

Ohio's cities and counties can be alerted to heightened fiscal stress with the Auditor of State's new

FINANCIAL HEALTH INDICATORS



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FINANCIAL HEALTH INDICATORS

A message from the Auditor



One of my responsibilities as Auditor of State is placing financially troubled communities or school districts in fiscal distress. Candidly, I have mixed emotions any time a fiscal emergency is declared. While our office excels at helping entities identify pathways to financial stability, there is an undeniable psychological impact anytime a local government is declared to be distressed.

Having been a county official, I learned firsthand that factors beyond a local official's control can wreak havoc on a budget. Funding reductions from either the state or federal governments can destroy a budget, as can the departure of a large employer.

Shortly after taking office as state Auditor in 2011, I noticed some communities were struggling and, barring a course correction, would end up in fiscal emergency. My office needed to devise a way to help communities avoid going over a fiscal cliff instead of resuscitating them after they crashed at the bottom.

After years of work, we have developed a tool that will help city and county officials better predict the financial stability of their communities and make well-informed decisions. The tool uses data supplied by cities and counties to identify those predisposed to fiscal stress. Once identified, our team can help cities and counties develop a plan to improve their condition.

In a nutshell, the indicators focus on key financial data points to determine whether an entity is improving or worsening and to what degree. Those data points, or financial health indicators, collectively tell us whether problems lie ahead.

I am excited at the potential benefit this tool will bring to the 247 cities and 88 counties in our state. In a perfect world, we'd never again need to declare another entity in fiscal distress.

Sincerely,

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

Dave Yost
Auditor of State

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FINANCIAL HEALTH INDICATORS

An overview

Local officials cannot control whether government leaders at the federal or state levels make policy changes that impact their annual revenues, such as the elimination of the Homestead Property Tax Rollback reimbursement, reductions in the Local Government Fund and the elimination of the Estate Tax. Local officials also cannot control when a major employer decides to shutter a plant and eliminate the income taxes that it generates for the community.

Despite the unpredictability of local revenues, most city and county officials in Ohio have performed well in navigating the sometimes choppy waters of local finances.

A comprehensive analysis of the financial health of Ohio's 88 counties and 247 cities determined a small percentage of them have a significant number of financial indicators which suggest fiscal stress. These indicators use financial data cities and counties report to the Auditor of State and their audit reports. Collectively, the 17 indicators provide a snapshot of an entity's fiscal

By the numbers

CITIES

275

Total number of "critical" indicators for cities

518

Total number of "cautionary" indicators for cities

217

Total number of cities with at least one "critical" or "cautionary" indicators

COUNTIES

36

Total number of "critical" indicators for counties

132

Total number of "cautionary" indicators for counties

70

Total number of counties with at least one "critical" or "cautionary" indicator

stress based on a historical analysis of cities and counties that have been declared in fiscal crisis.

Having a high number of indicators which suggest fiscal stress does not mean a community will fall into fiscal emergency, nor does it mean local officials have failed to properly manage their finances. It does mean, however, that barring a course correction, the finances of these entities are such that the community has a high probability of being declared in a state of fiscal emergency by the Auditor in the future.

Because the data used in this report are retrospective, it is important to note this report does not take into account the impact of the elimination of the Medicaid

sales tax. Based on 2015 state figures, the average county is prepared to lose 7.5 percent of its sales tax collections – and some counties will see losses greater than 10 percent in sales tax revenues, an increasingly important revenue source for counties. The impact of these losses will undoubtedly generate additional indicators of fiscal stress.

FINANCIAL HEALTH INDICATORS

Preface

For the past several years, staff in the Ohio Auditor of State's office has been developing a tool that will help city and county officials better predict the financial stability of their communities and make well-informed decisions. It will also provide citizens and state officials with meaningful, easy-to-understand insight when they consider actions that financially impact cities and counties throughout Ohio.

Through newly created Financial Health Indicators (FHI), which are generated using data from financial statements submitted annually to the Ohio Auditor of State's office and their audit reports, cities and counties predisposed to fiscal stress will be identified and allow the Auditor's staff, upon request, to provide support to those potentially at risk.



**The Auditor
wanted to
utilize the best
indicators of an
entity's financial
stability ...**

The process began with research to identify other states that were using financial indicators for similar purposes. The states of Washington, New York and Michigan were studied, as was the Colorado school system. The goal was to learn from those experiences by understanding their processes and evaluating which indicators they chose to use.

Additionally, research from the Government Finance Review and the International City/County Management Association (ICMA), as well as other accounting literature, was examined to help identify ratios and other financial indicators that are proven predictors of financial stability. This research aided members of the Auditor's office in constructing Ohio's new FHI tool. While many useful financial ratios and indicators exist, the Auditor wanted to utilize the best indicators of an entity's financial stability that were also readily available from the financial statements and audit results of cities and counties.

A collection of financial information, percentages and ratios gathered from these financial statements was used to build a five-year history of data to generate up to 17 financial health indicators. It was determined the most beneficial and determinative method to test the proposed indicators would be on those cities and counties that were already placed in fiscal caution, watch or emergency. In each of those cases, the new financial indicators were applied using data for the years prior to their fiscal distress. From this, a clearly identifiable trend of increasing fiscal stress emerged. Had the FHI tool been in place at that time, those entities could have requested assistance from the Ohio Auditor of State two to three years prior

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FINANCIAL HEALTH INDICATORS

Preface (continued)

to their financial stress worsening and being placed in fiscal caution, watch or emergency.

These FHI trends helped establish benchmarked criteria needed to determine a city's or county's financial outlook. Using averages based on five years of historical information from all Ohio counties and cities, benchmarks were set for "critical outlook" and "cautionary outlook," which are reflected in each entity's report with the colors red and yellow, respectively.

In analyzing how the FHI would be reflected in those entities already in fiscal distress (fiscal caution, watch or emergency), staff determined that all of these entities scored poorly in at least nine of the 17 indicators, and all had at least six indicators with "critical outlook" or red scores. And when the FHI were analyzed using financial data for those distressed communities two to three years before their conditions worsened, all of the entities scored poorly in at least eight of the indicators, with all having a combination of eight "critical" and "cautionary" indicators.

The benefit of identifying the stress indicators early is for communities to take a proactive approach in dealing with their areas of financial stress.

No individual financial indicator is of use in identifying overall fiscal stress or predicting that an entity will fail. While individual indicators do point to specific areas of concern, the indicators should be considered together to obtain an insight as to whether or not an entity is experiencing the early signs of fiscal stress.

The FHI will be updated twice a year. The first update occurs when a city or county submits its financial reports to the Auditor's office via the Hinkle System. At that time, a preliminary FHI report will be generated. Once the financial data is audited and necessary adjustments are made, a final report will be generated.



And when the FHI were analyzed using financial data for those distressed communities two to three years before their conditions worsened, all of the entities scored poorly in at least eight of the indicators, with all having a combination of eight "critical" and "cautionary" indicators.

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FINANCIAL HEALTH INDICATORS

How to read the indicators

2015 Financial Health Indicators at a Glance:



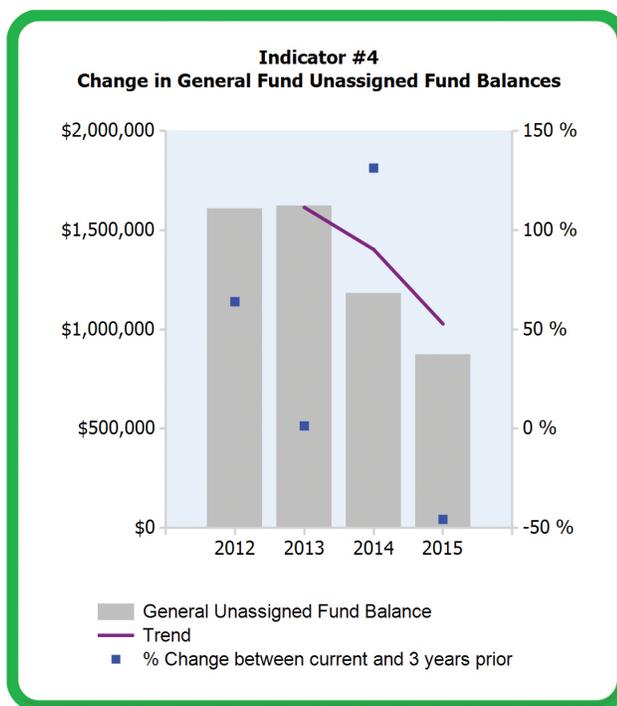
Critical Outlook Financial Health Indicators: 2
 Cautionary Outlook Financial Health Indicators: 4

● Critical ● Cautionary ● Positive

Each indicator is a reflection of different financial information. For ease of understanding each indicator, it is best to begin by reading the description of the indicator and why it is important. Before analyzing the graphic, it is helpful to read the requirements of the “critical outlook” and “cautionary outlook” to understand what is being reflected in each indicator. They sometimes can be challenging because multiple data points are typically needed to illustrate what the indicator is measuring.

