	<u>\$ 106,185</u>	<u>\$ 13,103</u>	<u>\$ 119,288</u>	<u>\$ 242,555</u>

Year Ending December 31,	Police and Fire Past Service Liability		
	Principal	Interest	Total
2009	\$ 24,873	\$ 49,997	\$ 74,870
2010	25,941	48,929	74,870
2011	27,055	47,815	74,870
2012	28,218	46,652	74,870
2013	29,430	45,441	74,871
2014 - 2018	167,229	207,122	374,351
2019 - 2023	206,365	167,985	374,350
2024 - 2028	254,659	119,694	374,353
2029 - 2033	314,250	60,098	374,348
2034 - 2035	104,535	4,402	108,937
Totals	<u>\$ 1,182,555</u>	<u>\$ 798,135</u>	<u>\$ 1,980,690</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

B. Business-type activities

During fiscal 2008, the following changes occurred in the City's business-type activities long-term obligations:

Business-type activities:	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance 12/31/07</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance 12/31/08</u>	<u>Due in One Year</u>
<u>General obligation bonds:</u>							
Series 2003 water refunding	2.25 - 3.375%	2009	\$ 2,445,000	\$ -	\$ (1,210,000)	\$ 1,235,000	\$ 1,235,000
Series 2003 sewer refunding	2.00 - 5.00%	2011	2,650,000	-	(635,000)	2,015,000	650,000
Series 2003 water refunding	2.00 - 4.00%	2018	2,940,000	-	(225,000)	2,715,000	230,000
Series 2004 northern corridor sewer refunding	2.50 - 5.25%	2017	5,940,000	-	(445,000)	5,495,000	460,000
Series 2004 aircraft fueling system refunding	2.50 - 3.75%	2012	220,000	-	(45,000)	175,000	40,000
Series 2004 water pump station refunding	2.50 - 5.25%	2016	1,250,000	-	(110,000)	1,140,000	115,000
Series 1998 water improvement	3.65 - 4.90%	2018	<u>2,330,000</u>	<u>-</u>	<u>(170,000)</u>	<u>2,160,000</u>	<u>175,000</u>
Total general obligation bonds			<u>17,775,000</u>	<u>-</u>	<u>(2,840,000)</u>	<u>14,935,000</u>	<u>2,905,000</u>
<u>OWDA loans:</u>							
Bright Road interceptor and sewer separation	1.73%	2023	2,892,570	-	(164,222)	2,728,348	167,075
Sewer system improvements	4.36%	2021	25,466,596	-	(1,353,760)	24,112,836	1,413,428
Sewer treatment plant improvements	4.80%	2011	541,282	-	(125,850)	415,432	131,964
Water plant improvements	3.25%		<u>3,881,136</u>	<u>-</u>	<u>(157,963)</u>	<u>3,723,173</u>	<u>145,454</u>
Total OWDA loans			<u>32,781,584</u>	<u>-</u>	<u>(1,801,795)</u>	<u>30,979,789</u>	<u>1,857,921</u>
<u>Other long-term obligations:</u>							
OPWC loans	0%	2019-2025	727,397	194,309	(41,256)	880,450	52,346
Compensated absences			<u>838,251</u>	<u>294,302</u>	<u>(342,552)</u>	<u>790,001</u>	<u>386,452</u>
Total other long-term obligations			<u>1,565,648</u>	<u>488,611</u>	<u>(383,808)</u>	<u>1,670,451</u>	<u>438,798</u>
Total business-type activities long-term obligations			52,122,232	<u>\$ 488,611</u>	<u>\$ (5,025,603)</u>	47,585,240	<u>\$ 5,201,719</u>
Add: Unamortized premium on bonds			434,777			354,740	
Less: Unamortized deferred charges on refundings			<u>(970,118)</u>			<u>(767,850)</u>	
Total reported on statement of net assets			<u>\$ 51,586,891</u>			<u>\$ 47,172,130</u>	

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

Series 2003 Water Refunding Bonds

On August 28, 2003, the City issued general obligation bonds to currently refund the callable portion of the Series 1995 waterworks system refunding revenue bonds (principal \$8,565,000; average interest rate 5.09%). The issuance proceeds were used to repay the callable portion of the 1995 bonds on the call date which was November 1, 2003. This refunded debt is considered defeased and accordingly, has been removed from the statement of net assets. The balance of the refunded bonds was \$1,615,000 at December 31, 2008; however, this amount is not reported as an obligation of the City as it was in-substance defeased as a result of the advance refunding.

The refunding issue is comprised of current interest serial bonds, par value \$7,045,000. During 2008, the City made principal payments of \$1,210,000 on these bonds leaving a liability at year-end of \$1,235,000. Principal and interest payments are made from the water fund. The refunding bonds pay interest semiannually on May 1 and November 1 of each year and mature on November 1, 2009. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

Series 2003 Various Purpose Bonds (Sewer Refunding Portion)

On May 22, 2003, the City issued \$9,820,000 in various purpose general obligation bonds to fund various projects (also see Note 13.A). A portion of the proceeds, \$5,070,000, were used to currently refund the callable portion of the Series 1993 sewer refunding bonds (principal \$5,425,000, average interest rate 5.447%). This refunded debt is considered defeased and accordingly, has been removed from the statement of net assets. The balance of the refunded bonds was \$2,095,000 at December 31, 2008; however, this amount is not reported as an obligation of the City as it was in-substance defeased as a result of the advance refunding.

The refunding issue is comprised of current interest serial bonds, par value \$5,070,000. During 2008, the City made principal payments of \$635,000 on these bonds leaving a liability at year-end of \$2,015,000. Principal and interest payments are made from the water pollution control fund. The refunding bonds pays interest semiannually on January 1 and July 1 of each year and mature on July 1, 2011. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

Series 2003 Various Purpose Bonds (Water Refunding Portion)

On May 22, 2003, the City issued \$9,820,000 in various purpose general obligation bonds to fund various projects (also see Note 13.A). A portion of the proceeds, \$3,785,000, were used to currently refund the callable portion of the Series 1993 water improvement bonds (principal \$3,690,000, average interest rate 5.526%). The issuance proceeds were used to repay the callable portion of the 1993 bonds on the call date which was July 1, 2003. This refunded debt is considered defeased and accordingly, has been removed from the statement of net assets. The balance of the refunded bonds was \$2,765,000 at December 31, 2008; however, this amount is not reported as an obligation of the City as it was in-substance defeased as a result of the advance refunding.

The refunding issue is comprised of current interest serial bonds, par value \$3,785,000. During 2008, the City made principal payments of \$225,000 on these bonds leaving a liability at year-end of \$2,715,000. Principal and interest payments are made from the water fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2018. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

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

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 13.A). A portion of the proceeds, \$6,480,000, were used to advance refund the callable portion of the Series 1996 northern corridor sewer bonds (principal \$6,085,000) by purchasing State and Local Government Securities (SLGS) that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the advance refunding (in-substance defeased). The assets held in trust as a result of the advance refunding are not included in the financial statements. The balance of the refunded bonds was \$5,235,000 at December 31, 2008; however, this amount is not reported as an obligation of the City as it was in-substance defeased as a result of the advance refunding.

The refunding issue is comprised of current interest serial bonds, par value \$6,480,000. During 2008, the City made principal payments of \$445,000 on these bonds leaving a liability at year-end of \$5,495,000. Principal and interest payments are made from the water pollution control fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2017. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

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

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 13.A). A portion of the proceeds, \$270,000, were used to advance refund the callable portion of the Series 1996 aircraft refueling system bonds (principal \$250,000) by purchasing SLGS that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the advance refunding (in-substance defeased). The assets held in trust as a result of the advance refunding are not included in the financial statements. The balance of the refunded bonds was \$175,000 at December 31, 2008; however, this amount is not reported as an obligation of the City as it was in-substance defeased as a result of the advance refunding.

The refunding issue is comprised of current interest serial bonds, par value \$270,000. During 2008, the City made principal payments of \$45,000 on these bonds leaving a liability at year-end of \$175,000. Principal and interest payments are made from the airport fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2012. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

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

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 13.A). A portion of the proceeds, \$1,390,000, were used to advance refund the callable portion of the Series 1996 water pump station bonds (principal \$1,310,000) by purchasing SLGS that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the advance refunding (in-substance defeased). The assets held in trust as a result of the advance refunding are not included in the financial statements. The balance of the refunded bonds was \$1,105,000 at December 31, 2008; however, this amount is not reported as an obligation of the City as it was in-substance defeased as a result of the advance refunding.

The refunding issue is comprised of current interest serial bonds, par value \$1,390,000. During 2008, the City made principal payments of \$110,000 on these bonds leaving a liability at year-end of \$1,140,000. Principal and interest payments are being made from the water fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2016. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

Series 1998 Water Improvement Bonds

On September 1, 1998, these bonds were issued for the purpose of providing funds to pay the costs of improving the City's municipal water system. The bonds are backed by the full faith and credit of the City of Findlay. Interest on the bonds is payable semiannually. Interest rates range from 3.65% to 4.90%. During 2008, the City made principal payments of \$170,000 on these bonds leaving a liability at year-end of \$2,160,000. The principal and interest payments are made from the water fund.

Ohio Water Development Authority (OWDA) Loans

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

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

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

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

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

Ohio Public Works Commission (OPWC) Loans

The City has entered into loan agreements with the OPWC to finance various water improvement projects. These loans are interest free and have twenty year terms. The OPWC loans are being retired out of the water fund. During 2007, the City entered into a loan agreement to finance West Melrose waterline replacement and resurfacing. The City could borrow up to \$249,000 under the loan; however, the City only borrowed \$174,940 in 2007 and \$18,650 in 2008. The total loan for this project is \$193,590. During 2008, the City entered into a new loan agreement to finance County Road 144 waterline replacement and resurfacing. The City can borrow up to \$250,000 under the loan; however, only \$175,956 was received in 2008. Since this loan is currently open as of year-end (the City has not received all loan proceeds) a final amortization schedule is not presented below; however, the City is required to make principal and interest payments based upon the amounts actually borrowed. The estimated principal payments due on this loan for 2009, in the amount of \$6,250, have been included in the amount of the long-term liability that is due in one year.

Compensated Absences

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

Future Debt Service Requirements

The following is a schedule of the future principal and interest payments to retire the business-type activities long-term bonds and loans at December 31, 2008. Amounts for OWDA and OPWC loans are presented to the extent that the loans are finalized and a final amortization schedule is available.

Fiscal Year Ending December 31,	General Obligation Bonds			OWDA Loans			OPWC Loans
	Principal	Interest	Total	Principal	Interest	Total	Principal
2009	\$ 2,905,000	\$ 623,527	\$ 3,528,527	\$ 1,857,921	\$ 1,221,013	\$ 3,078,934	\$ 46,096
2010	1,800,000	518,958	2,318,958	1,944,677	1,144,307	3,088,984	46,096
2011	1,880,000	446,985	2,326,985	2,024,654	1,064,331	3,088,985	46,095
2012	1,230,000	363,215	1,593,215	1,955,909	982,735	2,938,644	46,095
2013	1,225,000	315,489	1,540,489	2,035,481	903,162	2,938,643	46,095
2014 - 2018	5,895,000	731,941	6,626,941	11,493,860	3,199,365	14,693,225	230,476
2019 - 2023	-	-	-	8,885,600	801,828	9,687,428	185,280
2024 - 2028	-	-	-	781,687	45,056	826,743	58,558
Totals	<u>\$ 14,935,000</u>	<u>\$ 3,000,115</u>	<u>\$ 17,935,115</u>	<u>\$ 30,979,789</u>	<u>\$ 9,361,797</u>	<u>\$ 40,341,586</u>	<u>\$ 704,791</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 14 - PENSION PLANS

A. Ohio Public Employees Retirement System

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

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

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2008, member and contribution rates were consistent across all three plans. While members in the State and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Plan. The 2008 member contribution rates were 10.00% for members in State and local classifications. Public safety and law enforcement members contributed 10.10%.

The City's contribution rate for 2008 was 14.00%, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.40% of covered payroll. For 2008, a portion equal to 7.00% of covered payroll was allocated to fund the post-employment health care plan.

The City's contribution rate for pension benefits for 2008 was 7.00%, except for those plan members in law enforcement and public safety. For those classifications, the City's pension contributions were 10.40% of covered payroll. The City's contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2008, 2007, and 2006 were \$759,020, \$867,927, and \$915,536, respectively; equal to the required employer contribution which is 100% of the dollar amount billed by OPERS.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 14 - PENSION PLANS - (Continued)

B. Ohio Police and Fire Pension Fund

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

Funding Policy - Plan members are required to contribute 10.0% of their annual covered salary, while the City is required to contribute 19.50% and 24.00% for police officers and firefighters, respectively. Contribution rates are established by State statute. For 2008, the portion of the City's contributions to fund pension obligations was 12.75% for police officers and 17.25% for firefighters. The City's required contributions for pension obligations to OP&F for police officers and firefighters were \$525,904 and \$708,094 for the year ended December 31, 2008, \$487,557 and \$693,505 for the year ended December 31, 2007, and \$429,039, \$627,129, for the year ended December 31, 2006. The amounts contributed equal the required employer contribution for the respective year which is 100% of the dollar amount billed by OP&F.

NOTE 15 - POST-EMPLOYMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

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

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

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

NOTE 15 - POST-EMPLOYMENT BENEFIT PLANS - (Continued)

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2008, local government employers contributed 14.00% of covered payroll (17.40% for public safety and law enforcement). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The amount of the employer contributions which was allocated to fund post-employment healthcare for 2008 was 7.00% of covered payroll.

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2008, 2007, and 2006 were \$759,020, \$571,659, and \$447,816, respectively; equal to the required employer contribution which is 100% of the dollar amount billed by OPERS.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

B. Ohio Police and Fire Pension Fund

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

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

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

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

Funding Policy - The OP&F's post-employment healthcare plan was established and is administered as an Internal Revenue Code 401(h) account within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees. The Ohio Revised Code sets the contribution rates for participating employers and for plan members to the OP&F. Participating employers are required to contribute to the pension plan at rates expressed as of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively.

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008**

NOTE 15 - POST-EMPLOYMENT BENEFIT PLANS - (Continued)

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2008, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the OPEB Plan.

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$278,420 and \$277,080 for the year ended December 31, 2008, \$268,697 and \$271,438 for the year ended December 31, 2007, and \$295,560 and \$299,092, for the year ended December 31, 2006. The amounts contributed equal the required employer contribution for the respective year which is 100% of the dollar amount billed by OP&F.

NOTE 16 - CONTINGENCIES

A. Grants

The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2008.

B. Contracts

As of December 31, 2008, the City had approximately \$3,701,625 open on outstanding purchase orders and contracts. Of this amount, \$3,449,579 related to ongoing capital projects and the remaining amount of \$252,046 was for various departmental purchase orders outstanding at fiscal year-end.

The City had no material operating lease commitments at December 31, 2008.

C. Litigation

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

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OTHER SUPPLEMENTAL INFORMATION

**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
GENERAL FUND

DECEMBER 31, 2008 AND 2007

	2008	2007
Assets:		
Equity in pooled cash and investments	\$ 7,198,690	\$ 12,712,561
Cash in segregated accounts.	20,361	20,269
Cash with escrow agent.	2,001	92,217
Receivables (net of allowances of uncollectibles).	2,746,157	2,799,326
Interfund loan receivable	-	2,365
Due from other governments	1,519,434	2,199,170
Prepayments	68,886	70,916
	<u>\$ 11,555,529</u>	<u>\$ 17,896,824</u>
Liabilities:		
Accounts payable	\$ 1,166,438	\$ 1,198,178
Contracts payable	15,979	247,663
Retainage payable	2,001	92,217
Insurance deposits payable.	235,565	601,699
Accrued wages and benefits	662,656	496,991
Compensated absences payable	119,938	-
Due to other governments	6,355	7,682
Deferred revenue	974,269	3,233,214
Unearned revenue.	2,508,634	-
Accrued interest payable	-	39,633
Notes payable	-	5,945,000
	<u>5,691,835</u>	<u>11,862,277</u>
Fund balance:		
Reserved for encumbrances	651,644	1,124,561
Reserved for prepayments	68,886	70,916
Unreserved:		
Designated for budget stabilization.	1,000,000	-
Undesignated	4,143,164	4,839,070
	<u>5,863,694</u>	<u>6,034,547</u>
Total fund balance.	<u>\$ 5,863,694</u>	<u>\$ 6,034,547</u>
Total liabilities and fund balance	<u>\$ 11,555,529</u>	<u>\$ 17,896,824</u>

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
STREET MAINTENANCE AND REPAIR FUND

DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Assets:		
Equity in pooled cash and investments	\$ 1,730,000	\$ 2,271,492
Cash with escrow agent	23,570	165,751
Receivables (net of allowances of uncollectibles)	15,238	17,160
Due from other governments	542,668	633,215
Prepayments	16,790	13,604
Materials and supplies inventory	360,910	245,927
Total assets	<u>\$ 2,689,176</u>	<u>\$ 3,347,149</u>
Liabilities:		
Accounts payable	\$ 122,802	\$ 167,595
Contracts payable	-	173,604
Retainage payable	23,570	165,751
Insurance deposits payable	25,709	74,389
Accrued wages and benefits	73,103	59,018
Compensated absences payable	46,550	-
Deferred revenue	414,581	422,946
Accrued interest payable	-	30,567
Notes payable	-	4,585,000
Total liabilities	<u>706,315</u>	<u>5,678,870</u>
Fund balance:		
Reserved for encumbrances	1,328,816	477,603
Reserved for prepayments	16,790	13,604
Reserved for materials and supplies inventory	360,910	245,927
Unreserved, undesignated (deficit)	276,345	(3,068,855)
Total fund balance (deficit)	<u>1,982,861</u>	<u>(2,331,721)</u>
Total liabilities and fund balance	<u>\$ 2,689,176</u>	<u>\$ 3,347,149</u>

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
CITY INCOME TAX ADMINISTRATION FUND

DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Assets:		
Equity in pooled cash and investments	\$ 162,443	\$ 371,776
Receivables (net of allowances of uncollectibles)	2,473,437	2,618,920
Prepayments	1,053	1,165
Restricted assets:		
Equity in pooled cash and cash equivalents	<u>1,046,951</u>	<u>1,458,449</u>
Total assets	<u>\$ 3,683,884</u>	<u>\$ 4,450,310</u>
Liabilities:		
Accounts payable	\$ 12,726	\$ 21,002
Insurance deposits payable	4,735	10,457
Accrued wages and benefits	7,499	6,594
Deferred revenue	<u>1,156,169</u>	<u>1,261,982</u>
Total liabilities	<u>1,181,129</u>	<u>1,300,035</u>
Fund balance:		
Reserved for encumbrances	3,380	4,048
Reserved for prepayments	1,053	1,165
Reserved for capital improvements	1,046,951	1,458,449
Unreserved, undesignated	<u>1,451,371</u>	<u>1,686,613</u>
Total fund balance.	<u>2,502,755</u>	<u>3,150,275</u>
Total liabilities and fund balance	<u>\$ 3,683,884</u>	<u>\$ 4,450,310</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Property and other local taxes	\$ 2,832,437	\$ 2,832,437	\$ 2,666,772	\$ (165,665)	\$ 2,645,547
Charges for services	1,888,257	1,892,382	1,962,430	70,048	1,879,613
Licenses and permits.	337,751	337,751	335,820	(1,931)	348,671
Fines and forfeitures.	1,138,769	1,138,769	1,057,595	(81,174)	1,115,732
Intergovernmental	3,998,522	4,010,960	4,128,454	117,494	2,713,734
Investment income	607,673	607,673	621,428	13,755	1,044,899
Rental income.	56,400	56,400	58,677	2,277	57,231
Contributions and donations	15,300	3,700	157,036	153,336	160,000
Reimbursements.	854,246	854,246	1,007,391	153,145	922,229
Other	24,675	24,675	37,736	13,061	35,532
Total revenues	<u>11,754,030</u>	<u>11,758,993</u>	<u>12,033,339</u>	<u>274,346</u>	<u>10,923,188</u>
Expenditures:					
General government					
Council					
Personal services	191,397	201,752	201,735	17	172,484
Other	40,916	34,366	34,786	(420)	36,266
Mayors office					
Personal services	149,806	149,806	144,402	5,404	139,620
Other	35,111	35,111	15,184	19,927	27,276
Auditor/treasurer					
Personal services	392,479	392,604	382,483	10,121	360,156
Other	146,139	145,905	115,150	30,755	135,638
Law director					
Personal services	425,054	428,354	426,480	1,874	501,550
Other	162,374	265,650	244,047	21,603	162,283
Municipal court					
Personal services	1,092,430	1,126,458	1,094,057	32,401	968,602
Other	291,258	291,258	199,310	91,948	239,014
Civil service					
Personal services	57,645	58,825	58,798	27	49,067
Other	22,525	21,345	11,728	9,617	18,106
Computer services					
Personal services	248,223	253,688	253,672	16	289,763
Other	111,403	105,938	97,758	8,180	78,904
Service director *					
Personal services	100,357	101,357	101,198	159	240,713
Other	38,105	43,355	16,089	27,266	44,892
Engineering department					
Personal services	1,079,788	1,039,788	838,489	201,299	782,939
Other	113,194	117,319	76,791	40,528	79,751
General miscellaneous operations					
Other	1,906,943	1,941,881	1,643,151	298,730	1,583,008
Public building department					
Personal services	151,688	151,688	149,459	2,229	136,758
Other	312,908	312,908	215,529	97,379	281,505
Total general government	<u>7,069,743</u>	<u>7,219,356</u>	<u>6,320,296</u>	<u>899,060</u>	<u>6,328,295</u>

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CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Security of persons and property					
Police department					
Personal services	6,528,293	6,524,824	6,448,727	76,097	5,974,267
Other	491,608	545,922	438,653	107,269	505,956
Disaster services					
Other	21,982	21,982	19,865	2,117	19,685
Fire department					
Personal services	6,305,847	6,382,072	6,271,863	110,209	6,108,166
Other	407,561	371,336	357,970	13,366	393,176
Safety director *					
Personal services	163,867	160,062	149,109	10,953	-
Other	38,145	38,145	23,482	14,663	-
Dispatch					
Personal services	685,811	698,203	620,488	77,715	575,387
Other	142,836	142,836	123,661	19,175	220,664
Total security of persons and property	<u>14,785,950</u>	<u>14,885,382</u>	<u>14,453,818</u>	<u>431,564</u>	<u>13,797,301</u>
Public health and welfare					
Planning and zoning					
Personal services	1,083	1,098	1,098	-	1,049
Other	145,818	132,949	127,603	5,346	111,436
Public health department					
Personal services	841,356	841,356	838,050	3,306	867,801
Other	189,139	189,041	145,487	43,554	165,269
Zoning department					
Personal services	142,726	142,726	141,179	1,547	97,796
Other	19,729	19,729	13,228	6,501	14,611
Neighborhood Enhancement and Abatement Team (NEAT)					
Personal services	50,211	50,211	50,179	32	47,992
Other	78,439	78,439	34,641	43,798	25,875
Cemetery department					
Personal services	212,642	214,142	211,308	2,834	173,954
Other	87,081	85,529	59,344	26,185	79,663
Total public health and welfare	<u>1,768,224</u>	<u>1,755,220</u>	<u>1,622,117</u>	<u>133,103</u>	<u>1,585,446</u>
Leisure time activities					
Park maintenance					
Personal services	564,984	594,327	545,051	49,276	509,728
Other	280,964	280,964	184,296	96,668	176,612
Reservoir recreation					
Other	11,917	11,917	5,131	6,786	4,450
CUBE					
Personal services	117,492	93,992	60,238	33,754	220,688
Other	300,525	348,879	308,497	40,382	178,972
Recreation department					
Personal services	385,073	395,373	388,031	7,342	205,575
Other	335,706	325,406	233,754	91,652	112,175
5-PLEX					
Personal services	39,898	39,898	27,252	12,646	-
Other	159,236	151,236	119,629	31,607	-
Total leisure time activities	<u>2,195,795</u>	<u>2,241,992</u>	<u>1,871,879</u>	<u>370,113</u>	<u>1,408,200</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Capital outlay					
Security of persons and property	-	1,288,758	1,288,758	-	257,212
Public health and welfare	-	47,099	47,099	-	154,950
Leisure time activities	-	743,967	743,967	-	3,454,499
General government	-	2,016,311	2,016,311	-	1,452,245
Total capital outlay	-	4,096,135	4,096,135	-	5,318,906
Debt service					
Interest and fiscal charges	-	135,813	135,813	-	297,867
Bond issuance costs	-	59,470	59,470	-	-
Note issuance costs	-	5,651	5,651	-	7,236
Total debt service	-	200,934	200,934	-	305,103
Total other	-	200,934	200,934	-	305,103
Total expenditures	25,819,712	30,399,019	28,565,179	1,833,840	28,743,251
Excess (deficiency) of revenues over (under) expenditures	<u>(14,065,682)</u>	<u>(18,640,026)</u>	<u>(16,531,840)</u>	<u>2,108,186</u>	<u>(17,820,063)</u>
Other financing sources (uses):					
Issuance of bonds	1,990,000	4,110,000	4,145,000	35,000	-
Discount on bonds sold	-	(22,530)	(22,530)	-	-
Premium on notes sold	4,483	4,483	6,501	2,018	36,378
Transfers in	15,681,837	15,695,414	14,165,486	(1,529,928)	18,441,637
Transfers out	(980,750)	(1,931,440)	(1,931,440)	-	(1,303,736)
Total other financing sources (uses)	16,695,570	17,855,927	16,363,017	(1,492,910)	17,174,279
Extraordinary item:					
Loss due to flood damage	-	-	-	-	(192,824)
Net change in fund balance	2,629,888	(784,099)	(168,823)	615,276	(838,608)
Fund balance at beginning of year	6,034,547	6,034,547	6,034,547	-	6,872,285
Increase (decrease) in reserve for prepaids	(2,030)	(2,030)	(2,030)	-	870
Fund balance at end of year	\$ 8,662,405	\$ 5,248,418	\$ 5,863,694	\$ 615,276	\$ 6,034,547

* The Service and Safety director were combined in 2007 and recorded as a general government expenditure.

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Property and other local taxes	\$ 100	\$ 100	\$ 56	\$ (44)	\$ -
Charges for services	4,500	4,500	11,309	6,809	121,429
Intergovernmental	1,800,000	2,182,041	2,238,439	56,398	2,244,510
Investment income	-	-	7,444	7,444	127,270
Reimbursements.	1,400	1,400	16,730	15,330	20,308
Other	22,800	22,800	57,183	34,383	46,849
Total revenues	<u>1,828,800</u>	<u>2,210,841</u>	<u>2,331,161</u>	<u>120,320</u>	<u>2,560,366</u>
Expenditures:					
Transportation					
Street department					
Personal services	1,698,043	1,766,494	1,760,525	5,969	1,655,408
Other	610,890	621,695	604,218	17,477	524,289
Traffic signals					
Personal services	310,008	298,058	288,436	9,622	350,559
Other	212,577	175,832	115,325	60,507	143,092
Total transportation.	<u>2,831,518</u>	<u>2,862,079</u>	<u>2,768,504</u>	<u>93,575</u>	<u>2,673,348</u>
Capital outlay					
Street improvements	-	1,361,486	1,361,486	-	5,775,970
Traffic signals	-	395,756	395,756	-	58,763
Storm sewers.	-	127,950	127,950	-	47,956
Total capital outlay	<u>-</u>	<u>1,885,192</u>	<u>1,885,192</u>	<u>-</u>	<u>5,882,689</u>
Debt service					
Interest and fiscal charges	-	112,264	112,264	-	187,636
Bond issuance costs	-	63,593	63,593	-	-
Note issuance costs	-	5,517	5,517	-	3,048
Total debt service	<u>-</u>	<u>181,374</u>	<u>181,374</u>	<u>-</u>	<u>190,684</u>
Total expenditures	<u>2,831,518</u>	<u>4,928,645</u>	<u>4,835,070</u>	<u>93,575</u>	<u>8,746,721</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,002,718)</u>	<u>(2,717,804)</u>	<u>(2,503,909)</u>	<u>213,895</u>	<u>(6,186,355)</u>
Other financing sources (uses):					
Proceeds from the sale of capital assets	-	-	35,096	35,096	-
Proceeds from bond issuance	180,000	4,085,000	4,055,000	(30,000)	-
Discount on bonds sold	-	(24,407)	(24,407)	-	-
Premium on notes sold	3,889	3,889	6,347	2,458	32,828
Transfers in	720,000	2,387,362	2,734,653	347,291	2,569,655
Transfers out	-	(106,367)	(106,367)	-	(35,616)
Total other financing sources (uses)	<u>903,889</u>	<u>6,345,477</u>	<u>6,700,322</u>	<u>354,845</u>	<u>2,566,867</u>
Net change in fund balance	(98,829)	3,627,673	4,196,413	568,740	(3,619,488)
Fund balance (deficit) at beginning of year	(2,331,721)	(2,331,721)	(2,331,721)	-	1,287,128
Increase in reserve for inventory.	114,983	114,983	114,983	-	-
Increase in reserve for prepaids	3,186	3,186	3,186	-	639
Fund balance (deficit) at end of year.	<u>\$ (2,312,381)</u>	<u>\$ 1,414,121</u>	<u>\$ 1,982,861</u>	<u>\$ 568,740</u>	<u>\$ (2,331,721)</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Municipal income taxes	\$ 20,500,000	\$ 20,500,000	\$ 15,646,020	\$ (4,853,980)	\$ 21,043,910
Charges for services	12,330	12,330	12,618	288	11,192
Other	-	-	61,189	61,189	856
Total revenues	<u>20,512,330</u>	<u>20,512,330</u>	<u>15,719,827</u>	<u>(4,792,503)</u>	<u>21,055,958</u>
Expenditures:					
General government					
Personal services	269,303	242,463	241,021	1,442	250,464
Other	<u>642,247</u>	<u>677,751</u>	<u>640,428</u>	<u>37,323</u>	<u>631,539</u>
Total expenditures	<u>911,550</u>	<u>920,214</u>	<u>881,449</u>	<u>38,765</u>	<u>882,003</u>
Excess of revenues over expenditures	<u>19,600,780</u>	<u>19,592,116</u>	<u>14,838,378</u>	<u>(4,753,738)</u>	<u>20,173,955</u>
Other financing sources (uses):					
Transfers in	-	18,434	517,054	498,620	338,748
Transfers out	<u>(14,732,981)</u>	<u>(18,722,354)</u>	<u>(16,002,840)</u>	<u>2,719,514</u>	<u>(20,425,224)</u>
Total other financing sources (uses)	<u>(14,732,981)</u>	<u>(18,703,920)</u>	<u>(15,485,786)</u>	<u>3,218,134</u>	<u>(20,086,476)</u>
Net change in fund balance	4,867,799	888,196	(647,408)	(1,535,604)	87,479
Fund balance at beginning of year	3,150,275	3,150,275	3,150,275	-	3,062,790
Increase (decrease) in reserve for prepaids	<u>(112)</u>	<u>(112)</u>	<u>(112)</u>	<u>-</u>	<u>6</u>
Fund balance at end of year	<u>\$ 8,017,962</u>	<u>\$ 4,038,359</u>	<u>\$ 2,502,755</u>	<u>\$ (1,535,604)</u>	<u>\$ 3,150,275</u>

CITY OF FINDLAY, OHIO

Nonmajor Special Revenue Funds

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

County Permissive Motor Vehicle License (MVL) Tax:

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

State Highway:

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

Law Enforcement Trust:

To account for monies collected from the sale of contraband.

Drug Law Enforcement:

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

Indigent Drivers Alcohol Treatment:

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

Enforcement and Education:

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

Court Computerization:

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

METRICH Drug Law Enforcement Trust:

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

Alcohol Monitoring:

To account for monies received through the enforcement and implementation of Ohio traffic laws governing operation of a motor vehicle while under the influence of alcohol. This fund started in 2008.

Mediation Services:

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

Electronic Imaging:

To account for monies received for specific court costs that are designated for funding the acquisition and maintenance of computerized equipment or software for courts. This fund started in 2008.

Legal Research:

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

CITY OF FINDLAY, OHIO

Nonmajor Special Revenue Funds (Continued)

Police Pension:

To account for a 0.3 mill real estate tax levy.

Fire Pension:

To account for a 0.3 mill real estate tax levy.

Revolving Loan:

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

Nonmajor Debt Service Fund

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

Debt Service:

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

Nonmajor Capital Projects Funds

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

Capital Improvement Projects:

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

Municipal Court Improvements:

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

Nonmajor Permanent Fund

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

Cemetery Trust:

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

CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2008

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:					
Equity in pooled cash and investments	\$ 741,292	\$ 19,715	\$ 807,513	\$ 1,106,527	\$ 2,675,047
Cash in segregated accounts.	243,960	-	-	-	243,960
Cash with fiduciary agent	102,376	-	-	-	102,376
Cash with escrow agent.	-	33,793	-	-	33,793
Receivables (net of allowances of uncollectibles).	1,292,998	131,562	-	1,343	1,425,903
Due from other governments	71,194	-	-	-	71,194
Total assets	<u>\$ 2,451,820</u>	<u>\$ 185,070</u>	<u>\$ 807,513</u>	<u>\$ 1,107,870</u>	<u>\$ 4,552,273</u>
Liabilities:					
Accounts payable	\$ 5,692	\$ -	\$ -	\$ -	\$ 5,692
Matured bonds payable	-	33,793	-	-	33,793
Deferred revenue	59,573	73,269	-	-	132,842
Unearned revenue	579,956	-	-	-	579,956
Total liabilities	<u>645,221</u>	<u>107,062</u>	<u>-</u>	<u>-</u>	<u>752,283</u>
Fund balance:					
Reserved for encumbrances.	3,000	-	-	-	3,000
Reserved for loans receivable.	713,042	-	-	-	713,042
Reserved for debt service.	-	78,008	-	-	78,008
Reserved for perpetual care.	-	-	-	1,106,527	1,106,527
Unreserved, undesignated, reported in:					
Special revenue funds	1,090,557	-	-	-	1,090,557
Permanent funds.	-	-	-	1,343	1,343
Capital projects funds	-	-	807,513	-	807,513
Total fund balance.	<u>1,806,599</u>	<u>78,008</u>	<u>807,513</u>	<u>1,107,870</u>	<u>3,799,990</u>
Total liabilities and fund balance	<u>\$ 2,451,820</u>	<u>\$ 185,070</u>	<u>\$ 807,513</u>	<u>\$ 1,107,870</u>	<u>\$ 4,552,273</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Property and other local taxes	\$ 526,916	\$ -	\$ -	\$ -	\$ 526,916
Charges for services	-	-	-	24,700	24,700
Fines and forfeitures	86,924	-	33,971	-	120,895
Intergovernmental	401,917	-	-	-	401,917
Special assessments	-	44,714	2,457	-	47,171
Investment income	23,391	16,670	-	42,456	82,517
Tax increment financing	-	40,383	-	-	40,383
Total revenues	<u>1,039,148</u>	<u>101,767</u>	<u>36,428</u>	<u>67,156</u>	<u>1,244,499</u>
Expenditures:					
Current:					
General government	181,836	-	-	-	181,836
Security of persons and property.	16,604	-	-	-	16,604
Public health and welfare.	-	-	-	51,945	51,945
Transportation	23,058	-	-	-	23,058
Other.	-	587	-	-	587
Capital outlay	866,221	-	61,882	-	928,103
Debt service:					
Principal retirement	-	428,703	-	-	428,703
Interest and fiscal charges.	-	115,092	92	-	115,184
Total expenditures.	<u>1,087,719</u>	<u>544,382</u>	<u>61,974</u>	<u>51,945</u>	<u>1,746,020</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>(48,571)</u>	<u>(442,615)</u>	<u>(25,546)</u>	<u>15,211</u>	<u>(501,521)</u>
Other financing sources (uses):					
Transfers in	-	710,495	-	-	710,495
Transfers out	<u>(572,956)</u>	<u>(350,569)</u>	<u>-</u>	<u>-</u>	<u>(923,525)</u>
Total other financing sources (uses)	<u>(572,956)</u>	<u>359,926</u>	<u>-</u>	<u>-</u>	<u>(213,030)</u>
Net change in fund balances	(621,527)	(82,689)	(25,546)	15,211	(714,551)
Fund balances at beginning of year	<u>2,428,126</u>	<u>160,697</u>	<u>833,059</u>	<u>1,092,659</u>	<u>4,514,541</u>
Fund balances at end of year.	<u>\$ 1,806,599</u>	<u>\$ 78,008</u>	<u>\$ 807,513</u>	<u>\$ 1,107,870</u>	<u>\$ 3,799,990</u>

CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007)