For example, Indicator # 4 for this entity has been given a “positive outlook.” In order to be reflected “cautionary,” there must be a decline each year during the past three years, AND the decline has to be between 10% and 20%. There are two ways to be reflected a “critical outlook”: The current period and at least two of the previous three periods reflecting a zero or negative amount OR a rapidly declining trend defined as a decline in each of the last three periods with a drop of greater than 20%.

Indicator #4 - Positive Outlook



Defining the indicators

According to Ohio law, the Auditor of State must “develop guidelines for identifying fiscal practices and budgetary conditions, amongst municipal corporations, counties, and townships that, if uncorrected, could result in a future declaration of fiscal watch or emergency.”



Pursuant to Ohio Revised Code Section 118.025, the Auditor of State may declare an entity in fiscal caution for engaging in certain fiscal practices or budgetary conditions. In addition to these fiscal caution guidelines, the Auditor of State has developed Financial Health Indicators (FHI). FHI are a collection of financial information, percentages and ratios gathered from annual financial statements filed by the local governments and their audit reports, which are useful in predicting financial stability.

The Auditor of State will use these FHI to recognize early signs of fiscal stress at specific local governments and, where requested, take a proactive approach to monitoring or assisting these local governments.

Seventeen FHI have been identified as useful in determining signs of fiscal stress. The FHI are based on information derived from the annual financial statement data submitted to the Auditor of State by local governments and their audit reports.

From the financial statement data, our staff gathers information as it relates to:

Governmental Type Activities (GTA)

The financial information for Governmental Type Activities is from the government-wide financial statements — Statement of Net Assets/Position and Statement of Activities.

General Fund and All Governmental Funds

General Fund and All Governmental Fund information is from the govern-

mental fund type financial statements — Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances.

From the audit reports, the Auditor’s staff gathers information as to whether the entity is complying with Ohio budgetary law and/or proper accounting methods.

The Auditor of State has evaluated the 17 FHI as useful in identifying fiscal stress in local governments that report financial statements prepared in conformity with Generally Accepted Accounting Principles (GAAP). For local governments that choose to present their financial statements on cash or modified cash basis of accounting, it has been determined that at least 15 of the FHI are useful in identifying fiscal stress.

Using historical data, the Auditor of State has determined that entities reporting on a **GAAP basis** have higher financial stress if they have at least six FHI with a “critical outlook” or if they have a combination of eight negative indicators, either “critical” and “cautionary.” The higher the number of “critical” indicators, the higher the level of stress.

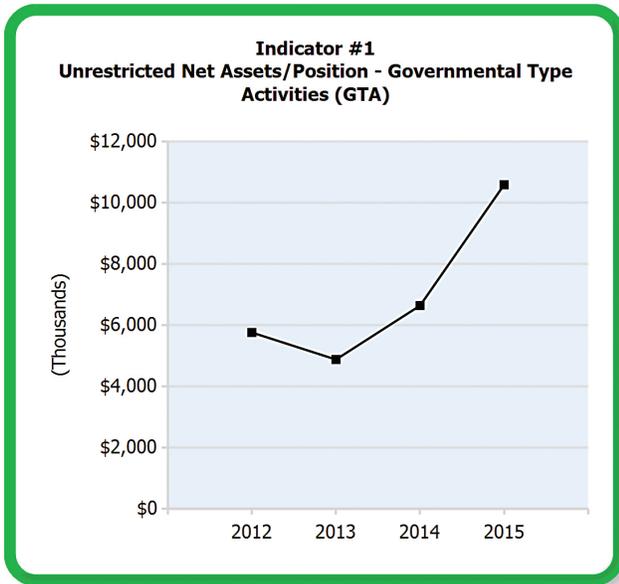
Using the same data, the Auditor of State determined entities reporting on a **cash or modified cash basis** of accounting are at an elevated risk of financial stress if they have at least four “critical” indicators or a combination of at least six “critical” and “cautionary” indicators. The stress is higher as the number of “critical” indicators increases.

FINANCIAL HEALTH INDICATORS

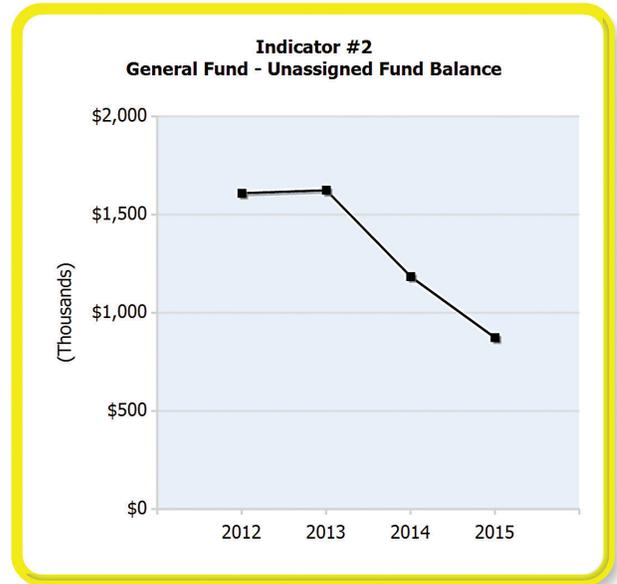
Description of indicators

The 17 FHI, including the description, meaning, and importance of each indicator, are:

Indicator #1 - Positive Outlook



Indicator #2 - Cautionary Outlook



1 Unrestricted Net Assets/Position of Governmental Type Activities (GTA)

- There are three (3) major components to net assets/position (equity) - Net investment in capital assets, restricted net assets/position, and unrestricted net assets/position.
- Unrestricted net assets/position represents the portion of net position that has no related liabilities or restriction as to use.
- Negative unrestricted net assets/position occurs primarily if liabilities exceed assets.

What it means: This indicator identifies when an entity has declining or negative unrestricted net assets/position.

Why it is important: This indicator identifies if net assets/position is available for unrestricted purposes. Although unrestricted net assets/position may not be in liquid form, it is important to have net assets/position available and unrestricted as to use. If an entity's unrestricted net assets/position is declining or is negative, it leaves little or no room for unexpected expenses; and therefore, is a sign of fiscal stress.

Critical Outlook – Zero or negative amounts

Cautionary Outlook – Decline between the current and prior year by more than 1%.

2 Unassigned Fund Balance of the General Fund

- A component of equity
- There are five components of fund equity – nonspendable, restricted, committed, assigned, and unassigned. Unassigned fund balance is the portion of fund balance that has no related liabilities or has not otherwise been obligated.

What it means: This indicator identifies when an entity has declining or negative unassigned fund balance.

Why it is important: This indicator identifies if fund balance is available for unrestricted purposes. Although unassigned fund balance may not be in liquid form, it is important to have fund balance available without restrictions as to use. If an entity's unassigned fund balance is declining or is negative, it leaves little or no room for unexpected expenses; and therefore, is a sign of fiscal stress.

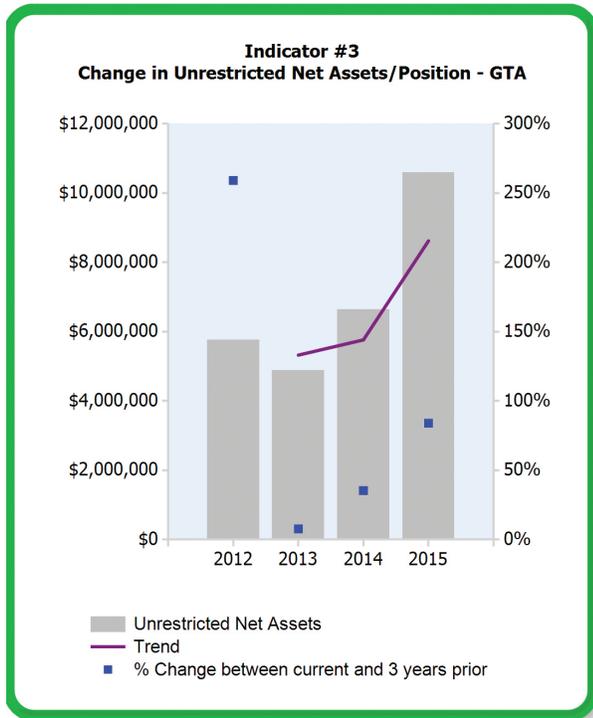
Critical Outlook – Zero or negative amounts

Cautionary Outlook – Decline between the current and prior year by more than 1%.

FINANCIAL HEALTH INDICATORS

Description of indicators

Indicator #3 - Positive Outlook



3 Change in Unrestricted Net Assets/Position for GTA

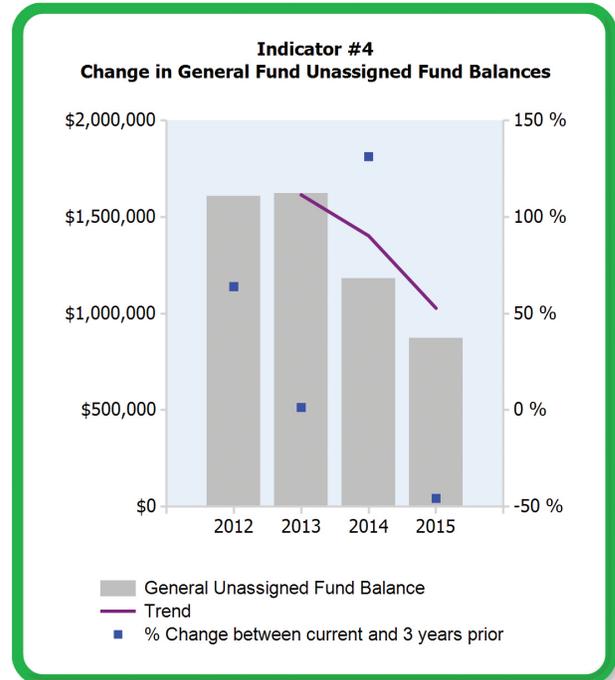
What it means: This indicator identifies changes (increases or decreases) in unrestricted net assets/position from the prior year to the current year and will be useful in identifying local governments whose unrestricted net assets/position is deteriorating.

Why it is important: A declining unrestricted net assets/position can be a sign of fiscal stress. This indicator is important in identifying a trend of deteriorating unrestricted net assets/position as well as how rapidly it is deteriorating.

Critical Outlook – The current period and at least two of the previous three periods reflecting a zero or negative amount OR a rapidly declining trend defined as a decline in each of the last three periods with a drop of greater than 20%.

Cautionary Outlook – Declining trend defined as a decline in each of the last three periods with a drop of 10% to 20%.

Indicator #4 - Positive Outlook



4 Change in General Fund Unassigned Fund Balance

What it means: This indicator identifies changes (increases or decreases) in unassigned fund balance from the prior year to the current year and is useful in identifying local governments whose unassigned fund balance is deteriorating.

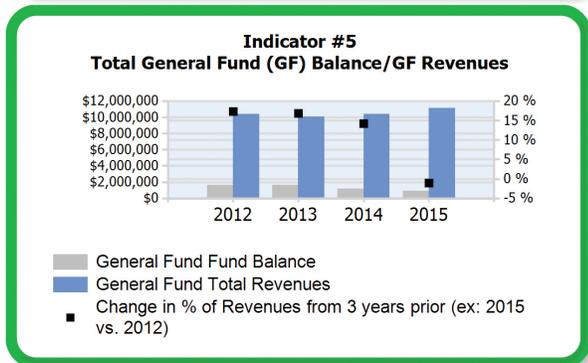
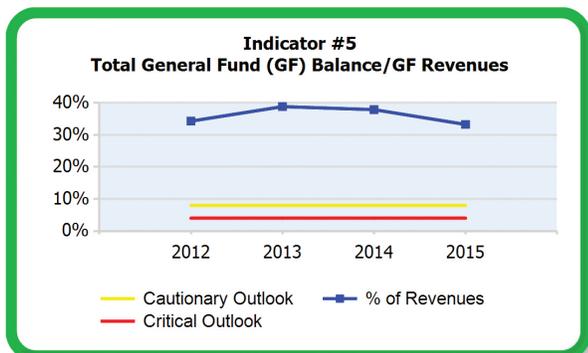
Why it is important: A declining unassigned fund balance can be a sign of fiscal stress. This indicator is important in identifying a trend of a deteriorating unassigned fund balance as well as how rapidly it is deteriorating.

Critical Outlook – The current period and at least two of the previous three periods reflecting a zero or negative amount OR a rapidly declining trend defined as a decline in each of the last three periods with a drop of greater than 20%.

Cautionary Outlook – Declining trend defined as a decline in each of the last three periods with a drop of 10% to 20%.

Description of indicators

Indicator #5 - Positive Outlook



5 Total General Fund (GF) Balance / GF Revenues

What it means: This indicator identifies reserves available in the General Fund. The larger the reserve the better the entity is able to absorb, in the short term, the impact of sudden revenue loss or significant increases in operating costs, and begin planning financial adjustments.

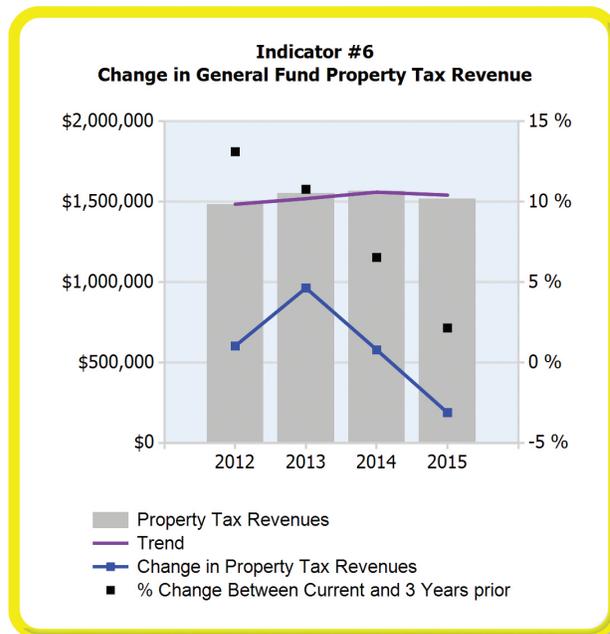
This indicator is calculated by taking the total General Fund balance divided by total General Fund revenues. This will determine the percentage of total General Fund revenues (or the current year budget) that has been reserved or available for carry over to the following year.

Why it is important: This indicator identifies a low reserve of fund balance even if Indicators 1 through 4 do not indicate negative unrestricted net assets/position or unassigned fund balance.

Critical Outlook – Negative percentage, very low percentage (< 1/24 or 4%), OR if fund balance is less than a two month carryover (17%), a rapidly declining trend defined as a drop of 10% or greater over a three year period.

Cautionary Outlook – Low percentage (< 1/12th or 8%) OR if fund balance is less than a two month carry-over (17%), a declining trend defined as a drop of 5%-10% over a three year period, OR if the fund balance represents less than 6 months (50%) of current year revenues, a decline in each of the last three periods.

Indicator #6 - Cautionary Outlook



6 Decline in General Fund Property Tax Revenue

What it means: This indicator reflects the percentage change from year to year for property tax revenue.

Why it is important: This indicator reflects declines in property tax revenue and is an indication that an entity may be facing financial hardship due to declines in significant revenue sources. It will also reflect the need for additional sources of revenue to maintain stability.