	<u>County Permissive MVL Tax</u>	<u>State Highway</u>	<u>Law Enforcement Trust</u>	<u>Drug Law Enforcement</u>	<u>Indigent Drivers Alcohol Treatment</u>
Assets:					
Equity in pooled cash and investments	\$ 4,579	\$ 341,679	\$ 2,311	\$ 13,487	\$ 155,267
Cash in segregated accounts	-	-	-	-	-
Cash with fiduciary agent	102,376	-	-	-	-
Receivables (net of allowances of uncollectibles) . .	-	-	-	-	-
Due from other governments	-	44,000	-	-	-
Total assets	<u>\$ 106,955</u>	<u>\$ 385,679</u>	<u>\$ 2,311</u>	<u>\$ 13,487</u>	<u>\$ 155,267</u>
Liabilities:					
Accounts payable	\$ -	\$ 1,252	\$ -	\$ -	\$ -
Deferred revenue	-	32,379	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>33,631</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:					
Reserved for encumbrances	-	-	-	-	-
Reserved for loans receivable	-	-	-	-	-
Unreserved, undesignated	106,955	352,048	2,311	13,487	155,267
Total fund balance	<u>106,955</u>	<u>352,048</u>	<u>2,311</u>	<u>13,487</u>	<u>155,267</u>
Total liabilities and fund balance	<u>\$ 106,955</u>	<u>\$ 385,679</u>	<u>\$ 2,311</u>	<u>\$ 13,487</u>	<u>\$ 155,267</u>

Enforcement and Education	Court Computerization	METRICH Drug Law Enforcement Trust	Alcohol Monitoring	Mediation Services	Electronic Imaging	Legal Research
\$ 44,427	\$ 22,810	\$ 2,863	\$ 450	\$ 83,482	\$ 4,927	\$ 65,010
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 44,427</u>	<u>\$ 22,810</u>	<u>\$ 2,863</u>	<u>\$ 450</u>	<u>\$ 83,482</u>	<u>\$ 4,927</u>	<u>\$ 65,010</u>
\$ -	\$ 4,440	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	4,440	-	-	-	-	-
-	3,000	-	-	-	-	-
-	-	-	-	-	-	-
<u>44,427</u>	<u>15,370</u>	<u>2,863</u>	<u>450</u>	<u>83,482</u>	<u>4,927</u>	<u>65,010</u>
<u>44,427</u>	<u>18,370</u>	<u>2,863</u>	<u>450</u>	<u>83,482</u>	<u>4,927</u>	<u>65,010</u>
<u>\$ 44,427</u>	<u>\$ 22,810</u>	<u>\$ 2,863</u>	<u>\$ 450</u>	<u>\$ 83,482</u>	<u>\$ 4,927</u>	<u>\$ 65,010</u>

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CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007)

	Police Pension	Fire Pension	Revolving Loan	Totals	
				2008	2007
Assets:					
Equity in pooled cash and investments	\$ -	\$ -	\$ -	\$ 741,292	\$ 827,406
Cash in segregated accounts	-	-	243,960	243,960	186,834
Cash with fiduciary agent.	-	-	-	102,376	594,029
Receivables (net of allowances of uncollectibles) . .	289,978	289,978	713,042	1,292,998	1,374,987
Due from other governments.	13,597	13,597	-	71,194	64,887
Total assets	<u>\$ 303,575</u>	<u>\$ 303,575</u>	<u>\$ 957,002</u>	<u>\$ 2,451,820</u>	<u>\$ 3,048,143</u>
Liabilities:					
Accounts payable.	\$ -	\$ -	\$ -	\$ 5,692	\$ 1,105
Deferred revenue	13,597	13,597	-	59,573	618,912
Unearned revenue	289,978	289,978	-	579,956	-
Total liabilities.	<u>303,575</u>	<u>303,575</u>	<u>-</u>	<u>645,221</u>	<u>620,017</u>
Fund balance:					
Reserved for encumbrances	-	-	-	3,000	-
Reserved for loans receivable	-	-	713,042	713,042	808,977
Unreserved, undesignated	-	-	243,960	1,090,557	1,619,149
Total fund balance	<u>-</u>	<u>-</u>	<u>957,002</u>	<u>1,806,599</u>	<u>2,428,126</u>
Total liabilities and fund balance	<u>\$ 303,575</u>	<u>\$ 303,575</u>	<u>\$ 957,002</u>	<u>\$ 2,451,820</u>	<u>\$ 3,048,143</u>

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CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007)

	County Permissive MVL Tax	State Highway	Law Enforcement Trust	Drug Law Enforcement	Indigent Drivers Alcohol Treatment
Revenues:					
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	1,237	2,447	33,055
Intergovernmental	195,282	150,155	-	-	-
Investment income	-	-	-	-	-
Total revenues	195,282	150,155	1,237	2,447	33,055
Expenditures:					
Current:					
General government	-	-	-	-	14,240
Security of persons and property	-	-	1,362	4,802	-
Transportation	-	23,058	-	-	-
Capital outlay	741,221	125,000	-	-	-
Total expenditures.	741,221	148,058	1,362	4,802	14,240
Excess (deficiency) of revenues over (under) expenditures.	(545,939)	2,097	(125)	(2,355)	18,815
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	(545,939)	2,097	(125)	(2,355)	18,815
Fund balances, January 1	652,894	349,951	2,436	15,842	136,452
Fund balances, December 31.	\$ 106,955	\$ 352,048	\$ 2,311	\$ 13,487	\$ 155,267

Enforcement and Education	Court Computerization	METRICH Drug Law Enforcement Trust	Alcohol Monitoring	Mediation Services	Electronic Imaging	Legal Research
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,366	28,364	-	450	5,721	4,927	5,357
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>5,366</u>	<u>28,364</u>	<u>-</u>	<u>450</u>	<u>5,721</u>	<u>4,927</u>	<u>5,357</u>
12,000	56,279	-	-	3,089	-	34,028
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>12,000</u>	<u>56,279</u>	<u>-</u>	<u>-</u>	<u>3,089</u>	<u>-</u>	<u>34,028</u>
<u>(6,634)</u>	<u>(27,915)</u>	<u>-</u>	<u>450</u>	<u>2,632</u>	<u>4,927</u>	<u>(28,671)</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(6,634)</u>	<u>(27,915)</u>	<u>-</u>	<u>450</u>	<u>2,632</u>	<u>4,927</u>	<u>(28,671)</u>
<u>51,061</u>	<u>46,285</u>	<u>2,863</u>	<u>-</u>	<u>80,850</u>	<u>-</u>	<u>93,681</u>
<u>\$ 44,427</u>	<u>\$ 18,370</u>	<u>\$ 2,863</u>	<u>\$ 450</u>	<u>\$ 83,482</u>	<u>\$ 4,927</u>	<u>\$ 65,010</u>

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CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007)

	Police Pension	Fire Pension	Revolving Loan	Totals	
				2008	2007
Revenues:					
Property and other local taxes	\$ 263,458	\$ 263,458	\$ -	\$ 526,916	\$ 524,798
Fines and forfeitures	-	-	-	86,924	88,626
Intergovernmental	28,240	28,240	-	401,917	404,795
Investment income	-	-	23,391	23,391	23,410
Total revenues	291,698	291,698	23,391	1,039,148	1,041,629
Expenditures:					
Current:					
General government	-	-	62,200	181,836	57,457
Security of persons and property	5,220	5,220	-	16,604	15,579
Transportation	-	-	-	23,058	20,338
Capital outlay	-	-	-	866,221	83,997
Total expenditures	5,220	5,220	62,200	1,087,719	177,371
Excess (deficiency) of revenues over (under) expenditures.	286,478	286,478	(38,809)	(48,571)	864,258
Other financing sources (uses):					
Transfers in	-	-	-	-	47,290
Transfers out	(286,478)	(286,478)	-	(572,956)	(580,094)
Total other financing sources (uses)	(286,478)	(286,478)	-	(572,956)	(532,804)
Net change in fund balances	-	-	(38,809)	(621,527)	331,454
Fund balances, January 1	-	-	995,811	2,428,126	2,096,672
Fund balances, December 31.	\$ -	\$ -	\$ 957,002	\$ 1,806,599	\$ 2,428,126

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Intergovernmental	\$ -	\$ 109,800	\$ 195,282	\$ 85,482	\$ 210,598
Total revenues	-	109,800	195,282	85,482	210,598
Expenditures:					
Capital outlay	-	745,800	741,221	4,579	83,997
Total expenditures	-	745,800	741,221	4,579	83,997
Excess (deficiency) of revenues over (under) expenditures	-	(636,000)	(545,939)	90,061	126,601
Other financing sources (uses):					
Transfers in	-	-	-	-	43,962
Total other financing source (uses)	-	-	-	-	43,962
Net change in fund balance.	-	(636,000)	(545,939)	90,061	170,563
Fund balance at beginning of year.	<u>652,894</u>	<u>652,894</u>	<u>652,894</u>	<u>-</u>	<u>482,331</u>
Fund balance at end of year	<u>\$ 652,894</u>	<u>\$ 16,894</u>	<u>\$ 106,955</u>	<u>\$ 90,061</u>	<u>\$ 652,894</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Intergovernmental	\$ 143,000	\$ 143,000	\$ 150,155	\$ 7,155	\$ 149,537
Total revenues	143,000	143,000	150,155	7,155	149,537
Expenditures:					
Transportation					
Other	22,541	23,241	23,058	183	20,338
Capital outlay					
Street improvements	-	125,000	125,000	-	-
Total expenditures	22,541	148,241	148,058	183	20,338
Excess (deficiency) of revenues over (under) expenditures	120,459	(5,241)	2,097	7,338	129,199
Other financing sources (uses):					
Transfers in	-	-	-	-	3,328
Transfers out	-	-	-	-	(20,000)
Total other financing sources (uses).	-	-	-	-	(16,672)
Net change in fund balance	120,459	(5,241)	2,097	7,338	112,527
Fund balance at beginning of year.	349,951	349,951	349,951	-	237,424
Fund balance at end of year	\$ 470,410	\$ 344,710	\$ 352,048	\$ 7,338	\$ 349,951

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures.	\$ -	\$ -	\$ 1,237	\$ 1,237	\$ -
Total revenues	-	-	1,237	1,237	-
Expenditures:					
Security of persons and property					
Other	2,436	2,436	1,362	1,074	125
Total expenditures	2,436	2,436	1,362	1,074	125
Net change in fund balance	(2,436)	(2,436)	(125)	2,311	(125)
Fund balance at beginning of year.	<u>2,436</u>	<u>2,436</u>	<u>2,436</u>	<u>-</u>	<u>2,561</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,311</u>	<u>\$ 2,311</u>	<u>\$ 2,436</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ -	\$ -	\$ 2,447	\$ 2,447	\$ 5,625
Total revenues	-	-	2,447	2,447	5,625
Expenditures:					
Security of persons and property					
Other	10,216	10,216	4,802	5,414	6,090
Total expenditures	10,216	10,216	4,802	5,414	6,090
Net change in fund balance	(10,216)	(10,216)	(2,355)	7,861	(465)
Fund balance at beginning of year	<u>15,842</u>	<u>15,842</u>	<u>15,842</u>	<u>-</u>	<u>16,307</u>
Fund balance at end of year	<u>\$ 5,626</u>	<u>\$ 5,626</u>	<u>\$ 13,487</u>	<u>\$ 7,861</u>	<u>\$ 15,842</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 27,000	\$ 27,000	\$ 33,055	\$ 6,055	\$ 33,749
Total revenues	27,000	27,000	33,055	6,055	33,749
Expenditures:					
General government					
Other	60,000	60,000	14,240	45,760	11,293
Total expenditures	60,000	60,000	14,240	45,760	11,293
Net change in fund balance	(33,000)	(33,000)	18,815	51,815	22,456
Fund balance at beginning of year	136,452	136,452	136,452	-	113,996
Fund balance at end of year	<u>\$ 103,452</u>	<u>\$ 103,452</u>	<u>\$ 155,267</u>	<u>\$ 51,815</u>	<u>\$ 136,452</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 6,500	\$ 6,500	\$ 5,366	\$ (1,134)	\$ 6,551
Total revenues	6,500	6,500	5,366	(1,134)	6,551
Expenditures:					
General government					
Other	53,859	53,859	12,000	41,859	12,000
Total expenditures	53,859	53,859	12,000	41,859	12,000
Net change in fund balance	(47,359)	(47,359)	(6,634)	40,725	(5,449)
Fund balance at beginning of year	51,061	51,061	51,061	-	56,510
Fund balance at end of year	\$ 3,702	\$ 3,702	\$ 44,427	\$ 40,725	\$ 51,061

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 30,000	\$ 30,000	\$ 28,364	\$ (1,636)	\$ 30,105
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>28,364</u>	<u>(1,636)</u>	<u>30,105</u>
Expenditures:					
General government					
Other	60,400	60,400	56,279	4,121	10,000
Total expenditures	<u>60,400</u>	<u>60,400</u>	<u>56,279</u>	<u>4,121</u>	<u>10,000</u>
Net change in fund balance	(30,400)	(30,400)	(27,915)	2,485	20,105
Fund balance at beginning of year	<u>46,285</u>	<u>46,285</u>	<u>46,285</u>	<u>-</u>	<u>26,180</u>
Fund balance at end of year	<u>\$ 15,885</u>	<u>\$ 15,885</u>	<u>\$ 18,370</u>	<u>\$ 2,485</u>	<u>\$ 46,285</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Expenditures:					
Security of persons and property					
Other	\$ 2,863	\$ 2,863	\$ -	\$ 2,863	\$ -
Total expenditures	2,863	2,863	-	2,863	-
Net change in fund balance	(2,863)	(2,863)	-	2,863	-
Fund balance at beginning of year	<u>2,863</u>	<u>2,863</u>	<u>2,863</u>	<u>-</u>	<u>2,863</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,863</u>	<u>\$ 2,863</u>	<u>\$ 2,863</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ -	\$ -	\$ 450	\$ 450	\$ -
Total revenues	-	-	450	450	-
Net change in fund balance	-	-	450	450	-
Fund balance at beginning of year	-	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 450</u>	<u>\$ 450</u>	<u>\$ -</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 6,000	\$ 6,000	\$ 5,721	\$ (279)	\$ 6,295
Total revenues	6,000	6,000	5,721	(279)	6,295
Expenditures:					
General government					
Other	20,000	20,000	3,089	16,911	-
Total expenditures	20,000	20,000	3,089	16,911	-
Net change in fund balance	(14,000)	(14,000)	2,632	16,632	6,295
Fund balance at beginning of year	80,850	80,850	80,850	-	74,555
Fund balance at end of year	\$ 66,850	\$ 66,850	\$ 83,482	\$ 16,632	\$ 80,850

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ -	\$ -	\$ 4,927	\$ 4,927	\$ -
Total revenues	-	-	4,927	4,927	-
Net change in fund balance	-	-	4,927	4,927	-
Fund balance at beginning of year	-	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,927</u>	<u>\$ 4,927</u>	<u>\$ -</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 6,000	\$ 6,000	\$ 5,357	\$ (643)	\$ 6,301
Total revenues	6,000	6,000	5,357	(643)	6,301
Expenditures:					
General government					
Other	83,028	83,028	34,028	49,000	-
Total expenditures	83,028	83,028	34,028	49,000	-
Net change in fund balance	(77,028)	(77,028)	(28,671)	48,357	6,301
Fund balance at beginning of year	93,681	93,681	93,681	-	87,380
Fund balance at end of year	\$ 16,653	\$ 16,653	\$ 65,010	\$ 48,357	\$ 93,681

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Property and other local taxes	\$ 278,000	\$ 283,005	\$ 263,458	\$ (19,547)	\$ 262,399
Intergovernmental	-	-	28,240	28,240	22,330
Total revenues	<u>278,000</u>	<u>283,005</u>	<u>291,698</u>	<u>8,693</u>	<u>284,729</u>
Expenditures:					
Security of persons and property					
Other	5,005	5,220	5,220	-	4,682
Total expenditures	<u>5,005</u>	<u>5,220</u>	<u>5,220</u>	<u>-</u>	<u>4,682</u>
Excess (deficiency) of revenues over (under) expenditures	<u>272,995</u>	<u>277,785</u>	<u>286,478</u>	<u>8,693</u>	<u>280,047</u>
Other financing uses:					
Transfers out	<u>(278,000)</u>	<u>(291,698)</u>	<u>(286,478)</u>	<u>5,220</u>	<u>(280,047)</u>
Total other financing uses	<u>(278,000)</u>	<u>(291,698)</u>	<u>(286,478)</u>	<u>5,220</u>	<u>(280,047)</u>
Net change in fund balance	(5,005)	(13,913)	-	13,913	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (5,005)</u>	<u>\$ (13,913)</u>	<u>\$ -</u>	<u>\$ 13,913</u>	<u>\$ -</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Property and other local taxes	\$ 278,000	\$ 283,005	\$ 263,458	\$ (19,547)	\$ 262,399
Intergovernmental	-	-	28,240	28,240	22,330
Total revenues	278,000	283,005	291,698	8,693	284,729
Expenditures:					
Security of persons and property					
Other	5,005	5,220	5,220	-	4,682
Total expenditures	5,005	5,220	5,220	-	4,682
Excess (deficiency) of revenues over (under) expenditures	272,995	277,785	286,478	8,693	280,047
Other financing uses:					
Transfers out	(278,000)	(291,698)	(286,478)	5,220	(280,047)
Total other financing uses	(278,000)	(291,698)	(286,478)	5,220	(280,047)
Net change in fund balance	(5,005)	(13,913)	-	13,913	-
Fund balance at beginning of year	-	-	-	-	-
Fund balance (deficit) at end of year	\$ (5,005)	\$ (13,913)	\$ -	\$ 13,913	\$ -