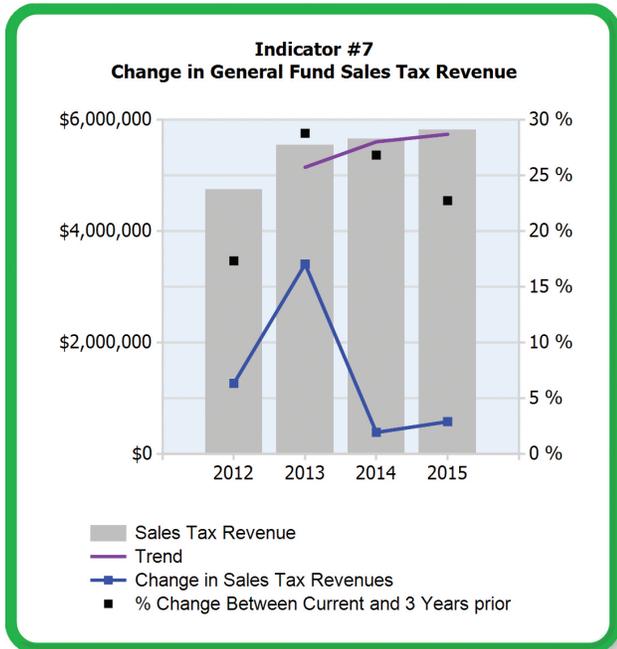
Critical Outlook – If property tax revenues represent 7-20% of total General Fund revenues, a trend of declining tax revenue over the last three years in excess of 20% OR if property tax revenues represent greater than 20% of total revenues, a trend of declining tax revenue over the last 3 years in excess of 10%.

Cautionary Outlook – Decrease in tax revenue from the current to the prior year by more than 1%.

FINANCIAL HEALTH INDICATORS

Description of indicators

Indicator #7 - Positive Outlook



7 Decline in General Fund Tax Revenue (Income Tax/Cities, Sales Tax/Counties)

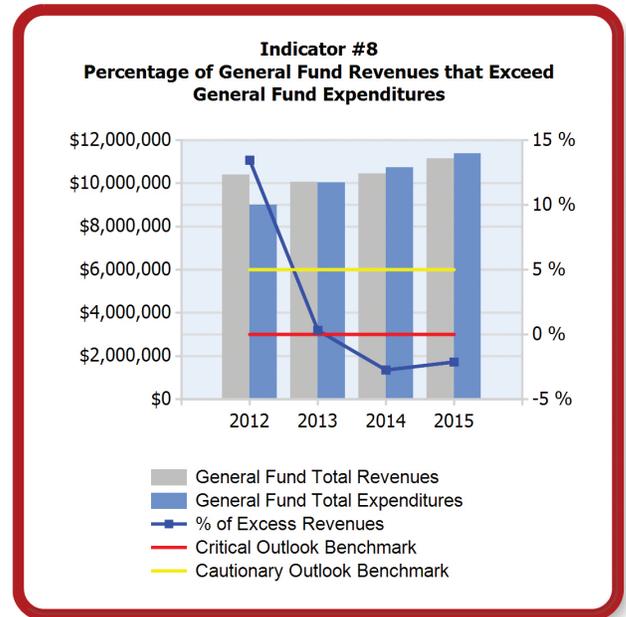
What it means: This indicator reflects the percentage change from year to year for sales tax revenue for counties and income tax revenue for cities.

Why it is important: This indicator reflects declines in these revenue types and is an indication that an entity may be facing financial hardship due to declines in significant revenue sources. It will also reflect the need for additional sources of revenue to maintain stability.

Critical Outlook – If income tax or sales tax revenues represent 7-20% of total General Fund revenues, a trend of declining tax revenue over a three year period in excess of 20% OR if income tax or sales tax revenues represent greater than 20% of total general fund revenues, a trend of declining tax revenue over the last 3 years in excess of 10%.

Cautionary Outlook – Decrease in tax revenue from the current to the prior year by more than 1%.

Indicator #8 - Critical Outlook



8 Percentage of General Fund Revenues that Exceed General Fund Expenditures

What it means: This indicator is calculated as total General Fund revenues less total General Fund expenditures, divided by total General Fund revenues. It will provide an indication of operating deficits and the size of the operating deficit compared to the current year budget. An operating deficit is the difference between revenues and expenditures. If expenditures exceed revenues, an operating deficit exists.

Why it is important: This indicator is important because it reflects if an operating deficit exists but also emphasizes the size of the deficit as compared to the current year's budget. This is an indication of the shortage in the current budget. A trend of operating deficits indicates potential financial hardship.

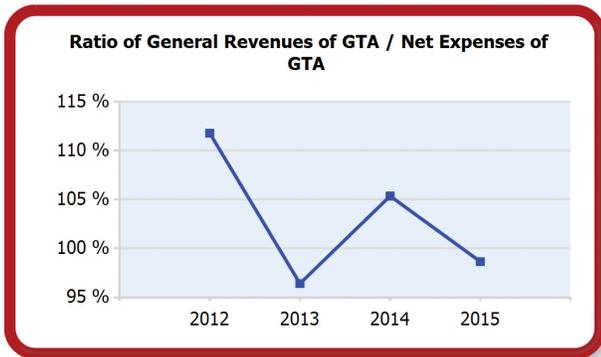
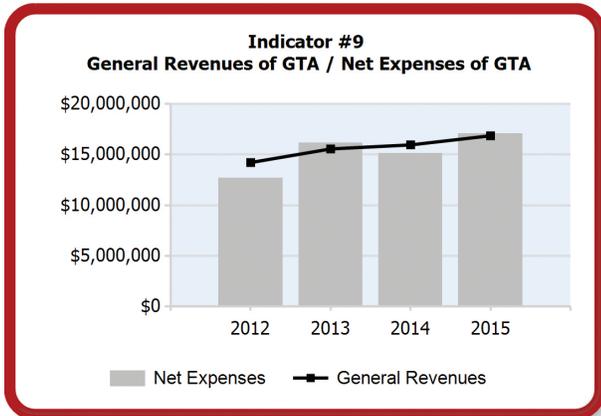
Critical Outlook – Negative percentage

Cautionary Outlook – Low percentage (<1/20th or 5%)

FINANCIAL HEALTH INDICATORS

Description of indicators

Indicator #9 - Critical Outlook



9 General Revenues of GTA / Net Expenses of GTA

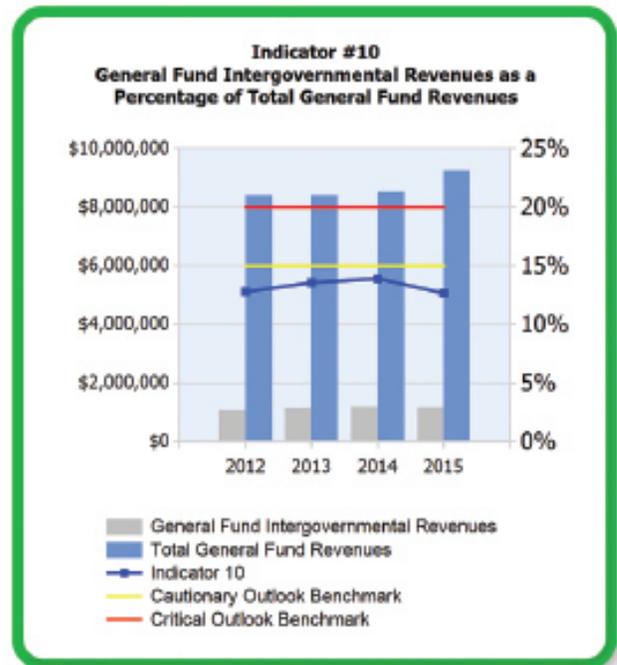
What it means: The ratio of this indicator reflects coverage of net expenses by general revenues. This indicator determines if, on a government-wide basis, expenses are exceeding revenues. For example, local taxes, unrestricted revenues (e.g. investment earnings) and unrestricted grants should be sufficient to meet expenses not covered by program revenues. Net expense is total expense less program revenues. Program revenues include charges for services (e.g. fees and fines), operating grants and capital grants.

Why it is important: This indicator is important to be aware if a shortage in revenues to cover expenses exists. A declining trend would indicate fiscal stress.

Critical Outlook – Ratio less than 100%

Cautionary Outlook – Declining trend of at least three years

Indicator #10 - Positive Outlook



10 General Fund Intergovernmental Revenues as a Percentage of Total General Fund Revenues

What it means: This indicator will reflect an over-reliance on intergovernmental revenues which are subject to state and federal budget cuts. A high percentage suggests the entity is heavily reliant on external governmental organizations for grants, entitlements, or shared revenues; and therefore, vulnerable to decreases in these revenue sources.

Why it is important: It is important to be aware of the percentage of total revenues that are not considered “own-source,” or local sources, of revenue. Understanding the percentage of total revenues derived from intergovernmental sources is important when trying to maintain fiscal stability, while dealing with an economic downturn.

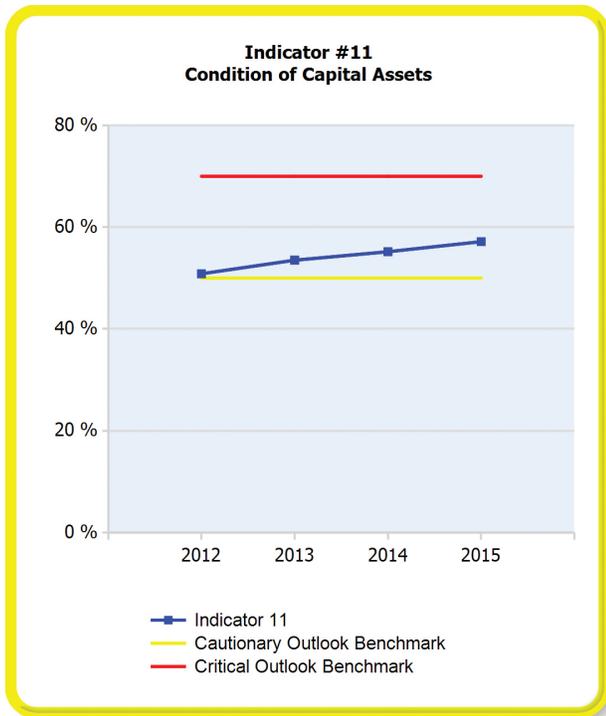
Critical Outlook – Ratio greater than 20%

Cautionary Outlook – Ratio between 15% - 20%

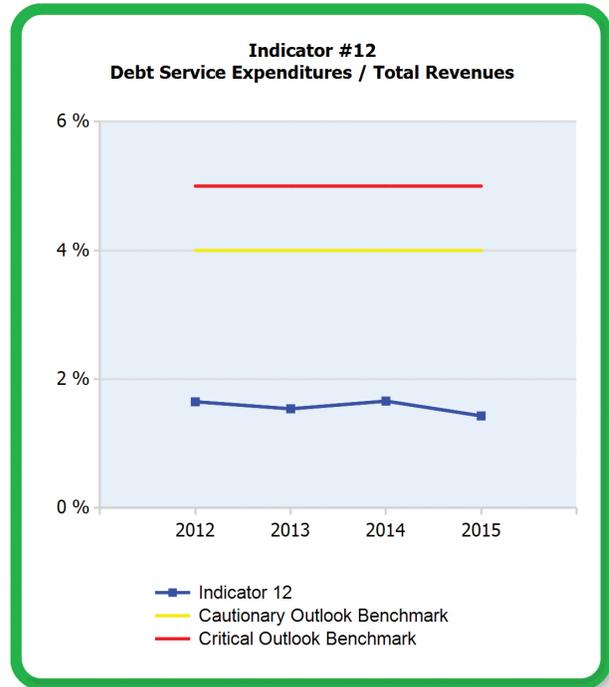
FINANCIAL HEALTH INDICATORS

Description of indicators

Indicator #11 - Cautionary Outlook



Indicator #12 - Positive Outlook



11 Condition of Capital Assets*

What it means: This indicator is accumulated depreciation as a percentage of depreciable capital assets. This indicator will identify situations in which repair or replacement of the local government's assets will be necessary. A high percentage indicates assets replacement is imminent and the entity may be delaying replacement of assets or significant repairs for cash flow purposes.

Why it is important: When entities delay improving or replacing assets in order to maintain cash flows for other purposes, improvements and replacements become absolutely necessary and may contribute to financial hardship on an already strained budget.

Critical Outlook – Ratio greater than 70%

Cautionary Outlook – Ratio between 50% - 70%

*This FHI is only applicable to local governments reporting on a GAAP basis of accounting

12 Debt Service Expenditures / Total Revenues

What it means: This indicator is total debt service expenditures divided by total revenues (for all governmental funds). This indicator identifies the percentage of the budget used/needed for repayment of debt.

Why it is important: Higher debt service expenditures to total revenues is unfavorable since the entity spends more of its current budget on debt repayment. An increasing trend of debt service expenditures to total revenues may mean the percentage of budget dedicated to debt payments is increasing; and therefore, less revenue will be available for asset repair/replacement or meeting current service demands.

For Cities:

Critical Outlook – Ratio greater than 15%

Cautionary Outlook – Ratio between 12% - 15%

For Counties:

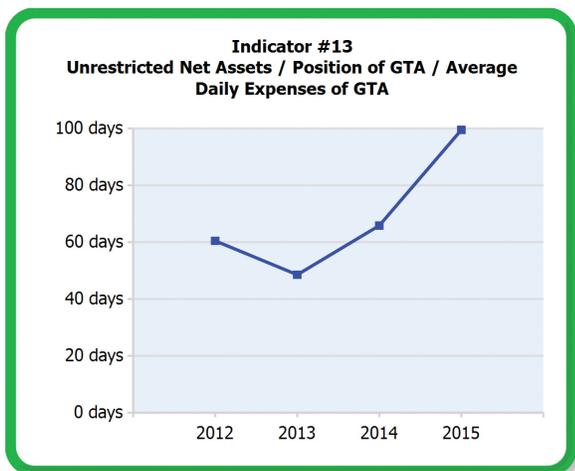
Critical Outlook – Ratio greater than 5%

Cautionary Outlook – Ratio between 4% - 5%

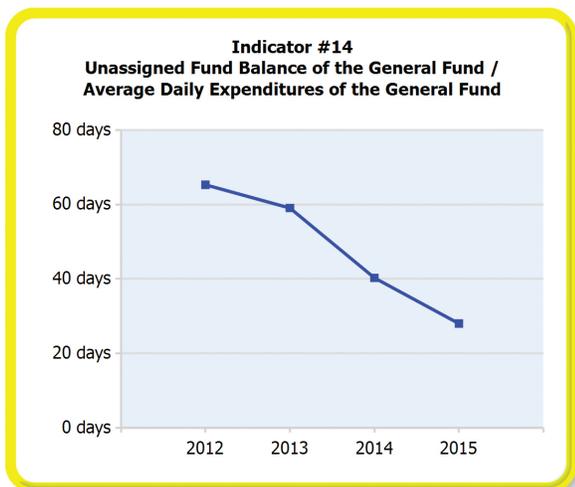
FINANCIAL HEALTH INDICATORS

Description of indicators

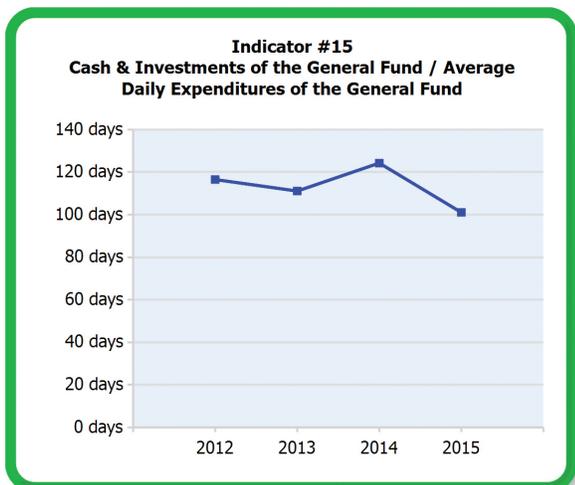
Indicator #13 - Positive Outlook



Indicator #14 - Cautionary Outlook



Indicator #15 - Positive Outlook



13 13-15. Average Daily Expenses or Expenditures Ratio (Indicators 13, 14 & 15):

13. Unrestricted Net Assets/Position of GTA/Average Daily Expenses of GTA

14 14. Unassigned Fund Balance of the General Fund/Average Daily Expenditures of the General Fund

15 15. Cash & Investments of the General Fund/Average Daily Expenditures of the General Fund

What they mean: Indicators 13, 14 and 15 identify the number of days the local government’s unrestricted net assets/position, unassigned fund balance, and cash and investments will sustain the entity. The indicators are based on the daily average expenses/expenditures.

Why it is important: These indicators are important because they identify the number days the entity may operate using their unrestricted net assets/position, unassigned fund balance, and cash and investments. The fewer days the entity can operate, the more financial stress they are under. It provides an early indication of an entity’s need to adjust their financial/expenditure planning.