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
NONMAJOR DEBT SERVICE FUND

DECEMBER 31, 2008

	<u>2008</u>	<u>2007</u>
Assets:		
Equity in pooled cash and investments.	\$ 19,715	\$ 73,296
Cash with escrow agent.	33,793	35,770
Receivables (net of allowances of uncollectibles). . .	<u>131,562</u>	<u>204,956</u>
Total assets.	<u>\$ 185,070</u>	<u>\$ 314,022</u>
Liabilities:		
Matured bonds payable.	\$ 33,793	\$ 35,770
Deferred revenue.	<u>73,269</u>	<u>117,555</u>
Total liabilities.	<u>107,062</u>	<u>153,325</u>
Fund balance:		
Reserved for debt service.	<u>78,008</u>	<u>160,697</u>
Total fund balance	<u>78,008</u>	<u>160,697</u>
Total liabilities and fund balance	<u>\$ 185,070</u>	<u>\$ 314,022</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>2008</u>	<u>2007</u>
Revenues:		
Special assessments	\$ 44,714	\$ 100,957
Investment income	16,670	-
Tax increment financing	<u>40,383</u>	<u>-</u>
Total revenues	<u>101,767</u>	<u>100,957</u>
Expenditures:		
Current:		
Other	587	-
Debt service:		
Principal retirement	428,703	483,353
Interest and fiscal charges	<u>115,092</u>	<u>131,223</u>
Total expenditures	<u>544,382</u>	<u>614,576</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>(442,615)</u>	<u>(513,619)</u>
Other financing sources (uses):		
Transfers in	710,495	562,660
Transfers out	<u>(350,569)</u>	<u>(87,514)</u>
Total other financing sources (uses)	<u>359,926</u>	<u>475,146</u>
Net change in fund balances	(82,689)	(38,473)
Fund balances, January 1	<u>160,697</u>	<u>199,170</u>
Fund balances, December 31.	<u>\$ 78,008</u>	<u>\$ 160,697</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Special assessments	\$ 68,132	\$ 68,132	\$ 44,714	\$ (23,418)	\$ 100,957
Investment income	-	-	16,670	16,670	-
Tax increment financing.	-	-	40,383	40,383	-
Total revenues	<u>68,132</u>	<u>68,132</u>	<u>101,767</u>	<u>33,635</u>	<u>100,957</u>
Expenditures:					
Current:					
Other					
Other.	-	587	587	-	-
Debt service:					
Principal retirement	428,703	428,703	428,703	-	483,353
Interest and fiscal charges	115,092	115,092	115,092	-	131,223
Total debt service	<u>543,795</u>	<u>543,795</u>	<u>543,795</u>	<u>-</u>	<u>614,576</u>
Total expenditures	<u>543,795</u>	<u>544,382</u>	<u>544,382</u>	<u>-</u>	<u>614,576</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(475,663)</u>	<u>(476,250)</u>	<u>(442,615)</u>	<u>33,635</u>	<u>(513,619)</u>
Other financing sources (uses):					
Transfers in	475,662	710,495	710,495	-	562,660
Transfers out	-	(350,569)	(350,569)	-	(87,514)
Total other financing sources (uses)	<u>475,662</u>	<u>359,926</u>	<u>359,926</u>	<u>-</u>	<u>475,146</u>
Net change in fund balance.	(1)	(116,324)	(82,689)	33,635	(38,473)
Fund balance at beginning of year.	<u>160,697</u>	<u>160,697</u>	<u>160,697</u>	<u>-</u>	<u>199,170</u>
Fund balance at end of year	<u>\$ 160,696</u>	<u>\$ 44,373</u>	<u>\$ 78,008</u>	<u>\$ 33,635</u>	<u>\$ 160,697</u>

CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS

DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007)

	<u>Capital Improvement Projects</u>	<u>Municipal Court Improvements</u>	<u>Totals</u>	
			<u>2008</u>	<u>2007</u>
Assets:				
Equity in pooled cash and investments	\$ 62,437	\$ 745,076	\$ 807,513	\$ 835,424
Total assets.	<u>\$ 62,437</u>	<u>\$ 745,076</u>	<u>\$ 807,513</u>	<u>\$ 835,424</u>
Liabilities:				
Interfund loan payable	\$ -	\$ -	\$ -	\$ 2,365
Total liabilities.	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,365</u>
Fund balance:				
Reserved for encumbrances.	-	-	-	6,960
Unreserved, undesignated.	62,437	745,076	807,513	826,099
Total fund balance	<u>62,437</u>	<u>745,076</u>	<u>807,513</u>	<u>833,059</u>
Total liabilities and fund equity.	<u>\$ 62,437</u>	<u>\$ 745,076</u>	<u>\$ 807,513</u>	<u>\$ 835,424</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007)

	Capital Improvement Projects	Municipal Court Improvements	Totals	
			2008	2007
Revenues:				
Fines and forfeitures	\$ -	\$ 33,971	\$ 33,971	\$ 35,575
Special assessments	2,457	-	2,457	2,593
Total revenues	2,457	33,971	36,428	38,168
Expenditures:				
Current:				
Capital outlay	6,990	54,892	61,882	82,927
Debt service:				
Interest and fiscal charges	92	-	92	229
Total expenditures	7,082	54,892	61,974	83,156
Excess (deficiency) of revenues over (under) expenditures.	(4,625)	(20,921)	(25,546)	(44,988)
Other financing sources:				
Transfers in	-	-	-	62,000
Total other financing sources	-	-	-	62,000
Net change in fund balances	(4,625)	(20,921)	(25,546)	17,012
Fund balances, January 1	67,062	765,997	833,059	816,047
Fund balances, December 31.	\$ 62,437	\$ 745,076	\$ 807,513	\$ 833,059

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Special assessments	\$ -	\$ -	\$ 2,457	\$ 2,457	\$ 2,593
Total revenues	-	-	2,457	2,457	2,593
Expenditures:					
Capital outlay	6,990	6,990	6,990	-	55,010
Debt service					
Interest and fiscal charges	-	-	92	(92)	229
Total expenditures	6,990	6,990	7,082	(92)	55,239
Excess (deficiency) of revenues over (under) expenditures	(6,990)	(6,990)	(4,625)	2,365	(52,646)
Other financing sources (uses):					
Transfers in	-	-	-	-	62,000
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	62,000
Net change in fund balance	(6,990)	(6,990)	(4,625)	2,365	9,354
Fund balance at beginning of year	<u>67,062</u>	<u>67,062</u>	<u>67,062</u>	<u>-</u>	<u>57,708</u>
Fund balance at end of year	<u>\$ 60,072</u>	<u>\$ 60,072</u>	<u>\$ 62,437</u>	<u>\$ 2,365</u>	<u>\$ 67,062</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 35,000	\$ 35,000	\$ 33,971	\$ (1,029)	\$ 35,575
Total revenues	35,000	35,000	33,971	(1,029)	35,575
Expenditures:					
Capital outlay	372,500	372,500	54,892	317,608	27,917
Total expenditures	372,500	372,500	54,892	317,608	27,917
Net change in fund balance	(337,500)	(337,500)	(20,921)	316,579	7,658
Fund balance at beginning of year	<u>765,997</u>	<u>765,997</u>	<u>765,997</u>	<u>-</u>	<u>758,339</u>
Fund balance at end of year	<u>\$ 428,497</u>	<u>\$ 428,497</u>	<u>\$ 745,076</u>	<u>\$ 316,579</u>	<u>\$ 765,997</u>

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
NONMAJOR CEMETERY TRUST PERMANENT FUND

DECEMBER 31, 2008

	2008 Nonmajor Permanent Fund	2007 Nonmajor Permanent Fund
	<u> </u>	<u> </u>
Assets:		
Equity in pooled cash and investments	\$ 1,106,527	\$ 1,082,017
Receivables (net of allowances of uncollectibles).	1,343	10,992
	<u> </u>	<u> </u>
Total assets	<u>\$ 1,107,870</u>	<u>\$ 1,093,009</u>
 Liabilities:		
Deferred revenue	<u>\$ -</u>	<u>\$ 350</u>
Total liabilities	<u>-</u>	<u>350</u>
 Fund balance:		
Reserved for perpetual care.	1,106,527	1,082,017
Unreserved, undesignated	1,343	10,642
	<u> </u>	<u> </u>
Total fund balance.	<u>1,107,870</u>	<u>1,092,659</u>
 Total liabilities and fund balance	 <u>\$ 1,107,870</u>	 <u>\$ 1,093,009</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>2008</u>	<u>2007</u>
Revenues:		
Charges for services	\$ 24,700	\$ 41,100
Investment income	<u>42,456</u>	<u>55,051</u>
Total revenues	<u>67,156</u>	<u>96,151</u>
Expenditures:		
Current:		
Public health and welfare.	<u>51,945</u>	<u>51,083</u>
Total expenditures	<u>51,945</u>	<u>51,083</u>
Net change in fund balances	15,211	45,068
Fund balances, January 1	<u>1,092,659</u>	<u>1,047,591</u>
Fund balances, December 31.	<u>\$ 1,107,870</u>	<u>\$ 1,092,659</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2007</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Charges for services	\$ 35,000	\$ 35,000	\$ 24,700	\$ (10,300)	\$ 41,100
Investment income	40,000	40,000	42,456	2,456	55,051
Total revenues	<u>75,000</u>	<u>75,000</u>	<u>67,156</u>	<u>(7,844)</u>	<u>96,151</u>
Expenditures:					
Current:					
Public health and welfare					
Other	<u>51,000</u>	<u>51,945</u>	<u>51,945</u>	<u>-</u>	<u>51,083</u>
Total expenditures	<u>51,000</u>	<u>51,945</u>	<u>51,945</u>	<u>-</u>	<u>51,083</u>
Net change in fund balance	24,000	23,055	15,211	(7,844)	45,068
Fund balance at beginning of year.	<u>1,092,659</u>	<u>1,092,659</u>	<u>1,092,659</u>	<u>-</u>	<u>1,047,591</u>
Fund balance at end of year	<u>\$ 1,116,659</u>	<u>\$ 1,115,714</u>	<u>\$ 1,107,870</u>	<u>\$ (7,844)</u>	<u>\$ 1,092,659</u>

CITY OF FINDLAY, OHIO

Enterprise Funds

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

The City has the following major enterprise funds:

Water Fund

Water Pollution Control Fund

Airport Fund

These major enterprise funds are described on page 59 of the financial statements.

The City has the following nonmajor enterprise funds:

Swimming Pool:

To account for the operation of the swimming pool complex at Riverside Park. These rates are set by the Service Director and the Parks & Recreation Board.

Parking Facilities:

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

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF NET ASSETS
WATER FUND**

DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 4,021,486	\$ 4,714,128
Cash with escrow agent.	26,570	26,527
Receivables (net of allowances of uncollectibles)	1,485,722	1,532,238
Due from other governments	-	14,244
Materials and supplies inventory	412,879	479,042
Prepayments	<u>28,738</u>	<u>26,206</u>
Total current assets	<u>5,975,395</u>	<u>6,792,385</u>
Noncurrent assets:		
Restricted assets:		
Equity in pooled cash and investments	1,300,099	1,228,699
Deferred bond costs	74,403	91,805
Capital assets:		
Nondepreciable capital assets.	1,842,000	6,032,356
Depreciable capital assets, net	<u>50,229,831</u>	<u>44,182,511</u>
Total noncurrent assets	<u>53,446,333</u>	<u>51,535,371</u>
Total assets	<u>59,421,728</u>	<u>58,327,756</u>
Liabilities:		
Current liabilities:		
Accounts payable.	168,927	159,885
Contracts payable.	20,922	26,928
Retainage payable	26,570	26,527
Insurance deposits payable	58,200	121,787
Accrued wages and benefits	98,508	74,797
Compensated absences payable.	224,910	224,599
Due to other funds	381,932	395,551
Deposits held and due to others	357,167	224,000
Deferred revenue.	6,247	22,272
Current portion of loans payable	197,800	118,682
Current portion of bonds	1,755,000	1,715,000
Accrued interest payable	<u>152,538</u>	<u>167,405</u>
Total current liabilities	<u>3,448,721</u>	<u>3,277,433</u>
Long-term liabilities:		
Loans payable	4,405,823	4,489,851
Compensated absences payable.	209,446	248,217
General obligation bonds	<u>5,339,264</u>	<u>6,997,598</u>
Total liabilities.	<u>13,403,254</u>	<u>15,013,099</u>
Net assets:		
Invested in capital assets, net of related debt	40,448,347	36,985,541
Restricted for:		
Capital projects	705,641	667,440
Debt service.	594,458	561,259
Unrestricted	<u>4,270,028</u>	<u>5,100,417</u>
Total net assets	<u>\$ 46,018,474</u>	<u>\$ 43,314,657</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Operating revenues:		
Charges for services	\$ 7,395,768	\$ 7,656,030
Other	50,169	94,829
Total operating revenues	<u>7,445,937</u>	<u>7,750,859</u>
Operating expenses:		
Personal services	2,748,743	2,777,673
Contract services	574,250	992,486
Materials and supplies.	1,008,788	1,017,086
Utilities	322,947	303,633
Depreciation.	1,102,743	1,043,073
Total operating expenses	<u>5,757,471</u>	<u>6,133,951</u>
Operating income.	<u>1,688,466</u>	<u>1,616,908</u>
Nonoperating revenues (expenses):		
Other nonoperating revenues.	58,260	64,162
Interest income	233,009	312,068
Loss on disposal of capital assets.	(18,955)	(79,049)
Intergovernmental.	-	160,000
Interest expense and fiscal charges	(571,590)	(631,417)
Total nonoperating revenues (expenses)	<u>(299,276)</u>	<u>(174,236)</u>
Income before contributions and transfers	1,389,190	1,442,672
Capital contributions.	1,273,825	730,258
Transfers in	62,401	52,976
Transfers out	(21,599)	(24,825)
Income before extraordinary item	2,703,817	2,201,081
Extraordinary item:		
Loss due to flood damage	-	(50,000)
Change in net assets.	2,703,817	2,151,081
Net assets, January 1	<u>43,314,657</u>	<u>41,163,576</u>
Net assets, December 31	<u>\$ 46,018,474</u>	<u>\$ 43,314,657</u>

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF CASH FLOWS
WATER FUND**

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Cash received from customers	\$ 7,402,382	\$ 7,673,115
Cash received from other operations	50,169	94,829
Cash payments for personal services	(2,827,079)	(2,696,289)
Cash payments for contract services.	(443,572)	(826,664)
Cash payments for materials and supplies.	(933,583)	(993,876)
Cash payments for utilities.	<u>(336,566)</u>	<u>(316,820)</u>
Net cash provided by operating activities.	<u>2,911,751</u>	<u>2,934,295</u>
Cash flows from noncapital financing activities:		
Other non-capital revenues	58,260	64,164
Grants and contributions	-	160,000
Payments for flood damage repairs	-	(50,000)
Transfers in	62,401	52,976
Transfers out	<u>(21,599)</u>	<u>(24,825)</u>
Net cash provided by noncapital financing activities	<u>99,062</u>	<u>202,315</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(1,710,843)	(516,677)
Principal paid on bonds	(1,715,000)	(1,675,000)
Interest paid on bonds.	(349,739)	(398,008)
Proceeds of loans	208,553	315,275
Principal paid on loans	(199,219)	(184,869)
Interest paid on loans	<u>(122,650)</u>	<u>(132,153)</u>
Net cash used in capital and related financing activities	<u>(3,888,898)</u>	<u>(2,591,432)</u>
Cash flows from investing activities:		
Interest received.	256,886	336,912
Net cash provided by investing activities	<u>256,886</u>	<u>336,912</u>
Net increase (decrease) in cash and cash equivalents . .	(621,199)	882,090
Cash and cash equivalents at beginning of year . .	<u>5,969,354</u>	<u>5,087,264</u>
Cash and cash equivalents at end of year.	<u>\$ 5,348,155</u>	<u>\$ 5,969,354</u>

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CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CASH FLOWS
WATER FUND (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 1,688,466	\$ 1,616,908
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,102,743	1,043,073
Changes in assets and liabilities:		
Decrease in accounts receivable.	22,639	4,774
(Increase) decrease in materials and supplies inventory	66,163	(12,865)
(Increase) in prepayments	(2,532)	(1,650)
Increase in accounts payable	9,042	36,075
Increase in accrued wages and benefits.	23,711	4,443
Increase (decrease) in compensated absences payable.	(38,460)	82,368
(Decrease) in insurance deposits payable	(63,587)	(5,427)
Increase in deposits held and due to others	133,167	167,153
Increase in retainage payable.	43	319
(Decrease) in due to other funds.	(13,619)	(13,187)
Increase (decrease) in deferred revenue	(16,025)	12,311
Net cash provided by operating activities	<u>\$ 2,911,751</u>	<u>\$ 2,934,295</u>

Non-cash Transactions:

During 2008, the Water fund received \$1,273,825 in capital contributions primarily donated water lines from private developers.

At December 31, 2008 and 2007, the Water fund purchased \$20,922 and \$26,928, respectively, in capital assets on account.