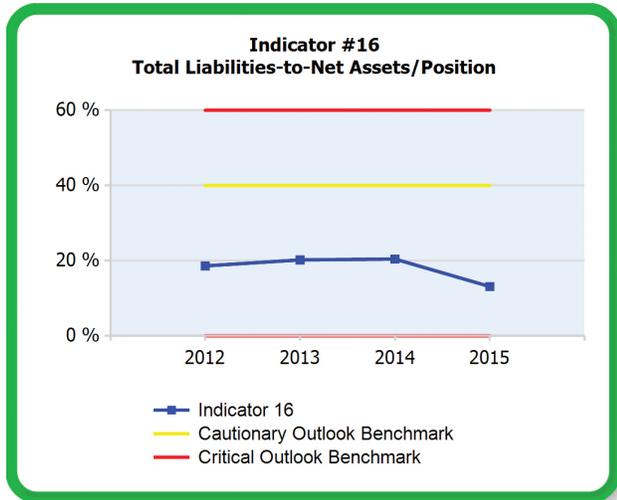
Critical Outlook – Zero days or below

Cautionary Outlook – Less than 30 days

FINANCIAL HEALTH INDICATORS

Description of indicators

Indicator #16 - Positive Outlook



16 Total Liabilities-to-Net Assets/Position*

What it means: This indicator is the ratio of total liabilities of GTA divided by total net assets/position of GTA and indicates the percentage of every dollar of resources, available for providing public services, that is owed by the entity.

Why it is important: This indicator identifies entities that are over-extended in terms of the percentage of every dollar which is owed to others.

For Cities:

Critical Outlook – Negative ratio (representing negative net assets) OR ratio greater than 70%

Cautionary Outlook – Ratio between 50% - 70%

For Counties:

Critical Outlook – Negative ratio (representing negative net assets) OR ratio greater than 60%

Cautionary Outlook – Ratio between 40% - 60%

* This FHI is only applicable to local governments reporting on a GAAP basis of accounting

Indicator #17 - Positive Outlook

Audited Year End	Applicable
2015	No
2014	No
2013	No
2012	No

17 Budgetary Non-Compliance and/or Unreconciled/Unauditable Financial Records

What it means: This indicator identifies if an entity's recent audit reports include budgetary non-compliance and/or unreconciled/unauditable financial records. The Indicator 17 determination is based on the current and prior two (2) audited years.

Why it is important: This indicator will reflect if an entity is not complying with Ohio budgetary law and/or proper accounting methods. Maintaining accurate, reconciled accounting records and adherence to Ohio budgetary law is a significant factor in maintaining fiscal stability.

Critical Outlook – Direct and material audit finding(s) described above for the current and prior two audit years.

Cautionary Outlook – Direct and material audit finding(s) described above for the current audited year.

FINANCIAL HEALTH INDICATORS

County Heat Map

Each city and county has up to 17 financial health indicators in its individual report. When viewed collectively, the indicators sometimes show areas where all entities fare well or are challenged. All of Ohio's 88 counties' 2015 reports are represented on these two pages. To view this online, please visit www.ohioauditor.gov/fhi.

66 GAAP entities

Customer Name	# 1	# 2	# 3	# 4	# 5	# 6	# 7	# 8	# 9	# 10	# 11	# 12	# 13	# 14	# 15	# 16	# 17	# of Critical	# of Cautionary	Filing Status
Allen County																		0	3	Preliminary
Ashland County																		1	2	Final
Ashtabula County																		0	0	Final
Athens County																		1	4	Final
Auglaize County																		1	2	Final *
Belmont County																		0	2	Final
Butler County																		4	1	Final
Carroll County																		0	3	Final
Clark County																		0	2	Final
Clermont County																		0	1	Final
Clinton County																		0	0	Preliminary *
Columbiana County																		0	0	Incomplete Data
Coshocton County																		2	4	Final *
Crawford County																		0	1	Final
Cuyahoga County																		4	2	Final
Defiance County																		0	3	Final
Delaware County																		0	1	Final
Erie County																		1	2	Final
Fairfield County																		0	1	Final
Franklin County																		0	0	Final
Fulton County																		0	1	Final
Gallia County																		0	1	Final
Geauga County																		0	2	Final
Greene County																		0	0	Final
Hamilton County																		2	1	Final *
Hancock County																		0	0	Final
Henry County																		1	2	Final
Hocking County																		0	5	Final *
Holmes County																		0	2	Final
Huron County																		0	1	Final
Jefferson County																		2	1	Final
Knox County																		0	1	Final
Lake County																		0	0	Final
Licking County																		0	1	Final
Logan County																		0	1	Final
Lorain County																		0	4	Final
Lucas County																		0	1	Final
Mahoning County																		1	5	Final *
Marion County																		0	0	Final
Medina County																		0	3	Final
Miami County																		0	1	Final
Monroe County																		0	0	Final
Montgomery County																		0	3	Final
Morrow County																		0	3	Final
Muskingum County																		0	1	Final
Noble County																		0	3	Final
Pickaway County																		1	0	Final
Pike County																		1	2	Preliminary
Portage County																		0	2	Final
Preble County																		0	0	Incomplete Data
Richland County																		0	2	Final *
Ross County																		0	1	Final
Sandusky County																		0	1	Final *
Scioto County																		0	0	Final
Seneca County																		0	0	Final
Shelby County																		0	1	Final
Stark County																		1	4	Final
Summit County																		0	1	Final
Trumbull County																		0	2	Final
Tuscarawas County																		0	1	Final
Union County																		0	4	Final
Van Wert County																		1	0	Final *
Warren County																		0	0	Final
Washington County																		0	1	Final
Wayne County																		0	1	Final
Wood County																		0	2	Final

22 cash or modified cash entities

Customer Name	# 1	# 2	# 3	# 4	# 5	# 6	# 7	# 8	# 9	# 10	# 11	# 12	# 13	# 14	# 15	# 16	# 17	# of Critical	# of Cautionary	Filing Status
Adams County	Green	Red	Red	Green	Black	Green	Green	Green	Green	Green	Green	2	3	Final						
Brown County	Green	Black	Green	Green	Green	Green	Green	Green	0	1	Final									
Champaign County	Green	Black	Black	Green	Green	Green	Green	Green	0	0	Preliminary *									
Darke County	Green	Black	Green	Green	Green	Green	Green	Green	0	0	Final									
Fayette County	Green	Red	Red	Green	Black	Red	Green	Green	Green	Green	Green	3	3	Final						
Guemsey County	Green	Black	Green	Green	Green	Green	Green	Green	0	2	Final									
Hardin County	Green	Black	Green	Green	Green	Green	Green	Green	0	0	Final									
Harrison County	Green	Black	Black	Green	Green	Green	Green	Green	0	0	Incomplete Data									
Highland County	Green	Black	Red	Green	Green	Green	Green	Green	2	3	Final									
Jackson County	Green	Black	Green	Green	Green	Green	Green	Green	1	2	Final									
Lawrence County	Green	Black	Green	Green	Green	Green	Green	Green	0	1	Final									
Madison County	Green	Black	Green	Green	Green	Green	Green	Green	0	0	Preliminary *									
Meigs County	Green	Green	Green	Green	Green	Green	Black	Green	Green	Green	Black	Green	Green	Green	Green	Green	Green	0	1	Final
Mercer County	Green	Black	Green	Green	Green	Green	Green	Green	0	1	Final									
Morgan County	Green	Black	Green	Green	Green	Green	Green	Green	0	2	Final									
Ottawa County	Green	Red	Green	Black	Green	Green	Green	Green	Green	Green	1	3	Final							
Paulding County	Green	Black	Green	Green	Green	Green	Green	Green	0	0	Final									
Perry County	Green	Black	Green	Green	Green	Green	Green	Green	0	1	Final									
Putnam County	Green	Red	Green	Black	Green	Green	Green	Green	Green	Green	1	3	Final *							
Vinton County	Green	Black	Green	Green	Green	Green	Green	Green	0	3	Final									
Williams County	Green	Black	Red	Green	Green	Green	Green	Green	1	1	Final									
Wyandot County	Green	Red	Green	Black	Green	Green	Green	Green	Green	Green	1	0	Final							

FILING STATUS

Final — The audit has been completed for the reporting year.

Preliminary — The entity has filed their unaudited financial statements; however, the audit has not been completed for the reporting year.

Not Started/In Progress — The entity has not filed their unaudited financial statements, and the audit has not been completed for the reporting year.

Incomplete Data — The entity's financial statements were not reported on a consistency accounting basis for seven (7) consecutive years by choice or due to changing from a village to a city or the entity reported on a regulatory basis of accounting; therefore, a FHI report cannot be generated.