CITY OF FINDLAY, OHIO

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

DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 1,123,130	\$ 2,098,681
Cash with escrow agent.	-	8,033
Receivables (net of allowances of uncollectibles) . .	425,249	460,553
Due from other funds.	381,932	395,551
Prepayments	18,521	17,020
Materials and supplies inventory	<u>10,918</u>	<u>11,112</u>
Total current assets	<u>1,959,750</u>	<u>2,990,950</u>
Noncurrent assets:		
Restricted assets:		
Equity in pooled cash and investments.	7,311,094	6,634,805
Deferred bond costs	91,265	101,647
Capital assets:		
Nondepreciable capital assets	822,408	311,410
Depreciable capital assets, net	<u>86,268,235</u>	<u>86,205,663</u>
Total noncurrent assets	<u>94,493,002</u>	<u>93,253,525</u>
Total assets	<u>96,452,752</u>	<u>96,244,475</u>
Liabilities:		
Current liabilities:		
Accounts payable.	168,858	75,979
Retainage payable	7,220	8,033
Insurance deposits payable	31,171	82,584
Accrued wages and benefits	77,765	57,556
Compensated absences payable.	134,415	148,315
Deferred revenue.	310	529
Current portion of loans payable	1,712,467	1,643,832
Current portion of bonds	1,110,000	1,080,000
Accrued interest payable	<u>719,455</u>	<u>768,418</u>
Total current liabilities	<u>3,961,661</u>	<u>3,865,246</u>
Long term liabilities:		
Loans payable	25,544,149	27,256,616
Compensated absences payable.	156,201	147,217
General obligation bonds payable	<u>6,152,473</u>	<u>7,239,724</u>
Total liabilities.	<u>35,814,484</u>	<u>38,508,803</u>
Net assets:		
Invested in capital assets, net of related debt	52,662,819	49,398,548
Restricted for:		
Capital projects	4,439,172	4,624,119
Debt service.	2,871,922	2,010,686
Unrestricted	<u>664,355</u>	<u>1,702,319</u>
Total net assets	<u>\$ 60,638,268</u>	<u>\$ 57,735,672</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Operating revenues:		
Charges for services	\$ 8,472,743	\$ 8,678,711
Other	14,620	11,105
Total operating revenues	<u>8,487,363</u>	<u>8,689,816</u>
Operating expenses:		
Personal services	2,151,339	2,121,602
Contract services	995,357	909,191
Materials and supplies.	418,055	522,736
Utilities	420,068	394,592
Depreciation.	1,884,087	1,865,127
Total operating expenses	<u>5,868,906</u>	<u>5,813,248</u>
Operating income	<u>2,618,457</u>	<u>2,876,568</u>
Nonoperating revenues (expenses):		
Other nonoperating revenues.	81,038	85,229
Interest income	242,659	398,232
Intergovernmental	12,469	-
Loss on disposal of capital assets.	(12,166)	(4,163)
Interest expense and fiscal charges	(1,501,209)	(1,600,821)
Total nonoperating revenues (expenses).	<u>(1,177,209)</u>	<u>(1,121,523)</u>
Income before contributions and transfers	1,441,248	1,755,045
Capital contributions.	946,029	494,956
Transfers in	515,319	29,650
Income before extraordinary item	2,902,596	2,279,651
Extraordinary item:		
Loss due to flood damage	-	(530,000)
Change in net assets	2,902,596	1,749,651
Net assets, January 1	<u>57,735,672</u>	<u>55,986,021</u>
Net assets, December 31	<u>\$ 60,638,268</u>	<u>\$ 57,735,672</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Cash flows from operating activities:		
Cash received from customers	\$ 8,485,122	\$ 8,695,725
Cash received from other operations	14,620	11,105
Cash payments for personal services	(2,187,459)	(2,150,955)
Cash payments for contract services.	(1,004,891)	(1,030,930)
Cash payments for materials and supplies.	(324,982)	(506,679)
Cash payments for utilities.	(420,068)	(394,592)
Net cash provided by operating activities.	4,562,342	4,623,674
Cash flows from noncapital financing activities:		
Other non-capital revenues	84,038	85,229
Payments for flood damage repairs	-	(530,000)
Grants and contributions	12,469	-
Transfers in	515,319	29,650
Net cash provided by (used in) noncapital financing activities	611,826	(415,121)
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(1,516,575)	(217,959)
Principal paid on bonds.	(1,080,000)	(1,055,000)
Interest paid on bonds.	(350,469)	(379,287)
Principal paid on loans	(1,643,832)	(1,578,048)
Interest paid on loans	(1,169,571)	(1,235,353)
Net cash (used in) capital and related financing activities	(5,760,447)	(4,465,647)
Cash flows from investing activities:		
Interest received.	278,984	444,545
Net cash provided by investing activities	278,984	444,545
Net increase (decrease) in cash and cash equivalents. . .	(307,295)	187,451
Cash and cash equivalents at beginning of year . .	8,741,519	8,554,068
Cash and cash equivalents at end of year.	\$ 8,434,224	\$ 8,741,519

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CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 2,618,457	\$ 2,876,568
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,884,087	1,865,127
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(1,021)	3,573
Decrease in due from other funds	13,619	13,187
Decrease in materials and supplies inventory.	194	1,164
(Increase) in prepayments	(1,501)	(638)
Increase in accounts payable	92,879	14,893
Increase in accrued wages and benefits	20,209	2,250
Increase (decrease) in compensated absences payable .	(4,916)	21,401
(Decrease) in retainage payable	(8,033)	(121,101)
(Decrease) in insurance deposits payable.	(51,413)	(53,004)
Increase (decrease) in deferred revenue	(219)	254
Net cash provided by operating activities	<u>\$ 4,562,342</u>	<u>\$ 4,623,674</u>

Non-cash Transactions:

During 2008, the Water Pollution Control fund received \$946,029 in capital contributions primarily donated sewer lines from private developers.

At December 31, 2008 and 2007, the Water Pollution Control fund purchased \$7,220 and \$0, respectively, in capital assets on account.

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF NET ASSETS
AIRPORT FUND**

DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 128,870	\$ 184,330
Receivables (net of allowances of uncollectibles) . . .	23,382	87,596
Due from other governments	-	609,286
Materials and supplies inventory	50,742	90,294
Prepayments	<u>12,925</u>	<u>12,985</u>
Total current assets	<u>215,919</u>	<u>984,491</u>
Noncurrent assets:		
Restricted assets:		
Equity in pooled cash and investments	33,119	37,544
Deferred bond costs	1,685	2,166
Capital assets:		
Nondepreciable capital assets	5,991,211	6,006,493
Depreciable capital assets, net	<u>7,439,514</u>	<u>7,965,318</u>
Total noncurrent assets	<u>13,465,529</u>	<u>14,011,521</u>
Total assets	<u>13,681,448</u>	<u>14,996,012</u>
Liabilities:		
Current liabilities:		
Accounts payable.	25,585	61,706
Contracts payable.	-	629,223
Insurance deposits payable.	6,426	12,591
Accrued wages and benefits	10,650	7,954
Compensated absences payable.	19,468	16,543
Accrued interest payable	3,119	3,794
Current portion of bonds	<u>40,000</u>	<u>45,000</u>
Total current liabilities	<u>105,248</u>	<u>776,811</u>
Long term liabilities:		
General obligation bonds	125,151	162,337
Compensated absences payable.	<u>25,330</u>	<u>30,872</u>
Total liabilities.	<u>255,729</u>	<u>970,020</u>
Net assets:		
Invested in capital assets, net of related debt	13,267,259	13,766,640
Restricted for:		
Debt service.	33,119	37,544
Unrestricted	<u>125,341</u>	<u>221,808</u>
Total net assets	<u>\$ 13,425,719</u>	<u>\$ 14,025,992</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Operating revenues:		
Charges for services	\$ 37,062	\$ 32,488
Other	833,548	922,760
Total operating revenues	<u>870,610</u>	<u>955,248</u>
Operating expenses:		
Personal services	291,111	290,779
Contract services	112,909	116,437
Materials and supplies.	634,950	652,349
Utilities	21,552	19,417
Depreciation.	711,804	628,113
Total operating expenses	<u>1,772,326</u>	<u>1,707,095</u>
Operating loss.	<u>(901,716)</u>	<u>(751,847)</u>
Nonoperating revenues (expenses):		
Interest expense and fiscal charges	(10,209)	(11,533)
Other nonoperating revenues.	41,720	46,126
Intergovernmental	122,569	2,111,893
Total nonoperating revenues (expenses)	<u>154,080</u>	<u>2,146,486</u>
Income (loss) before transfers.	(747,636)	1,394,639
Transfers in	158,000	223,804
Transfers out	<u>(10,637)</u>	<u>(361)</u>
Change in net assets.	(600,273)	1,618,082
Net assets, January 1	<u>14,025,992</u>	<u>12,407,910</u>
Net assets, December 31	<u>\$ 13,425,719</u>	<u>\$ 14,025,992</u>

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF CASH FLOWS
AIRPORT FUND**

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Cash flows from operating activities:		
Cash received from customers	\$ 37,062	\$ 32,488
Cash received from other operations	897,762	891,149
Cash payments for personal services	(297,197)	(290,029)
Cash payments for contract services.	(112,849)	(116,739)
Cash payments for materials and supplies.	(631,519)	(673,120)
Cash payments for utilities.	(21,552)	(19,417)
Net cash (used in) operating activities.	(128,293)	(175,668)
Cash flows from noncapital financing activities:		
Other non-capital revenues	41,719	46,124
Grants and contributions	731,855	1,832,567
Transfers in	158,000	223,804
Transfers out	(10,637)	(361)
Net cash provided by noncapital financing activities	920,937	2,102,134
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(799,941)	(2,038,798)
Principal paid on bonds	(45,000)	(40,000)
Interest paid on bonds	(7,588)	(8,888)
Net cash (used in) capital and related financing activities	(852,529)	(2,087,686)
Net increase (decrease) in cash and cash equivalents	(59,885)	(161,220)
Cash and cash equivalents at beginning of year	221,874	383,094
Cash and cash equivalents at end of year.	\$ 161,989	\$ 221,874
Reconciliation of operating loss to net cash (used in) operating activities:		
Operating (loss).	\$ (901,716)	\$ (751,847)
Adjustments to reconcile operating loss to net cash (used in) operating activities:		
Depreciation	711,804	628,113
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	64,214	(31,611)
(Increase) decrease in materials and supplies inventory	39,552	(35,922)
(Increase) decrease in prepayments	60	(302)
Increase (decrease) in accounts payable	(36,121)	15,151
Increase in accrued wages and benefits	2,696	156
Increase (decrease) in compensated absences payable	(2,617)	6,087
(Decrease) in insurance deposits payable.	(6,165)	(5,493)
Net cash (used in) operating activities	\$ (128,293)	\$ (175,668)

Non-cash Transactions:

At December 31, 2008 and 2007, the Airport fund purchased \$0 and \$629,223, respectively, in capital assets on account.

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2008

	<u>Swimming Pool</u>	<u>Parking Facilities</u>	<u>Total</u>
Assets:			
Current assets:			
Equity in pooled cash and investments	\$ 75,661	\$ 1,580	\$ 77,241
Receivables (net of allowances of uncollectibles) . . .	2,974	-	2,974
Prepayments	1,230	1,320	2,550
Noncurrent assets:			
Capital assets:			
Nondepreciable capital assets	1,631	94,331	95,962
Depreciable capital assets, net	531,064	11,078	542,142
Total noncurrent assets	<u>532,695</u>	<u>105,409</u>	<u>638,104</u>
Total assets.	<u>612,560</u>	<u>108,309</u>	<u>720,869</u>
Liabilities:			
Current liabilities:			
Accounts payable.	1,676	2,371	4,047
Insurance deposits payable	-	590	590
Accrued wages and benefits	-	2,894	2,894
Compensated absences payable.	-	7,659	7,659
Deferred revenue.	2,974	-	2,974
Long-term liabilities:			
Compensated absences payable.	-	12,574	12,574
Total liabilities.	<u>4,650</u>	<u>26,088</u>	<u>30,738</u>
Net assets:			
Invested in capital assets, net of related debt	532,695	105,409	638,104
Unrestricted (deficit)	75,215	(23,188)	52,027
Total net assets	<u>\$ 607,910</u>	<u>\$ 82,221</u>	<u>\$ 690,131</u>

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Swimming Pool	Parking Facilities	Total
Operating revenues:			
Charges for services	\$ 64,484	\$ 57,214	\$ 121,698
Other	18,898	333	19,231
Total operating revenues	83,382	57,547	140,929
Operating expenses:			
Personal services	79,822	85,747	165,569
Contract services	46,066	4,954	51,020
Materials and supplies.	49,852	7,585	57,437
Utilities	4,514	399	4,913
Depreciation.	24,421	13,854	38,275
Total operating expenses	204,675	112,539	317,214
Operating loss	(121,293)	(54,992)	(176,285)
Nonoperating revenues (expenses):			
Nonoperating revenues.	161	-	161
Total nonoperating revenues (expenses)	161	-	161
Loss before transfers.	(121,132)	(54,992)	(176,124)
Transfers in	97,000	36,000	133,000
Change in net assets.	(24,132)	(18,992)	(43,124)
Net assets, January 1	632,042	101,213	733,255
Net assets, December 31	\$ 607,910	\$ 82,221	\$ 690,131

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Swimming Pool</u>	<u>Parking Facilities</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from customers	\$ 64,484	\$ 57,214	\$ 121,698
Cash received from other operations	18,898	333	19,231
Cash payments for personal services	(79,822)	(89,927)	(169,749)
Cash payments for contract services.	(45,975)	(4,669)	(50,644)
Cash payments for materials and supplies.	(50,384)	(7,255)	(57,639)
Cash payments for utilities.	(4,514)	(399)	(4,913)
	<hr/>	<hr/>	<hr/>
Net cash (used in) operating activities.	(97,313)	(44,703)	(142,016)
Cash flows from noncapital financing activities:			
Other non-capital expenses	161	-	161
Transfers in	97,000	36,000	133,000
	<hr/>	<hr/>	<hr/>
Net cash provided by noncapital financing activities	97,161	36,000	133,161
Net (decrease) in cash and cash equivalents	(152)	(8,703)	(8,855)
Cash and cash equivalents at beginning of year . . .	<hr/>	<hr/>	<hr/>
	75,813	10,283	86,096
Cash and cash equivalents at end of year.	<hr/>	<hr/>	<hr/>
	\$ 75,661	\$ 1,580	\$ 77,241
	<hr/>	<hr/>	<hr/>
Reconciliation of operating loss to net cash (used in) operating activities:			
Operating loss	\$ (121,293)	\$ (54,992)	\$ (176,285)
Adjustments to reconcile operating loss to net cash (used in) operating activities:			
Depreciation	24,421	13,854	38,275
Changes in assets and liabilities:			
(Increase) in accounts receivable	(2,974)	-	(2,974)
Decrease in prepaids.	91	285	376
Increase in accrued wages and benefits	-	733	733
(Decrease) in compensated absences payable	-	(2,254)	(2,254)
Increase in deferred revenue	2,974	-	2,974
(Decrease) in insurance deposits payable	-	(2,659)	(2,659)
Increase (decrease) in accounts payable.	(532)	330	(202)
	<hr/>	<hr/>	<hr/>
Net cash (used in) operating activities	\$ (97,313)	\$ (44,703)	\$ (142,016)

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 75,661	\$ 75,813
Receivables (net of allowances of uncollectibles) . . .	2,974	-
Prepayments	1,230	1,321
Noncurrent assets:		
Capital assets:		
Nondepreciable capital assets	1,631	1,631
Depreciable capital assets, net	531,064	555,485
Total noncurrent assets	532,695	557,116
Total assets	612,560	634,250
Liabilities:		
Current liabilities:		
Accounts payable	1,676	2,208
Deferred revenue	2,974	-
Total liabilities	4,650	2,208
Net assets:		
Invested in capital assets, net of related debt	532,695	557,116
Unrestricted	75,215	74,926
Total net assets	\$ 607,910	\$ 632,042

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Operating revenues:		
Charges for services	\$ 64,484	\$ 76,738
Other	18,898	22,192
Total operating revenues	<u>83,382</u>	<u>98,930</u>
Operating expenses:		
Personal services	79,822	88,491
Contract services	46,066	6,077
Materials and supplies.	49,852	37,077
Utilities	4,514	3,826
Depreciation.	24,421	23,862
Total operating expenses	<u>204,675</u>	<u>159,333</u>
Operating loss.	<u>(121,293)</u>	<u>(60,403)</u>
Nonoperating revenues:		
Nonoperating revenues.	161	100
Total nonoperating revenues	<u>161</u>	<u>100</u>
Loss before transfers	(121,132)	(60,303)
Transfers in	97,000	121,748
Transfers out	<u>-</u>	<u>-</u>
Change in net assets.	(24,132)	61,445
Net assets, January 1	<u>632,042</u>	<u>570,597</u>
Net assets, December 31	<u>\$ 607,910</u>	<u>\$ 632,042</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Cash received from customers	\$ 64,484	\$ 76,738
Cash received from other operations	18,898	22,192
Cash payments for personal services	(79,822)	(88,491)
Cash payments for contract services.	(45,975)	(6,073)
Cash payments for materials and supplies.	(50,384)	(36,840)
Cash payments for utilities.	(4,514)	(3,826)
	<hr/>	<hr/>
Net cash (used in) operating activities.	(97,313)	(36,300)
Cash flows from noncapital financing activities:		
Other non-capital revenues	161	100
Transfers in	97,000	121,748
	<hr/>	<hr/>
Net cash provided by noncapital financing activities	97,161	121,848
Cash flows from capital and related financing activities:		
Acquisition of capital assets	-	(16,753)
	<hr/>	<hr/>
Net cash (used in) capital and related financing activities.	-	(16,753)
Net increase (decrease) in cash and cash equivalents	(152)	68,795
Cash and cash equivalents at beginning of year	<hr/> 75,813 <hr/>	<hr/> 7,018 <hr/>
Cash and cash equivalents at end of year.	<hr/> \$ 75,661 <hr/>	<hr/> \$ 75,813 <hr/>
Reconciliation of operating loss to net cash (used in) operating activities:		
Operating loss	\$ (121,293)	\$ (60,403)
Adjustments to reconcile operating loss to net cash (used in) operating activities:		
Depreciation	24,421	23,862
Changes in assets and liabilities:		
(Increase) in accounts receivable.	(2,974)	-
Decrease in prepaids.	91	4
Increase in deferred revenue	2,974	-
Increase (decrease) in accounts payable	(532)	237
	<hr/>	<hr/>
Net cash (used in) operating activities	<hr/> \$ (97,313) <hr/>	<hr/> \$ (36,300) <hr/>

Non-cash Transactions:

During 2008, the Swimming Pool fund received capital asset contributions from the Parking Facilities fund with a net book value of \$0. The contributed assets had a cost of \$5,833 and accumulated depreciation of \$5,833.

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF NET ASSETS
PARKING FACILITIES FUND**

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 1,580	\$ 10,283
Prepayments	1,320	1,606
Noncurrent assets:		
Capital assets:		
Nondepreciable capital assets	94,331	94,331
Depreciable capital assets, net	11,078	24,932
Total noncurrent assets	105,409	119,263
Total assets	108,309	131,152
Liabilities:		
Current liabilities:		
Accounts payable.	2,371	2,041
Insurance deposits payable.	590	3,249
Accrued wages and benefits	2,894	2,161
Compensated absences payable.	7,659	7,887
Long term liabilities:		
Compensated absences payable.	12,574	14,601
Total liabilities.	26,088	29,939
Net assets:		
Invested in capital assets, net of related debt	105,409	119,263
Unrestricted (deficit)	(23,188)	(18,050)
Total net assets	\$ 82,221	\$ 101,213

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

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Operating revenues:		
Charges for services	\$ 57,214	\$ 66,606
Other	333	396
Total operating revenues	57,547	67,002
Operating expenses:		
Personal services	85,747	95,586
Contract services	4,954	5,347
Materials and supplies.	7,585	6,494
Utilities	399	382
Depreciation.	13,854	14,732
Total operating expenses	112,539	122,541
Operating (loss)	(54,992)	(55,539)
Nonoperating expenses:		
Loss on disposal of capital assets.	-	(3,888)
Total nonoperating expenses	-	(3,888)
Loss before transfers.	(54,992)	(59,427)
Transfers in	36,000	7,202
Change in net assets.	(18,992)	(52,225)
Net assets, January 1	101,213	153,438
Net assets, December 31	\$ 82,221	\$ 101,213

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Cash received from customers	\$ 57,214	\$ 66,606
Cash received from other operations	333	396
Cash payments for personal services	(89,927)	(94,920)
Cash payments for contract services.	(4,669)	(5,322)
Cash payments for materials and supplies.	(7,255)	(6,995)
Cash payments for utilities.	(399)	(382)
	<hr/>	<hr/>
Net cash (used in) operating activities.	(44,703)	(40,617)
Cash flows from noncapital financing activities:		
Transfers in from other funds.	36,000	7,202
Net cash provided by noncapital financing activities	<hr/> 36,000	<hr/> 7,202
Net (decrease) in cash and cash equivalents	(8,703)	(33,415)
Cash and cash equivalents at beginning of year . . .	<hr/> 10,283	<hr/> 43,698
Cash and cash equivalents at end of year.	<u>\$ 1,580</u>	<u>\$ 10,283</u>
Reconciliation of operating loss to net cash (used in) operating activities:		
Operating (loss).	\$ (54,992)	\$ (55,539)
Adjustments to reconcile operating loss to net cash (used in) operating activities:		
Depreciation	13,854	14,732
Changes in assets and liabilities:		
Decrease in prepaids.	285	25
Increase (decrease) in accrued wages and benefits. . . .	733	(1,093)
Increase (decrease) in accounts payable.	330	(501)
(Decrease) in insurance deposits payable	(2,659)	(2,687)
Increase (decrease) in compensated absences payable . .	(2,254)	4,446
	<hr/>	<hr/>
Net cash (used in) operating activities	<u>\$ (44,703)</u>	<u>\$ (40,617)</u>

Non-cash Transactions:

During 2008, the Parking Facilities fund contributed capital assets with a net book value of \$0 to the governmental activities. The contributed assets had a cost of \$9,191 and accumulated depreciation of \$9,191.