* - The audit opinion issued for one or more of the years used in the Financial Health Indicator analysis for this entity was other than unmodified. Please refer to the accompanying spreadsheet to identify the year(s) affected.

FINANCIAL HEALTH INDICATORS

City Heat Map

Each city and county has up to 17 financial health indicators in its individual report. When viewed collectively, the indicators sometimes show areas where all entities fare well or are challenged. Ohio's cities' 2015 reports are represented on the next five pages. To view this online, please visit www.ohioauditor.gov/fhi.

240 GAAP entities

Customer Name	County	# 1	# 2	# 3	# 4	# 5	# 6	# 7	# 8	# 9	# 10	# 11	# 12	# 13	# 14	# 15	# 16	# 17	# of Critical	# of Cautionary	Filing Status
City Of Akron	Summit	Green	6	4	Final																
City Of Alliance	Stark	Green	1	3	Final																
City Of Amherst	Lorain	Green	0	0	Final																
City Of Ashland	Ashland	Green	1	4	Final																
City Of Ashtabula	Ashtabula	Green	3	5	Final																
City Of Athens	Athens	Green	2	2	Final																
City Of Aurora	Portage	Green	0	0	Final																
City Of Avon	Lorain	Green	3	3	Final																
City Of Avon Lake	Lorain	Green	2	4	Final																
City Of Barberton	Summit	Green	0	4	Final																
City Of Bay Village	Cuyahoga	Green	1	2	Final																
City Of Beachwood	Cuyahoga	Green	0	1	Final																
City Of Beavercreek	Greene	Green	0	1	Final																
City Of Bedford	Cuyahoga	Green	1	4	Final																
City Of Bedford Heights	Cuyahoga	Green	1	3	Final																
City Of Bellbrook	Greene	Green	1	1	Final																
City Of Bellefontaine	Logan	Green	1	3	Final																
City Of Bellevue	Huron	Green	1	2	Final *																
City Of Belpre	Washington	Green	4	2	Final																
City Of Berea	Cuyahoga	Green	1	3	Final																
City Of Bexley	Franklin	Green	1	1	Preliminary																
City Of Blue Ash	Hamilton	Green	1	2	Final																
City Of Bowling Green	Wood	Green	4	2	Final																
City Of Brecksville	Cuyahoga	Green	0	2	Final																
City Of Broadview Heights	Cuyahoga	Green	1	2	Final																
City Of Brook Park	Cuyahoga	Green	0	0	Final																
City Of Brooklyn	Cuyahoga	Green	0	1	Final																
City Of Brookville	Montgomery	Green	0	1	Final																
City Of Brunswick	Medina	Green	0	2	Final																
City Of Bryan	Williams	Green	1	3	Final																
City Of Bucyrus	Crawford	Green	1	1	Final																
City Of Cambridge	Guernsey	Green	2	3	Final																
City Of Campbell	Mahoning	Green	0	0	Incomplete Data																
City Of Canal Fulton	Stark	Green	0	1	Final																
City Of Canal Winchester	Franklin	Green	0	0	Incomplete Data																
City Of Canfield	Mahoning	Green	1	3	Final																
City Of Canton	Stark	Green	9	2	Final																
City Of Celina	Mercer	Green	1	2	Final																
City Of Centerville	Montgomery	Green	0	0	Final																
City Of Chardon	Geauga	Green	0	0	Not Started																
City Of Cheviot	Hamilton	Green	0	4	Preliminary																
City Of Chillicothe	Ross	Green	1	2	Final																
City Of Cincinnati	Hamilton	Green	4	3	Final																
City Of Circleville	Pickaway	Green	3	4	Final																
City Of Clayton	Montgomery	Green	0	1	Final																
City Of Cleveland	Cuyahoga	Green	2	5	Final																
City Of Cleveland Heights	Cuyahoga	Green	0	0	Final																
City Of Clyde	Sandusky	Green	0	0	Preliminary																
City Of Columbiana	Columbiana	Green	0	0	Preliminary																
City Of Columbus	Franklin	Green	2	2	Final																
City Of Conneaut	Ashtabula	Green	2	1	Final																
City Of Cortland	Trumbull	Green	3	3	Preliminary																
City Of Coshocton	Coshocton	Green	1	3	Final *																
City Of Cuyahoga Falls	Summit	Green	0	0	Final																
City Of Dayton	Montgomery	Green	0	1	Final																
City Of Deer Park	Hamilton	Green	0	1	Final																
City Of Defiance	Defiance	Green	0	1	Final																
City Of Delaware	Delaware	Green	1	1	Final																
City Of Dover	Tuscarawas	Green	0	2	Final																
City Of Dublin	Franklin	Green	0	2	Final																
City Of East Cleveland	Cuyahoga	Green	7	4	Preliminary *																
City Of East Liverpool	Columbiana	Green	4	5	Final																
City Of Eastlake	Lake	Green	1	4	Final																
City Of Eaton	Preble	Green	0	1	Final																
City Of Elyria	Lorain	Green	1	2	Final																
City Of Englewood	Montgomery	Green	2	2	Final																
City Of Euclid	Cuyahoga	Green	4	2	Final																
City Of Fairborn	Greene	Green	0	4	Final																
City Of Fairfield	Butler	Green	0	4	Final																
City Of Fairlawn	Summit	Green	0	0	Final																
City Of Fairview Park	Cuyahoga	Green	3	2	Final																
City Of Findlay	Hancock	Green	0	1	Final																

Customer Name	County	# 1	# 2	# 3	# 4	# 5	# 6	# 7	# 8	# 9	# 10	# 11	# 12	# 13	# 14	# 15	# 16	# 17	# of Critical	# of Cautionary	Filing Status
City Of Forest Park	Hamilton																		0	1	Final
City Of Fostoria	Seneca																		3	5	Final
City Of Franklin	Warren																		0	3	Final
City Of Fremont	Sandusky																		0	2	Final
City Of Gahanna	Franklin																		0	1	Final
City Of Galion	Crawford																		0	3	Final *
City Of Garfield Heights	Cuyahoga																		4	4	Preliminary
City Of Geneva	Ashtabula																		0	1	Final
City Of Girard	Trumbull																		8	4	Preliminary *
City Of Grandview Heights	Franklin																		2	0	Final
City Of Green	Summit																		2	1	Final
City Of Greenville	Darke																		0	2	Preliminary
City Of Grove City	Franklin																		0	1	Final
City Of Groveport	Franklin																		0	0	Incomplete Data
City Of Hamilton	Butler																		2	2	Final
City Of Harrison	Hamilton																		1	1	Final
City Of Heath	Licking																		1	0	Final
City Of Highland Heights	Cuyahoga																		1	3	Final
City Of Hilliard	Franklin																		1	0	Final
City Of Hillsboro	Highland																		0	1	Preliminary
City Of Hubbard	Trumbull																		1	0	Final
City Of Huber Heights	Montgomery																		1	5	Final
City Of Hudson	Summit																		1	3	Final
City Of Huron	Erie																		1	0	Preliminary
City Of Independence	Cuyahoga																		1	1	Final
City Of Ironton	Lawrence																		1	4	Preliminary *
City Of Jackson	Jackson																		0	4	Final
City Of Kent	Portage																		0	0	Final
City Of Kettering	Montgomery																		1	3	Final
City Of Kirtland	Lake																		4	3	Final
City Of Lakewood	Cuyahoga																		1	2	Final
City Of Lancaster	Fairfield																		0	1	Final
City Of Lebanon	Warren																		0	5	Final
City Of Lima	Allen																		1	4	Final
City Of Logan	Hocking																		2	4	Final
City Of London	Madison																		0	2	Final
City Of Lorain	Lorain																		0	0	Not Started
City Of Louisville	Stark																		0	1	Final
City Of Loveland	Hamilton																		0	0	Final
City Of Lyndhurst	Cuyahoga																		1	3	Final
City Of Macedonia	Summit																		1	2	Final
City Of Madeira	Hamilton																		0	1	Final
City Of Mansfield	Richland																		0	1	Final
City Of Maple Heights	Cuyahoga																		6	3	Final
City Of Marietta	Washington																		0	6	Final
City Of Marion	Marion																		2	1	Final *
City Of Martins Ferry	Belmont																		3	6	Final
City Of Marysville	Union																		0	3	Final
City Of Mason	Warren																		0	2	Final
City Of Massillon	Stark																		1	1	Final
City Of Maumee	Lucas																		2	2	Final
City Of Mayfield Heights	Cuyahoga																		1	4	Final
City Of Medina	Medina																		2	3	Final
City Of Mentor	Lake																		1	2	Final
City Of Mentor-on-the-Lake	Lake																		2	4	Final
City Of Miamisburg	Montgomery																		0	2	Final
City Of Middleburg Heights	Cuyahoga																		1	1	Final
City Of Middletown	Butler																		2	5	Final
City Of Milford	Clermont																		1	4	Final
City Of Monroe	Butler																		0	1	Final
City Of Montgomery	Hamilton																		0	1	Final
City Of Moraine	Montgomery																		0	2	Final
City Of Mount Vernon	Knox																		0	1	Final
City Of Mt. Healthy	Hamilton																		2	5	Final
City Of Munroe Falls	Summit																		2	4	Preliminary
City Of Napoleon	Henry																		0	1	Final
City Of Nelsonville	Athens																		4	4	Final
City Of New Albany	Franklin																		1	0	Final
City Of New Carlisle	Clark																		0	1	Preliminary *
City Of New Franklin	Summit																		0	4	Final
City Of New Philadelphia	Tuscarawas																		1	4	Final
City Of Newark	Licking																		2	5	Final
City Of Niles	Trumbull																		5	6	Final *
City Of North Canton	Stark																		0	1	Final
City Of North Olmsted	Cuyahoga																		2	3	Final
City Of North Ridgeville	Lorain																		1	3	Final
City Of North Royalton	Cuyahoga																		2	2	Final
City Of Northwood	Wood																		0	2	Final
City Of Norton	Summit																		0	0	Final
City Of Norwalk	Huron																		0	2	Final
City Of Norwood	Hamilton																		12	2	Final *
City Of Oakwood	Montgomery																		0	1	Final
City Of Oberlin	Lorain																		0	1	Final
City Of Olmsted Falls	Cuyahoga																		3	3	Final
City Of Ontario	Richland																		1	4	Final
City Of Oregon	Lucas																		0	3	Final
City Of Orrville	Wayne																		0	1	Final
City Of Oxford	Butler																		0	3	Final
City Of Painesville	Lake																		0	1	Final
City Of Parma	Cuyahoga																		0	4	Preliminary
City Of Parma Heights	Cuyahoga																		4	3	Final
City Of Pataskala	Licking																		0	1	Final
City Of Pepper Pike	Cuyahoga																		0	1	Final
City Of Perrysburg	Wood																		0	0	Final