During 2008, the Parking Facilities fund contributed capital assets with a net book value of \$0 to the Swimming Pool fund. The contributed assets had a cost of \$5,833 and accumulated depreciation of \$5,833.

CITY OF FINDLAY, OHIO

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

Central Stores:

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

Self Insurance:

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

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS

DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007)

	<u>Central</u>		<u>Totals</u>	
	<u>Stores</u>	<u>Self-Insurance</u>	<u>2008</u>	<u>2007</u>
Assets:				
Current assets:				
Equity in pooled cash and investments	\$ 44,696	\$ 1,082,837	\$ 1,127,533	\$ 1,142,751
Receivables (net of allowances of uncollectibles) . . .	-	1,238	1,238	9,093
Materials and supplies inventory	4,136	-	4,136	4,282
Noncurrent assets:				
Capital assets:				
Depreciable capital assets, net	2,374	-	2,374	4,564
Total noncurrent assets	<u>2,374</u>	<u>-</u>	<u>2,374</u>	<u>4,564</u>
Total assets.	<u>51,206</u>	<u>1,084,075</u>	<u>1,135,281</u>	<u>1,160,690</u>
Liabilities:				
Current liabilities:				
Accounts payable.	1,185	-	1,185	2,702
Claims payable	-	719	719	-
Total liabilities.	<u>1,185</u>	<u>719</u>	<u>1,904</u>	<u>2,702</u>
Net assets:				
Invested in capital assets	2,374	-	2,374	4,564
Unrestricted	47,647	1,083,356	1,131,003	1,153,424
Total net assets.	<u>\$ 50,021</u>	<u>\$ 1,083,356</u>	<u>\$ 1,133,377</u>	<u>\$ 1,157,988</u>

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007)

	Central Stores	Self-Insurance	Totals	
			2008	2007
Operating revenues:				
Charges for services	\$ 23,679	\$ -	\$ 23,679	\$ 25,078
Total operating revenues	23,679	-	23,679	25,078
Operating expenses:				
Contract services	13,110	51,808	64,918	10,948
Materials and supplies.	20,268	-	20,268	21,503
Depreciation.	2,191	-	2,191	2,190
Total operating expenses	35,569	51,808	87,377	34,641
Operating (loss)	(11,890)	(51,808)	(63,698)	(9,563)
Nonoperating revenues:				
Interest revenue	-	39,087	39,087	59,171
Total nonoperating revenues	-	39,087	39,087	59,171
Change in net assets	(11,890)	(12,721)	(24,611)	49,608
Net assets, January 1.	61,911	1,096,077	1,157,988	1,108,380
Net assets, December 31	\$ 50,021	\$ 1,083,356	\$ 1,133,377	\$ 1,157,988

CITY OF FINDLAY, OHIO

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007)

	Central Stores	Self-Insurance	Totals	
			2008	2007
Cash flows from operating activities:				
Cash received from customers	\$ 23,679	\$ -	\$ 23,679	\$ 25,078
Cash payments for contract services.	(13,110)	(51,089)	(64,199)	(10,948)
Cash payments for materials and supplies.	(21,640)	-	(21,640)	(19,620)
Net cash (used in) operating activities.	(11,071)	(51,089)	(62,160)	(5,490)
Cash flows from investing activities:				
Interest received.	-	46,942	46,942	50,432
Net cash provided by investing activities	-	46,942	46,942	50,432
Net increase (decrease) in cash and cash equivalents . . .	(11,071)	(4,147)	(15,218)	44,942
Cash and cash equivalents at beginning of year	55,767	1,086,984	1,142,751	1,097,809
Cash and cash equivalents at end of year.	\$ 44,696	\$ 1,082,837	\$ 1,127,533	\$ 1,142,751
Reconciliation of operating loss to net cash (used in) operating activities:				
Operating (loss)	\$ (11,890)	\$ (51,808)	\$ (63,698)	\$ (9,563)
Adjustments to reconcile operating loss to net cash (used in) operating activities:				
Depreciation	2,191	-	2,191	2,190
Changes in assets and liabilities:				
Decrease in materials and supplies inventory.	146	-	146	398
Increase claims payable	-	719	719	-
Increase (decrease) in accounts payable	(1,518)	-	(1,518)	1,485
Net cash (used in) operating activities.	\$ (11,071)	\$ (51,089)	\$ (62,160)	\$ (5,490)

CITY OF FINDLAY, OHIO

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

Private Purpose Trust Fund

Private Trust:

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

Agency Funds

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

Guaranteed Deposits:

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

Municipal Court:

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

Tax Collection:

This fund accounts for the income taxes collected on-behalf of the Village of Arlington.

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF FIDUCIARY NET ASSETS
PRIVATE-PURPOSE TRUST FUND
DECEMBER 31, 2008 AND 2007

	2008	2007
Assets:		
Equity in pooled cash and cash equivalents	\$ 172,485	\$ 160,768
Receivables:		
Accrued interest.	145	1,102
Total assets.	172,630	161,870
 Net Assets:		
Held in trust for private cemetery care	172,630	161,870
Total net assets	\$ 172,630	\$ 161,870

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PRIVATE-PURPOSE TRUST FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Additions:		
Interest	\$ 4,356	\$ 5,659
Gifts and contributions.	10,200	200
Total Additions.	14,556	5,859
 Deductions:		
Cemetery care	3,796	3,604
Changes in net assets	10,760	2,255
Net assets at the beginning of the year.	161,870	159,615
Net assets at the end of the year	\$ 172,630	\$ 161,870

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Balance 12/31/07</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/08</u>
Guaranteed Deposits				
Assets:				
Equity in pooled cash and cash equivalents.	\$ 176,481	\$ 282,104	\$ 176,481	\$ 282,104
Total assets	<u>\$ 176,481</u>	<u>\$ 282,104</u>	<u>\$ 176,481</u>	<u>\$ 282,104</u>
Liabilities:				
Deposits held and due to others.	\$ 176,481	\$ 282,104	\$ 176,481	\$ 282,104
Total liabilities.	<u>\$ 176,481</u>	<u>\$ 282,104</u>	<u>\$ 176,481</u>	<u>\$ 282,104</u>
Municipal Court				
Assets:				
Cash in segregated accounts	\$ 59,372	\$ 3,208,971	\$ 3,228,998	\$ 39,345
Total assets	<u>\$ 59,372</u>	<u>\$ 3,208,971</u>	<u>\$ 3,228,998</u>	<u>\$ 39,345</u>
Liabilities:				
Deposits held and due to others.	\$ 59,372	\$ 3,208,971	\$ 3,228,998	\$ 39,345
Total liabilities.	<u>\$ 59,372</u>	<u>\$ 3,208,971</u>	<u>\$ 3,228,998</u>	<u>\$ 39,345</u>
Tax Collection				
Assets:				
Equity in pooled cash and cash equivalents.	\$ 12,620	\$ 4,427	\$ 12,620	\$ 4,427
Total assets	<u>\$ 12,620</u>	<u>\$ 4,427</u>	<u>\$ 12,620</u>	<u>\$ 4,427</u>
Liabilities:				
Accounts payable.	\$ 12,620	\$ 4,427	\$ 12,620	\$ 4,427
Total liabilities.	<u>\$ 12,620</u>	<u>\$ 4,427</u>	<u>\$ 12,620</u>	<u>\$ 4,427</u>
Total Agency Funds				
Assets:				
Equity in pooled cash and cash equivalents.	\$ 189,101	\$ 286,531	\$ 189,101	\$ 286,531
Cash in segregated accounts	59,372	3,208,971	3,228,998	39,345
Total assets	<u>\$ 248,473</u>	<u>\$ 3,495,502</u>	<u>\$ 3,418,099</u>	<u>\$ 325,876</u>
Liabilities:				
Accounts payable.	\$ 12,620	\$ 4,427	\$ 12,620	\$ 4,427
Deposits held and due to others.	235,853	3,491,075	3,405,479	321,449
Total liabilities.	<u>\$ 248,473</u>	<u>\$ 3,495,502</u>	<u>\$ 3,418,099</u>	<u>\$ 325,876</u>

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STATISTICAL SECTION

STATISTICAL SECTION

CITY OF FINDLAY, OHIO
STATISTICAL SECTION

This part of the City of Findlay's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	172-181
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	182-191
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.	192-196
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	197-199
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	200-205

Sources: Sources are noted on the individual schedules. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

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CITY OF FINDLAY, OHIO

NET ASSETS BY COMPONENT
LAST SIX YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2008	2007	2006	2005
Governmental Activities				
Invested in capital assets, net of related debt	\$ 67,497,148	\$ 60,888,257	\$ 57,094,162	\$ 57,382,919
Restricted for:				
Capital projects	807,513	833,059	816,047	767,872
Debt service	-	198,994	300,417	421,034
Security of persons and property programs	46,058	-	-	-
General government operations	371,730	-	-	-
Transportation projects	2,556,627	382,853	1,682,254	1,321,291
Income tax distribution	3,653,954	4,397,516	4,284,626	3,858,862
Economic development programs	957,002	995,811	996,565	774,538
Perpetual care:				
Expendable	1,343	10,642	6,856	2,847
Nonexpendable	1,106,527	1,082,017	1,040,735	971,777
Other projects	106,955	1,102,364	883,047	1,133,567
Unrestricted	3,556,021	11,665,195	9,477,214	5,874,745
Total governmental activities net assets	<u>\$ 80,660,878</u>	<u>\$ 81,556,708</u>	<u>\$ 76,581,923</u>	<u>\$ 72,509,452</u>
Business-type Activities				
Invested in capital assets, net of related debt (1)	\$ 107,016,529	\$ 100,827,108	\$ 96,111,991	\$ 92,990,351
Capital projects	5,144,813	5,291,559	5,605,343	5,026,928
Debt service	3,499,499	2,609,489	2,616,159	2,632,243
Unrestricted	5,110,311	7,081,406	5,948,282	3,601,853
Total business-type activities net assets	<u>\$ 120,771,152</u>	<u>\$ 115,809,562</u>	<u>\$ 110,281,775</u>	<u>\$ 104,251,375</u>
Total Primary Government				
Invested in capital assets, net of related debt	\$ 174,513,677	\$ 161,715,365	\$ 153,206,153	\$ 150,373,270
Restricted for:				
Capital projects	5,952,326	6,124,618	6,421,390	5,794,800
Debt service	3,499,499	2,808,483	2,916,576	3,053,277
Security of persons and property programs	46,058	-	-	-
General government operations	371,730	-	-	-
Transportation projects	2,556,627	382,853	1,682,254	1,321,291
Income tax distribution	3,653,954	4,397,516	4,284,626	3,858,862
Economic development programs	957,002	995,811	996,565	774,538
Perpetual care:				
Expendable	1,343	10,642	6,856	2,847
Nonexpendable	1,106,527	1,082,017	1,040,735	971,777
Other projects	106,955	1,102,364	883,047	1,133,567
Unrestricted	8,666,332	18,746,601	15,425,496	9,476,598
Total primary government net assets	<u>\$ 201,432,030</u>	<u>\$ 197,366,270</u>	<u>\$ 186,863,698</u>	<u>\$ 176,760,827</u>

Note: 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that date is not available.

(1) The Business-type Activities Invested in capital assets, net of related debt for the years 2003 - 2006 are different from prior CAFR's due to a prior period restatement of capital assets.

TABLE 1

<u>2004</u>	<u>2003</u>
\$ 55,017,907	\$ 53,250,549
711,679	2,160,578
392,125	607,989
-	-
-	-
2,176,368	1,707,388
-	-
-	-
1,840	1,157
967,544	936,540
5,422,036	3,390,659
3,572,979	4,066,854
<u>\$ 68,262,478</u>	<u>\$ 66,121,714</u>
\$ 85,421,338	\$ 81,980,224
3,228,686	2,582,786
2,547,188	2,897,822
5,011,751	5,189,611
<u>\$ 96,208,963</u>	<u>\$ 92,650,443</u>
\$ 140,439,245	\$ 135,230,773
3,940,365	4,743,364
2,939,313	3,505,811
-	-
-	-
2,176,368	1,707,388
-	-
-	-
1,840	1,157
967,544	936,540
5,422,036	3,390,659
8,584,730	9,256,465
<u>\$ 164,471,441</u>	<u>\$ 158,772,157</u>

CITY OF FINDLAY, OHIO
CHANGES IN NET ASSETS
LAST SIX YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Program Revenues:				
Governmental activities				
Charges for services:				
General government	\$ 2,658,578	\$ 2,642,592	\$ 1,795,902	\$ 1,923,294
Security of persons and property	93,886	27,093	96,414	53,312
Public health services	422,006	375,142	662,752	607,457
Transportation	26,547	177,677	10,454	17,202
Leisure time activities	537,876	536,362	381,605	337,880
Interest and fiscal charges	57,481	31,753	36,124	111,908
Operating grants & contributions	2,607,745	2,607,559	3,450,769	2,608,882
Capital grants & contributions	583,891	1,540,453	-	1,512,583
Total governmental activities program revenues	<u>6,988,010</u>	<u>7,938,631</u>	<u>6,434,020</u>	<u>7,172,518</u>
Business-type activities:				
Charges for services:				
Water	7,395,768	7,656,030	7,085,719	7,100,619
Water pollution control	8,472,743	8,678,711	8,505,966	8,609,713
Airport	870,610	955,248	1,042,094	946,458
Parking facilities	57,214	66,606	66,901	90,498
Swimming pool	64,484	76,738	64,620	54,029
Operating grants & contributions	12,469	-	-	-
Capital grants & contributions	2,342,423	3,497,107	3,015,561	4,567,599
Total business-type activities program revenues	<u>19,215,711</u>	<u>20,930,440</u>	<u>19,780,861</u>	<u>21,368,916</u>
Total primary government	<u>\$ 26,203,721</u>	<u>\$ 28,869,071</u>	<u>\$ 26,214,881</u>	<u>\$ 28,541,434</u>
Expenses:				
Governmental Activities				
General government	\$ 7,704,101	\$ 8,023,535	\$ 6,504,903	\$ 6,387,634
Security of persons and property	14,678,503	14,680,286	14,848,790	14,919,051
Public health services	1,702,053	1,640,736	1,540,983	1,515,801
Transportation	5,437,592	5,196,310	4,789,212	4,194,626
Leisure time activities	1,931,170	1,557,008	1,370,659	1,413,227
Other	587	-	-	-
Interest and fiscal charges	505,675	567,264	211,810	108,694
Total governmental activities expenses	<u>31,959,681</u>	<u>31,665,139</u>	<u>29,266,357</u>	<u>28,539,033</u>
Business-type activities:				
Water	6,349,090	6,844,630	5,667,066	5,916,358
Water pollution control	7,382,633	7,418,266	6,355,113	6,175,336
Airport	1,782,535	1,718,628	1,673,047	1,642,345
Parking facilities	112,539	126,429	144,136	139,108
Swimming pool	204,675	159,333	154,660	122,407
Total business-type activities expenses	<u>15,831,472</u>	<u>16,267,286</u>	<u>13,994,022</u>	<u>13,995,554</u>
Total primary government	<u>\$ 47,791,153</u>	<u>\$ 47,932,425</u>	<u>\$ 43,260,379</u>	<u>\$ 42,534,587</u>

TABLE 2

<u>2004</u>	<u>2003</u>
\$ 1,933,403	\$ 1,177,697
41,100	1,564,861
441,186	-
5,458	2,219
332,417	66,340
159,118	186,366
4,092,055	2,641,376
-	412,249
7,004,737	6,051,108
6,632,486	6,854,205
8,179,779	7,540,853
776,427	677,746
92,131	105,518
45,346	50,070
-	-
1,591,936	2,678,509
17,318,105	17,906,901
\$ 24,322,842	\$ 23,958,009
\$ 6,774,481	\$ 5,695,708
13,676,481	12,866,966
1,336,638	1,347,065
3,188,310	1,106,317
1,372,531	1,337,577
-	1,807
241,547	201,871
26,589,988	22,557,311
6,258,906	6,398,700
5,996,566	6,843,341
1,898,137	1,306,254
112,840	138,441
105,840	129,661
14,372,289	14,816,397
\$ 40,962,277	\$ 37,373,708

-- Continued

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Net (Expense) Revenue				
Governmental activities	\$ (24,971,671)	\$ (23,726,508)	\$ (22,832,337)	\$ (21,366,515)
Business-type activities	3,384,239	4,663,154	5,786,839	7,373,362
Total primary government net expense	<u>\$ (21,587,432)</u>	<u>\$ (19,063,354)</u>	<u>\$ (17,045,498)</u>	<u>\$ (13,993,153)</u>
General Revenues and Other Changes in Net Assets				
Governmental activities				
Taxes:				
Property & other local taxes levied for:				
General purposes	\$ 2,666,772	\$ 2,645,547	\$ 2,575,307	\$ 2,619,131
Police and fire pensions	526,916	524,798	513,836	537,426
Municipal income taxes levied for:				
General purposes	15,550,207	21,067,032	18,966,079	17,260,892
Grants and entitlements				
not restricted to specific programs	4,327,630	2,711,937	3,903,190	3,505,531
Investment earnings	660,515	1,309,801	997,951	556,868
Miscellaneous	1,180,285	1,164,610	1,184,836	1,099,952
Transfers	(836,484)	(410,194)	(40,825)	33,689
Extraordinary item	-	(312,238)	-	-
Total governmental activities	<u>24,075,841</u>	<u>28,701,293</u>	<u>28,100,374</u>	<u>25,613,489</u>
Business-type activities				
Investment earnings	475,668	710,300	578,344	325,083
Miscellaneous	265,199	324,139	322,056	377,656
Transfers	836,484	410,194	40,825	(33,689)
Extraordinary item	-	(580,000)	-	-
Total business-type activities	<u>1,577,351</u>	<u>864,633</u>	<u>941,225</u>	<u>669,050</u>
Total primary government	<u>\$ 25,653,192</u>	<u>\$ 29,565,926</u>	<u>\$ 29,041,599</u>	<u>\$ 26,282,539</u>
Change in Net Assets				
Governmental activities	\$ (895,830)	\$ 4,974,785	\$ 5,268,037	\$ 4,246,974
Business-type activities	4,961,590	5,527,787	6,728,064	8,042,412
Total primary government	<u>\$ 4,065,760</u>	<u>\$ 10,502,572</u>	<u>\$ 11,996,101</u>	<u>\$ 12,289,386</u>

Note: 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that date is not available.

TABLE 2

<u>2004</u>	<u>2003</u>
\$ (19,585,251)	\$ (16,506,203)
2,945,816	3,090,504
<u>\$ (16,639,435)</u>	<u>\$ (13,415,699)</u>
\$ 2,432,883	\$ 2,348,596
496,728	478,210
15,364,985	14,095,110
2,286,209	2,818,716
179,647	278,548
1,109,329	1,000,037
(143,766)	96,932
-	-
<u>21,726,015</u>	<u>21,116,149</u>
142,889	213,697
326,049	711,210
143,766	(96,932)
-	-
<u>612,704</u>	<u>827,975</u>
<u>\$ 22,338,719</u>	<u>\$ 21,944,124</u>
\$ 2,140,764	\$ 4,609,946
3,558,520	3,918,479
<u>\$ 5,699,284</u>	<u>\$ 8,528,425</u>

CITY OF FINDLAY, OHIO

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Fund				
Reserved	\$ 720,530	\$ 1,195,477	\$ 2,355,431	\$ 843,588
Unreserved	<u>5,143,164</u>	<u>4,839,070</u>	<u>4,516,854</u>	<u>7,401,998</u>
Total general fund	<u>\$ 5,863,694</u>	<u>\$ 6,034,547</u>	<u>\$ 6,872,285</u>	<u>\$ 8,245,586</u>
All Other Governmental Funds				
Reserved	\$ 4,658,477	\$ 4,259,447	\$ 4,465,758	\$ 3,261,941
Unreserved, reported in:				
Special revenue funds	2,818,273	236,907	3,221,237	4,110,157
Permanent fund	1,343	10,642	6,856	2,847
Capital projects funds	<u>807,513</u>	<u>826,099</u>	<u>815,547</u>	<u>767,872</u>
Total all other governmental funds	<u>\$ 8,285,606</u>	<u>\$ 5,333,095</u>	<u>\$ 8,509,398</u>	<u>\$ 8,142,817</u>

TABLE 3

2004	2003	2002	2001	2000	1999
\$ 370,547	\$ 335,338	\$ 603,616	\$ 1,487,585	\$ 579,666	\$ 767,908
5,854,174	6,395,355	4,681,068	5,888,284	6,864,161	6,095,743
<u>\$ 6,224,721</u>	<u>\$ 6,730,693</u>	<u>\$ 5,284,684</u>	<u>\$ 7,375,869</u>	<u>\$ 7,443,827</u>	<u>\$ 6,863,651</u>
\$ 3,293,694	\$ 3,458,102	\$ 2,327,006	\$ 1,903,002	\$ 2,315,295	\$ 1,935,130
4,553,636	3,669,248	3,290,213	4,209,368	2,435,732	2,581,670
1,840	1,157	-	-	-	-
530,660	414,919	505,253	389,121	157,425	349,347
<u>\$ 8,379,830</u>	<u>\$ 7,543,426</u>	<u>\$ 6,122,472</u>	<u>\$ 6,501,491</u>	<u>\$ 4,908,452</u>	<u>\$ 4,866,147</u>

CITY OF FINDLAY, OHIO

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Revenues				
Municipal income taxes	\$ 15,646,020	\$ 21,043,910	\$ 18,546,064	\$ 17,323,028
Property and other taxes	3,193,744	3,170,345	3,089,143	3,156,557
Charges for services	2,011,057	2,053,334	1,308,721	1,051,512
Licenses and permits	335,820	348,671	326,340	367,854
Fines and forfeitures	1,178,490	1,239,933	1,312,066	1,370,961
Intergovernmental	6,768,810	5,363,039	7,201,553	6,227,738
Special assessments	47,171	103,550	170,580	288,554
Investment income	711,389	1,250,630	949,884	537,856
Rental income	58,677	57,231	50,900	-
Contributions and donations	157,036	160,000	5,269	-
Reimbursements	1,085,310	943,393	835,261	834,736
Tax increment financing	40,383	-	-	-
Other	94,919	82,381	293,406	265,216
Total revenues	<u>31,328,826</u>	<u>35,816,417</u>	<u>34,089,187</u>	<u>31,424,012</u>
Expenditures				
Current:				
General government	7,383,581	7,267,755	6,043,985	6,077,685
Security of persons and property	14,470,422	13,812,880	13,944,904	14,179,528
Public health and welfare	1,674,062	1,636,529	1,467,461	1,483,325
Transportation	2,791,562	2,693,686	2,414,009	1,797,021
Leisure time activity	1,871,879	1,408,200	1,267,736	1,305,133
Other	587	-	-	-
Capital outlay	6,909,430	11,368,519	9,399,548	4,003,967
Debt service:				
Principal retirement	428,703	483,353	488,132	429,486
Interest and fiscal charges	363,261	616,955	243,875	137,867
Bond/note issuance costs	134,231	10,284	-	-
Total expenditures	<u>36,027,718</u>	<u>39,298,161</u>	<u>35,269,650</u>	<u>29,414,012</u>
Excess of revenues over (under) expenditures	(4,698,892)	(3,481,744)	(1,180,463)	2,010,000
Other Financing Sources (Uses)				
Transfers in	18,127,688	22,021,990	20,905,649	18,958,417
Transfers (out)	(18,964,172)	(22,432,184)	(20,946,474)	(19,324,728)
Payment to refunding bond escrow agent	-	-	-	-
Premium on notes/bonds	-	69,206	39,257	-
Capital lease financing	-	-	-	-
Sale of capital assets	35,096	-	-	500
Discount on bonds sold	(46,937)	-	-	-
Premium on notes sold	12,848	-	-	-
Bonds issued	8,200,000	-	-	129,300
OPWC loans issued	-	-	149,663	-
Total other financing sources (uses)	<u>7,364,523</u>	<u>(340,988)</u>	<u>148,095</u>	<u>(236,511)</u>
Extraordinary item				
Loss due to flood damage	-	(192,824)	-	-
Increase (decrease) in reserve for inventory	114,983	-	66,044	-
Increase (decrease) in prepaids	1,044	1,515	(40,396)	10,363
Net change in fund balances	<u>\$ 2,734,721</u>	<u>\$ (4,014,041)</u>	<u>\$ (1,006,720)</u>	<u>\$ 1,783,852</u>
Capital expenditures	7,158,020	10,877,755	8,779,039	5,301,849
Debt service as a percentage of noncapital expenditures	3.21%	3.91%	2.76%	2.35%

TABLE 4

	2004	2003	2002	2001	2000	1999
\$	15,385,918	\$ 14,002,165	\$ 14,447,353	\$ 15,287,570	\$ 13,653,787	\$ 13,483,300
	2,929,611	2,826,806	2,864,133	2,395,171	2,228,256	2,226,806
	983,651	916,668	572,362	528,138	528,254	466,650
	361,509	319,748	294,599	256,264	104,710	96,613
	1,377,006	1,538,397	1,518,046	1,458,975	1,531,249	1,530,985
	6,206,496	5,396,980	4,146,327	4,489,752	4,086,594	4,387,084
	279,704	592,222	383,256	405,244	290,126	250,094
	185,586	269,067	417,326	834,236	1,080,238	664,448
	-	-	-	-	-	-
	-	139,511	-	-	-	-
	725,093	677,682	707,314	823,052	554,348	576,679
	-	-	-	-	-	-
	384,236	322,566	213,694	307,859	426,914	327,370
	<u>28,818,810</u>	<u>27,001,812</u>	<u>25,564,410</u>	<u>26,786,261</u>	<u>24,484,476</u>	<u>24,010,029</u>
	5,777,002	5,542,145	5,810,189	5,710,231	4,998,973	4,613,512
	13,433,081	12,659,590	12,560,392	11,601,542	10,805,889	10,387,007
	1,368,300	1,334,612	1,345,087	1,264,665	1,114,922	1,128,912
	1,636,349	1,618,551	1,708,562	1,563,537	1,499,571	1,379,006
	1,373,950	1,305,622	888,587	820,908	674,902	696,805
	-	1,807	-	-	-	-
	4,241,071	4,913,419	4,918,956	3,977,394	3,391,275	2,981,243
	467,574	385,169	401,322	541,000	571,000	1,940,960
	227,576	209,146	371,465	241,995	268,718	394,562
	33,490	9,397	-	-	-	-
	<u>28,558,393</u>	<u>27,979,458</u>	<u>28,004,560</u>	<u>25,721,272</u>	<u>23,325,250</u>	<u>23,522,007</u>
	260,417	(977,646)	(2,440,150)	1,064,989	1,159,226	488,022
	17,122,675	16,467,546	16,659,895	16,939,295	15,421,014	15,570,137
	(17,266,441)	(16,370,614)	(16,871,989)	(16,725,857)	(15,914,105)	(15,656,806)
	(2,477,100)	-	-	-	-	-
	89,570	26,956	-	-	-	-
	-	-	9,116	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	2,463,000	1,001,550	119,850	145,500	-	-
	144,000	-	-	-	-	-
	<u>75,704</u>	<u>1,125,438</u>	<u>(83,128)</u>	<u>358,938</u>	<u>(493,091)</u>	<u>(86,669)</u>
	-	-	-	-	-	-
	(3,353)	(9,484)	37,824	15,423	(55,095)	7,849
	(2,336)	9,398	17,105	(75,235)	11,441	8,835
\$	<u>330,432</u>	<u>147,706</u>	<u>(2,468,349)</u>	<u>1,364,115</u>	<u>622,481</u>	<u>418,037</u>
	4,676,770	4,913,419	4,918,956	3,977,394	3,391,275	2,981,243
	3.05%	2.62%	3.35%	3.60%	4.21%	11.37%

CITY OF FINDLAY, OHIO

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

Calander Year (1)	Real Property (a)		Real and Personal Public Utility (b)		Tangible Personal Property (c)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2009	\$ 803,603,760	\$ 2,296,010,743	\$ 19,047,990	\$ 21,645,443	\$ 1,271,567	\$ 12,715,670
2008	793,505,110	2,267,157,457	17,749,490	20,169,875	39,237,296	234,252,513
2007	750,904,400	2,145,441,143	20,951,930	23,809,011	78,664,222	469,637,144
2006	731,113,130	2,088,894,657	20,830,810	23,671,375	110,179,715	440,718,860
2005 (2)	718,179,890	2,051,942,543	21,185,600	24,074,545	148,117,214	592,468,856
2004	645,430,870	1,844,088,200	20,894,840	23,744,136	144,017,614	576,070,456
2003	626,960,430	1,791,315,514	20,705,880	23,529,409	172,457,599	689,830,396
2002	611,410,130	1,746,886,086	20,339,970	23,113,602	191,586,739	766,346,956
2001	574,141,030	1,640,402,943	26,603,490	30,231,239	151,916,904	607,667,616
2000	564,268,950	1,612,197,000	25,705,800	29,211,136	164,997,670	659,990,680

Source: Hancock County, Ohio; Auditor

(1) Valuations are amounts for collection year.

(2) Sexennial update for property values, effective in tax collection year 2005.

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

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

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

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

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

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

For 2009, tangible personal personal property tax is assessed at 0.00% of property value, including inventory, except for telephone tangible personal property which is assessed at 10% of property value, including inventory. In 2009, telephone tangible is the only taxable tangible personal property. The assessed value for telephone tangible personal property is provided by the Ohio Department of Taxation.

TABLE 5

Total		
Assessed Value	Estimated Actual Value	%
\$ 823,923,317	\$ 2,330,371,856	35.36%
850,491,896	2,521,579,846	33.73%
850,520,552	2,638,887,298	32.23%
862,123,655	2,553,284,892	33.77%
887,482,704	2,668,485,944	33.26%
810,343,324	2,443,902,792	33.16%
820,123,909	2,504,675,319	32.74%
823,336,839	2,536,346,644	32.46%
752,661,424	2,278,301,797	33.04%
754,972,420	2,301,398,816	32.80%

CITY OF FINDLAY, OHIO

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS

City Direct Rates (1)							
Collection Year (1)	General Rate		Total Direct Rate				
2009	\$	3.20	\$	3.20			
2008		3.20		3.20			
2007		3.20		3.20			
2006		3.20		3.20			
2005		3.20		3.20			
2004		3.20		3.20			
2003		3.20		3.20			
2002		3.20		3.20			
2001		3.20		3.20			
2000		3.20		3.20			
Overlapping Rates (1)							
Collection Year (1)	Hancock County		Park District		Findlay City School District		Total
2009	\$	7.80	\$	0.80	\$	60.75	\$ 72.55
2008		7.80		0.80		60.75	72.55
2007		7.30		0.80		60.75	72.05
2006		7.30		0.80		58.25	69.55
2005		5.40		0.80		58.25	67.65
2004		5.40		0.80		53.35	62.75
2003		5.12		0.80		53.35	62.47
2002		5.12		0.80		53.35	62.47
2001		5.14		0.80		53.35	62.49
2000		5.15		0.80		53.35	62.50

Source: Hancock County Auditor's Office

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

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

December 31, 2008			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Marathon Oil Co.	\$ 10,646,930	1	1.32%
Cooper Tire & Rubber Company	8,950,190	2	1.11%
Findlay Shopping Center, Inc.	6,460,380	3	0.80%
Kohl's Department Stores, Inc. - Distribution Center	5,250,000	4	0.65%
Logistics Solutions of Ohio	3,844,010	5	0.48%
RG Findlay LTD	3,051,060	6	0.38%
BB Findlay Limited Partnership	2,969,670	7	0.37%
Meijer Stores	2,837,080	8	0.35%
Lowe's Home Centers Inc.	2,348,110	9	0.29%
L P Investment Company	2,285,420	10	0.28%
Total, Top Ten Principal Real Property Taxpayers	<u>\$ 48,642,850</u>		<u>\$ 803,603,760</u>

December 31, 1999 (1)			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Marathon/Ashland Petroleum Company	\$ 11,133,200	1	1.97%
Cooper Tire & Rubber Company	7,140,790	2	1.27%
Findlay Shopping Center, Inc.	5,830,950	3	1.03%
Ohio Logistics, Ltd.	3,588,720	4	0.64%
GE Subsidiary, Inc. (Harris Corp)	2,388,040	5	0.42%
L P Investment Company	2,334,250	6	0.41%
Thrifty Findlay, Inc.	2,196,220	7	0.39%
Total, Top Seven Principal Real Property Taxpayers	<u>\$ 34,612,170</u>		<u>\$ 564,268,950</u>

Source: Hancock County Auditor

(1) For December 31, 1999, only the top seven real property taxpayer information was available.

CITY OF FINDLAY, OHIO

 PRINCIPAL TAXPAYERS
 TANGIBLE PERSONAL PROPERTY TAX
 CURRENT YEAR AND NINE YEARS AGO

December 31, 2008 (a)			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Ohio Bell Telephone	1,271,567	1	100.00%
Top Principal Personal Property Taxpayer	<u>\$ 1,271,567</u>		<u>\$ 1,271,567</u>
December 31, 1999			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Cooper Tire & Rubber	\$ 26,351,660	1	15.97%
Harris Corporation	13,526,380	2	8.20%
Owens	7,268,590	3	4.41%
Dow Chemical	5,417,520	4	3.28%
Findlex Corporation	4,910,090	5	2.98%
Findlay Products	4,910,090	6	2.98%
Findlay Industries	3,860,470	7	2.34%
Findlay Ford	2,989,620	8	1.81%
Filmtech Inc.	2,508,654	9	1.52%
Bridgestone APM	<u>2,380,020</u>	10	<u>1.44%</u>
Total, Top Ten Principal Personal Property Taxpayers	<u>\$ 74,123,094</u>		<u>\$ 164,997,670</u>

Source: Hancock County Auditor

(a) Telephone tangible personal property is the only taxable tangible personal property beginning in 2009.

CITY OF FINDLAY, OHIO

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

December 31, 2008			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Ohio Power Company	\$ 5,793,550	1	30.42%
Columbia Gas of Ohio, Inc.	727,350	2	3.82%
Norfolk Southern Combined	50,170	3	0.26%
CSX Transportation Inc.	33,820	4	0.18%
Hancock-Wood Electric Co-Op Inc.	31,560	5	0.17%
Total, Top Five Principal Public Utility Taxpayers	<u>\$ 6,636,450</u>		<u>\$ 19,047,990</u>

December 31, 1999 (1)			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Ohio Power Company	\$ 13,453,450	1	52.34%
Ohio Bell Telephone	7,609,910	2	29.60%
Columbia Gas of Ohio	5,543,940	3	21.57%
Total, Top Three Principal Public Utility Taxpayers	<u>\$ 26,607,300</u>		<u>\$ 25,705,800</u>

Source: Hancock County Auditor

(1) For December 31, 1999, only the top three public utility property taxpayer information was available.

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

Collection Year	Current Levy (1)	Delinquent Levy	Total Levy	Current Collection	Percent of Current Levy Collected
2008	\$ 2,609,348	\$ 118,447	\$ 2,727,795	\$ 2,504,861	96.00%
2007	2,467,139	111,912	2,579,051	2,177,218	88.25%
2006	2,398,800	107,212	2,506,012	2,329,710	97.12%
2005	2,358,522	97,574	2,456,096	2,288,109	97.01%
2004	2,138,332	109,230	2,247,562	2,046,887	95.72%
2003	2,073,019	60,713	2,133,732	1,995,917	96.28%
2002	2,021,591	68,473	2,090,064	1,969,658	97.43%
2001	1,922,516	69,966	1,992,482	1,875,468	97.55%
2000	1,894,571	55,023	1,949,594	1,884,103	99.45%

Source: Hancock County Auditor

(1) includes rollbacks reimbursed by the State.