Customer Name	County	# 1	# 2	# 3	# 4	# 5	# 6	# 7	# 8	# 9	# 10	# 11	# 12	# 13	# 14	# 15	# 16	# 17	# of Critical	# of Cautionary	Filing Status
City Of Pickerington	Fairfield																		0	0	Final
City Of Piqua	Miami																		0	0	Final
City Of Portsmouth	Scioto																		1	3	Final *
City Of Powell	Delaware																		5	0	Final
City Of Ravenna	Portage																		6	2	Final *
City Of Reading	Hamilton																		0	1	Final
City Of Reynoldsburg	Franklin																		0	2	Final
City Of Richmond Heights	Cuyahoga																		1	0	Final
City Of Rittman	Wayne																		0	1	Final
City Of Riverside	Montgomery																		3	2	Preliminary
City Of Rocky River	Cuyahoga																		2	0	Preliminary
City Of Rossford	Wood																		0	3	Final
City Of Saint Marys	Auglaize																		0	3	Final
City Of Salem	Columbiana																		1	2	Final
City Of Sandusky	Erie																		0	2	Final
City Of Seven Hills	Cuyahoga																		4	2	Final
City Of Shaker Heights	Cuyahoga																		0	1	Final
City Of Sharonville	Hamilton																		0	1	Final
City Of Sheffield Lake	Lorain																		1	1	Final
City Of Shelby	Richland																		1	0	Final
City Of Sidney	Shelby																		0	0	Final
City Of Solon	Cuyahoga																		2	3	Final
City Of South Euclid	Cuyahoga																		0	5	Final
City Of Springboro	Warren																		1	3	Final
City Of Springdale	Hamilton																		0	7	Final
City Of Springfield	Clark																		2	7	Final
City Of St. Clairsville	Belmont																		1	3	Final *
City Of Steubenville	Jefferson																		1	3	Final
City Of Stow	Summit																		0	3	Final
City Of Streetsboro	Portage																		0	1	Final
City Of Strongsville	Cuyahoga																		0	3	Final
City Of Sylvania	Lucas																		0	2	Final *
City Of Tallmadge	Summit																		1	1	Final
City Of Tiffin	Seneca																		0	3	Final
City Of Tipp City	Miami																		1	2	Final
City Of Toledo	Lucas																		2	4	Final
City Of Toronto	Jefferson																		1	3	Preliminary *
City Of Trenton	Butler																		1	1	Final
City Of Trotwood	Montgomery																		1	3	Final
City Of Troy	Miami																		0	1	Final
City Of Twinsburg	Summit																		1	3	Final
City Of Uhrichsville	Tuscarawas																		1	0	Final *
City Of Union	Montgomery																		1	1	Final
City Of University Heights	Cuyahoga																		0	3	Final
City Of Upper Arlington	Franklin																		1	1	Final *
City Of Upper Sandusky	Wyandot																		4	2	Preliminary *
City Of Urbana	Champaign																		0	1	Final
City Of Vandalia	Montgomery																		0	0	Final
City Of Vermilion	Erie																		1	6	Final *
City Of Village of Indian Hill	Hamilton																		0	2	Final
City Of Wadsworth	Medina																		1	2	Final
City Of Wapakoneta	Auglaize																		0	0	Final
City Of Warren	Trumbull																		2	5	Final
City Of Warrensville Heights	Cuyahoga																		2	2	Final
City Of Washington Court House	Fayette																		4	4	Final
City Of Waterville	Lucas																		0	0	Incomplete Data
City Of Wauseon	Fulton																		0	4	Final
City Of Wellston	Jackson																		0	0	Final
City Of West Carrollton	Montgomery																		3	3	Final
City Of Westerville	Franklin																		1	0	Final
City Of Westlake	Cuyahoga																		0	3	Final
City Of Whitehall	Franklin																		0	2	Final
City Of Wickliffe	Lake																		3	2	Preliminary
City Of Willard	Huron																		0	4	Final
City Of Willoughby	Lake																		1	3	Final
City Of Willoughby Hills	Lake																		0	2	Preliminary
City Of Willowick	Lake																		2	2	Final
City Of Wilmington	Clinton																		0	2	Final
City Of Wooster	Wayne																		0	1	Final
City Of Worthington	Franklin																		1	1	Final
City Of Wyoming	Hamilton																		0	0	Final
City Of Xenia	Greene																		2	2	Preliminary
City Of Youngstown	Mahoning																		1	4	Preliminary
City Of Zanesville	Muskingum																		0	4	Final

7 cash or modified cash entities

Customer Name	County	# 1	# 2	# 3	# 4	# 5	# 6	# 7	# 8	# 9	# 10	# 11	# 12	# 13	# 14	# 15	# 16	# 17	# of Critical	# of Cautionary	Filing Status
City Of Delphos	Allen																		0	0	Incomplete Data
City Of Germantown	Montgomery																		0	0	Incomplete Data
City Of Kenton	Hardin																		1	1	Final
City Of North College Hill	Hamilton																		0	0	In Progress
City Of Port Clinton	Ottawa																		0	0	Incomplete Data
City Of Struthers	Mahoning																		1	0	Final
City Of Van Wert	Van Wert																		2	3	Final

FILING STATUS

Final — The audit has been completed for the reporting year. **Preliminary** — The entity has filed their unaudited financial statements; however, the audit has not been completed for the reporting year. **Not Started/In Progress** — The entity has not filed their unaudited financial statements, and the audit has not been completed for the reporting year. **Incomplete Data** — The entity's financial statements were not reported on a consistency accounting basis for seven (7) consecutive years by choice or due to changing from a village to a city or the entity reported on a regulatory basis of accounting; therefore, a FHI report cannot be generated.

* - The audit opinion issued for one or more of the years used in the Financial Health Indicator analysis for this entity was other than unmodified. Please refer to the accompanying spreadsheet to identify the year(s) affected.