TABLE 10

Delinquent Collection		Total Collection	Total Collection as a Percent of Total Levy
81,704	\$	2,586,565	94.82%
82,611		2,259,829	87.62%
64,333		2,394,043	95.53%
63,527		2,351,636	95.75%
79,183		2,126,070	94.59%
55,691		2,051,608	96.15%
47,316		2,016,974	96.50%
56,894		1,932,362	96.98%
46,077		1,930,180	99.00%

CITY OF FINDLAY, OHIO

**INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS**

Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits
2008	1.00%	\$ 15,685,704	\$ 12,988,959	82.81%	\$ 1,114,157
2007	1.00%	21,185,963	12,926,239	61.01%	6,748,538
2006	1.00%	18,542,994	12,266,198	66.15%	4,714,847
2005	1.00%	17,331,772	12,004,951	69.27%	3,865,817
2004	1.00%	15,265,818	11,487,766	75.25%	2,424,514
2003	1.00%	14,278,805	11,168,674	78.22%	1,844,709
2002	1.00%	14,930,706	11,086,396	74.25%	2,468,483
2001	1.00%	14,318,131	10,824,788	75.60%	2,409,620
2000	1.00%	13,052,856	10,349,064	79.29%	1,579,556
1999	1.00%	13,084,314	9,898,733	75.65%	1,984,944

Source: City income tax department.

TABLE 11

Percentage of Taxes from Net Profits	Taxes from Individuals	Percentage of Taxes from Individuals
7.10%	\$ 1,582,588	10.09%
31.85%	1,511,186	7.13%
25.43%	1,561,949	8.42%
22.30%	1,461,004	8.43%
15.88%	1,353,538	8.87%
12.92%	1,265,422	8.86%
16.53%	1,375,827	9.21%
16.83%	1,083,723	7.57%
12.10%	1,124,236	8.61%
15.17%	1,200,637	9.18%

CITY OF FINDLAY, OHIO

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS**

Governmental Activities							
Year	General Obligation Bonds	Special Assessment Bonds	Notes Payable	Capital Leases	OPWC Loans	Police and Fire Past Service	
2008	\$ 10,610,000	\$ 106,185	\$ -	\$ -	\$ 242,555	\$ 1,182,555	
2007	2,765,000	165,205	10,530,000	-	257,238	1,206,404	
2006	3,110,000	288,875	4,950,000	-	271,921	1,229,271	
2005	3,440,000	434,045	-	2,020	133,200	1,251,195	
2004	3,780,000	384,765	-	4,286	140,400	1,272,217	
2003	3,990,000	443,635	-	6,390	-	1,292,373	
2002	3,305,000	510,300	-	8,344	-	1,311,699	
2001	3,645,000	504,000	-	-	-	1,330,230	
2000	4,140,000	561,500	-	-	-	1,347,997	
1999	4,665,000	397,500	-	-	-	1,365,032	

Sources:

(a) See notes to the financial statements regarding the City's outstanding debt information.

(b) See Schedule " Demographic and Economic Statistics - Last Ten Years" for personal income and population.

Business-Type Activities									
General Obligation Bonds	Revenue Bonds	OWDA Loans	OPWC Loans	(a) Total Primary Government	(b) Total Personal Income	Percentage of Personal Income	(b) Population	Per Capita	
\$ 14,935,000	\$ -	\$ 30,979,789	\$ 880,450	\$ 58,936,534	\$1,031,539,839	5.71%	40,623	\$ 1,451	
17,775,000	-	32,781,584	727,397	66,207,828	1,058,697,465	6.25%	40,515	1,634	
20,545,000	-	34,353,505	588,873	65,337,445	1,034,451,756	6.32%	40,372	1,618	
23,240,000	-	32,381,825	625,289	61,507,574	999,682,580	6.15%	40,135	1,533	
25,980,000	-	33,453,275	656,705	65,671,648	965,423,638	6.80%	40,114	1,637	
27,975,000	-	34,849,100	483,121	69,039,619	951,319,134	7.26%	39,906	1,730	
22,050,000	9,377,072	34,916,575	1,088,303	72,567,293	910,148,810	7.97%	39,670	1,829	
23,325,000	10,465,302	31,478,900	1,182,983	71,931,415	960,563,170	7.49%	39,319	1,829	
24,555,000	11,503,532	17,334,483	1,273,277	60,715,789	868,106,826	6.99%	38,967	1,558	
25,740,000	12,491,762	8,724	1,359,387	46,027,405	827,014,528	5.57%	38,776	1,187	

CITY OF FINDLAY, OHIO

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

Year	General Obligation Bonds	Special Assessment Bonds	Total	Percentage of Actual Taxable Value of Property	Per Capita
2008	\$ 10,610,000	\$ 106,185	\$ 10,716,185	0.46%	\$ 264
2007	2,765,000	165,205	2,930,205	0.12%	72
2006	3,110,000	288,875	3,398,875	0.13%	84
2005	3,440,000	434,045	3,874,045	0.15%	97
2004	3,780,000	384,765	4,164,765	0.16%	104
2003	3,990,000	443,635	4,433,635	0.18%	111
2002	3,305,000	510,300	3,815,300	0.15%	96
2001	3,645,000	504,000	4,149,000	0.16%	106
2000	4,140,000	561,500	4,701,500	0.21%	121
1999	4,665,000	397,500	5,062,500	0.22%	131

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

CITY OF FINDLAY, OHIO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2008

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
City of Findlay	\$ 10,785,000	100.00% (1)	\$ 10,785,000
Findlay City School District	-	0.00%	-
Liberty-Benton Local School District	2,013,427	15.28%	307,652
Van Buren Local School District	8,355,000	33.98%	2,839,029
Overlapping debt:			
Hancock County	4,344,000	53.96%	2,344,022
Hancock County Park District	-	0.00%	-
Total direct and overlapping debt	<u>\$ 25,497,427</u>		<u>\$ 16,275,703</u>

Source: Ohio Municipal Advisory Council

(1) The City has no General Obligation Debt which is supported by general property tax receipts.

CITY OF FINDLAY, OHIO

LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

Fiscal Year	Debt Limit (1)	Total Net Debt Applicable to Limit	Debt Service Available Balance	Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2008	\$ 86,511,948	\$ 10,610,000	\$ 78,008	\$ 75,979,956	12.26%
2007	85,144,308	2,765,000	160,697	82,540,005	3.25%
2006	89,304,658	3,110,000	199,170	86,393,828	3.48%
2005	90,522,984	3,440,000	193,624	87,276,608	3.80%
2004	93,185,684	3,780,000	181,545	89,587,229	4.06%
2003	85,086,049	3,990,000	257,291	81,353,340	4.69%
2002	86,113,010	3,305,000	146,493	82,954,503	3.84%
2001	86,450,368	3,645,000	103,115	82,908,483	4.22%
2000	79,029,450	4,140,000	101,449	74,990,899	5.24%
1999	79,272,104	4,665,000	76,550	74,683,654	5.88%

Source: City financial records.

Note: Ohio Bond Law sets a limit of 10.5% for voted debt and 5.5% for unvoted debt.

(1) Beginning in 2007, the debt limit excludes the assessed valuation of tangible personal property tax, as well as railroad and telephone public utility personal property in accordance with Ohio House Bill 530.

CITY OF FINDLAY, OHIO

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Year	Population (1)	Personal Income	Per Capita Personal Income (2)	Unemployment Rates (3)		
				Hancock County	Ohio	United States
2008	40,623	\$ 1,031,539,839	\$ 25,393	5.8%	6.6%	5.8%
2007	40,515	1,058,697,465	26,131	4.6%	5.6%	4.6%
2006	40,372	1,034,451,756	25,623	4.4%	5.5%	4.6%
2005	40,135	999,682,580	24,908	4.9%	5.9%	5.1%
2004	40,114	965,423,638	24,067	5.1%	6.2%	5.5%
2003	39,906	951,319,134	23,839	5.2%	6.2%	6.0%
2002	39,670	910,148,810	22,943	4.4%	5.7%	5.8%
2001	39,319	960,563,170	24,430	3.7%	4.4%	4.7%
2000	38,967	868,106,826	22,278	3.3%	4.0%	4.0%
1999	38,776	827,014,528	21,328	2.8%	5.0%	4.8%

Sources:

- (1) Calculated as a percentage of total County population based upon 2002 census data.
- (2) Information obtained through Bureau of Economic Analysis and U.S. Department of Commerce
- (3) Information obtained through Ohio Job & Family Services, Office of Workforce Development

CITY OF FINDLAY, OHIO

PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

Employer	December 31, 2008		
	Employees	Rank	Percentage of Total City Employment
Blanchard Valley Regional Health Center	1,981	1	17.41%
Cooper Tire & Rubber Company	1,832	2	16.10%
Whirlpool Corporation	1,800	3	15.82%
Marathon Oil Company	1,565	4	13.76%
Findlay City Schools	818	5	7.19%
Nissan Brake	792	6	6.96%
Lowe's Distribution Center	729	7	6.41%
University of Findlay	668	8	5.87%
Hancock County	605	9	5.32%
Wal-Mart Stores	586	10	5.15%
Total	11,376		100.00%

Employer	December 31, 1999		
	Employees	Rank	Percentage of Total
Cooper Tire & Rubber Company	1,942	1	19.54%
Whirlpool Corporation	1,813	2	18.24%
Blanchard Valley Regional Health Center	1,214	3	12.21%
Marathon Oil Company	1,016	4	10.22%
Kohl's Distribution Center	861	5	8.66%
Findlay City Schools	750	6	7.55%
Findlay Industries	617	7	6.21%
Hancock County	585	8	5.89%
Findlex Corporation	574	9	5.77%
Intersil Corporation	568	10	5.71%
Total	9,940		100.00%

Source: City Auditor's Office Contacted Businesses

CITY OF FINDLAY, OHIO

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

Function/Program	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General Government										
Mayor	2	2	2	3	4	3	3	3	3	3
Council	11	11	11	11	11	11	11	11	11	11
Civil Service	4	4	4	4	4	4	4	4	4	4
Safety Director	2	2	2	2	2	1	1	1	1	1
Building Maintenance	3	3	1	1	2	2	2	2	2	1
Service Director	1	1	0	2	1	2	2	2	2	2
Auditor	5	5	5	6	5	5	4	4	4	4
Treasurer	1	1	1	1	1	1	1	1	1	1
Computer Services	4	3	3	3	4	4	4	4	4	3
City Income Tax	4	5	5	5	5	4	4	5	4	4
Law Director	6	6	6	6	6	5	5	5	5	5
Municipal Court	21	17	17	18	16	18	17	18	18	18
Cemetery	5	4	2	4	4	4	5	6	7	5
Security of Persons and Property										
Police	72	72	70	73	74	70	74	73	70	68
Fire	75	75	71	74	73	72	73	74	74	72
School Police	3	3	4	4	4	6	7	12	11	8
Fire Clerks	2	2	1	1	1	1	1	1	1	1
Police Clerks	7	7	7	6	6	5	5	6	6	6
Dispatch	11	11	10	11	9	10	11	11	9	8
Parking	1	1	2	2	1	2	2	2	2	2
Community Environment										
Engineering	14	12	13	14	12	12	12	15	17	15
Zoning	2	2	1	1	2	3	4	3	3	3
Health	14	14	14	13	13	13	13	12	10	9
Streets	29	27	25	25	24	24	28	27	29	25
Lights	4	5	5	5	5	5	5	5	5	5
NEAT	1	1	1	1	0	0	0	0	0	0
Leisure Time Activity										
Parks	9	9	11	9	9	9	8	10	8	7
Hancock Recreation Center	14	11	6	9	15	13	0	0	0	0
Recreation	16	7	4	2	3	3	3	3	3	8
Pool	12	9	10	13	12	11	12	12	10	11
Utility Services										
Sewer Maintenance	14	14	14	14	14	13	14	14	12	12
Water Pollution Control	18	18	17	16	18	19	17	19	21	20
Water Treatment	17	18	18	19	20	19	15	21	22	20
Water Distribution	15	15	15	15	15	16	16	15	16	16
Utility Billing	10	9	8	10	9	9	9	9	9	9
Service Department	1	1	1	2	2	2	1	2	2	2
Airport	5	5	5	5	5	6	6	6	6	6
Total	435	412	392	410	411	407	399	418	412	395

Source: City of Findlay records

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee.

CITY OF FINDLAY, OHIO

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2008	2007	2006	2005
General Government				
Auditor's Office				
Purchase orders issued	4,295	4,517	3,949	4,039
Checks issued	8,062	7,847	7,609	7,891
Computer Services				
Computers maintained	284	265	258	247
City website hits	363,185	313,518	263,781	188,533
Cemetery				
Number of internments	157	159	216	213
Graves sold	69	113	336	125
Safety Services				
Municipal Court				
Cases filed	15,213	16,112	18,791	18,396
Arraignments	10,902	11,782	14,326	14,553
Jury trials	1	1	95	55
Police				
Charges from arrests	2,186	2,687	2,961	2,590
Parking violations	4,235	6,914	6,914	10,835
Traffic violations	3,743	6,838	4,478	3,403
Fire				
Emergency responses/calls answered	1,759	2,003	1,734	1,628
Fires extinguished	226	200	160	192
Inspections conducted	536	472	752	558
Community Environment				
Health Department				
Food service licenses issued	419	434	415	414
Vaccinations given - Clinic	8,384	8,848	7,129	7,732
Births	1,117	1,145	1,082	1,084
Deaths	589	447	487	396
Plumbing inspection permits issued	338	480	586	692
Zoning				
New commercial permits issued	8	9	9	2
New residential permits issued	47	68	127	82
New industrial permits issued	0	0	1	1
Inspections conducted	635	250	1,032	812
Street				
Miles of street maintained	193.60	193.07	192.85	189.24
Pot holes repaired	135	160	76	151
Limbs removed	118	141	53	232
Visibility complaints received	20	22	11	11
Repairs to concrete	38	26	65	84

TABLE 19

2004	2003	2002	2001	2000	1999
3,948	3,971	4,129	3,999	3,913	3,591
7,839	7,912	7,737	7,967	7,795	7,249
237	235	228	208	188	161
140,620	45,752	39,167	25,697	14,973	5,175
235	224	170	201	217	212
148	136	150	136	343	184
17,661	23,021	25,545	26,388	23,946	23,715
14,366	23,063	26,617	26,857	23,711	23,855
27	82	58	62	54	96
3,301	3,178	3,170	6,021	6,245	8,599
9,748	11,099	11,840	10,645	8,776	11,345
4,885	5,112	4,430	5,847	4,860	5,886
1,437	1,028	902	799	721	776
218	177	252	149	158	191
581	667	654	512	725	507
376	363	380	409	536	525
7,793	7,628	7,430	8,177	7,813	8,593
1,019	981	1,000	1,020	1,036	1,055
453	455	421	473	471	490
726	678	791	788	712	812
10	13	10	4	8	10
99	147	139	122	132	128
0	0	0	1	6	5
3,779	3,136	3,095	2,465	2,737	2,578
188.05	182.63	179.77	179.29	177.40	176.60
199	N/A	N/A	N/A	N/A	N/A
253	N/A	N/A	N/A	N/A	N/A
19	N/A	N/A	N/A	N/A	N/A
79	N/A	N/A	N/A	N/A	N/A

CITY OF FINDLAY, OHIO

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

Function/Program	2008	2007	2006	2005
Leisure Time Activities				
Shade Tree				
Trees planted	240	125	132	155
Trees removed	230	200	265	260
Utility Services				
Water				
New connections	107	145	234	271
Water main breaks	73	77	69	89
Avg. daily consumption (MGD)	6.2500	6.5920	6.0150	6.3825
Sewer Maintenance				
Sewer calls	103	132	111	106
Feet of sanitary sewer cleaned	155,699	83,433	153,872	170,817
Catch basin repair	112	79	78	78
Airport				
Fuel sales - Jet A (in gallons)	146,335	210,151	249,610	243,063
Fuel sales - Octane (in gallons)	23,942.5	24,619.3	27,250.9	31,905.6
Landing fees charged	124	127	181	173

Source: City of Findlay Department Directors

2004	2003	2002	2001	2000	1999
188	182	171	183	N/A	N/A
266	256	199	245	N/A	N/A
275	242	316	293	403	360
71	74	108	79	86	103
6.0820	6.1000	6.5267	6.4023	6.5356	6.7393
100	100	122	151	176	152
173,954	173,954	115,925	129,423	175,697	162,307
99	99	95	112	88	96
246,298	231,357	248,177	291,715	346,796	339,471
26,736.9	27,939.3	33,040.7	26,655.5	31,455.6	30,587.4
2,684	2,905	2,455	3,244	3,809	9,445

CITY OF FINDLAY, OHIO

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2008	2007	2006	2005	2004	2003
Safety Services						
Police						
Stations	1	1	1	1	1	1
Patrol units	44	45	44	42	43	44
Fire						
Fire stations	4	4	4	4	4	4
Fire trucks	19	18	17	16	16	14
Community Environment						
Street						
Miles of street maintained	193.60	193.07	192.85	189.24	188.05	182.63
Traffic signals	96	95	94	94	93	85
Leisure Time Activities						
Parks and Recreation						
Number of parks	19	19	19	19	19	19
Number of ballfields	40	37	37	37	37	37
Number of soccer fields	25	25	25	25	25	25
Swimming pool	1	1	1	1	1	1
Ice Rink	1	1	1	1	1	1
Utility Services						
Water						
Water mains (miles)	306.12	302.19	289.2	285.19	288.36	285.19
Number of hydrants	2,354	2,333	2,279	2,180	2,142	2,052
Storage capacity (BG)	6.4	6.4	6.4	6.4	6.4	6.4
Water treatment plants	1	1	1	1	1	1
Sewer Maintenance						
Sanitary sewers (miles)	290.64	301.41	299.64	276.71	279.03	276.71
Sewage treatment plants	1	1	1	1	1	1
Airport						
Number of runways	2	2	2	2	2	2

Source: City of Findlay Department Directors

TABLE 20

2002	2001	2000	1999
1	1	1	1
41	37	34	34
4	4	4	4
12	12	11	11
179.77	179.29	177.40	176.60
85	77	72	71
17	17	17	17
33	28	28	28
23	26	21	21
1	1	1	1
0	0	0	0
280.91	277.09	266.85	259.16
1,994	1,946	1,888	N/A
6.4	6.4	6.4	6.4
1	1	1	1
268.93	265.64	261.41	257.46
1	1	1	1
2	2	2	2

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Mary Taylor, CPA
Auditor of State

CITY OF FINDLAY
HANCOCK COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JULY 2, 2009