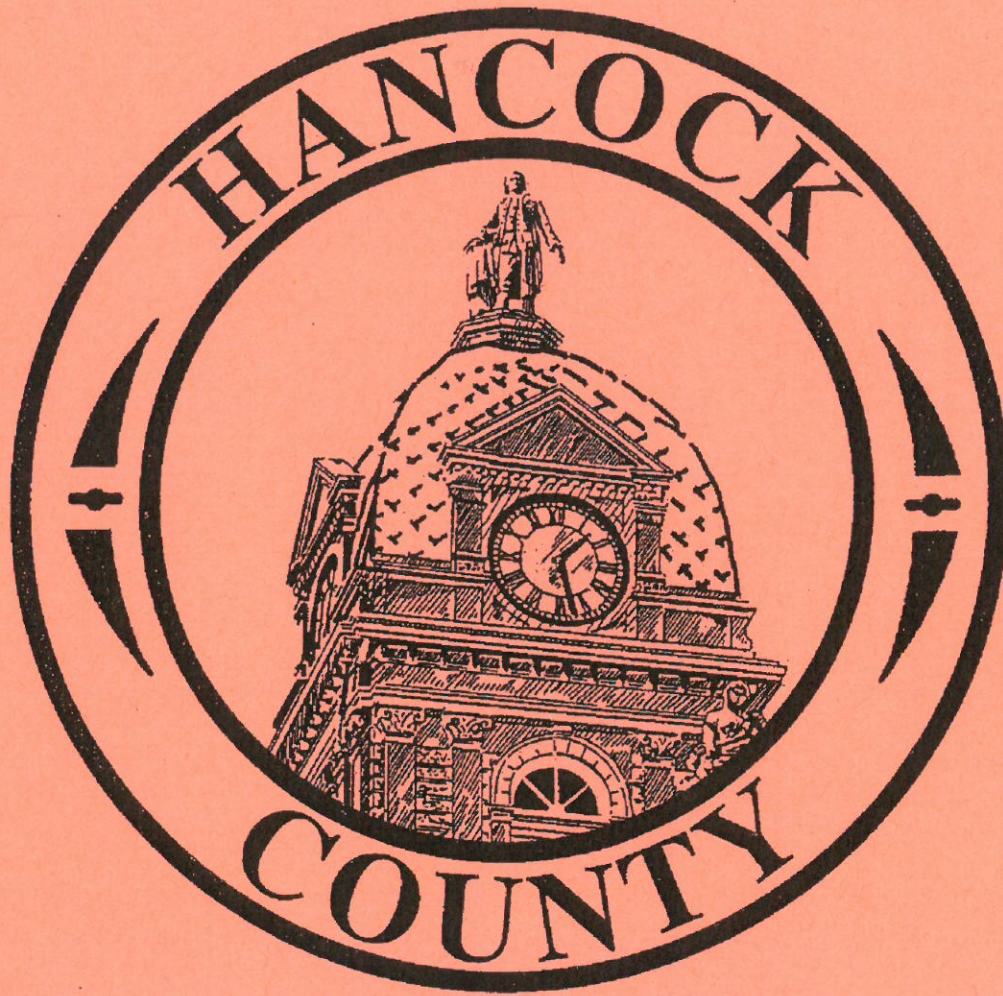


HANCOCK COUNTY, OHIO



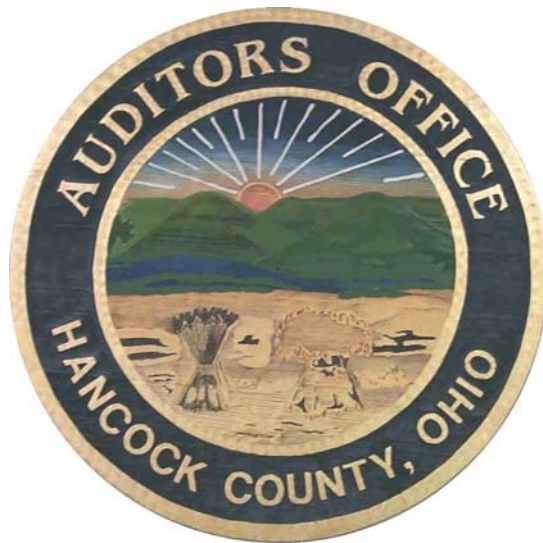
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2016

HANCOCK COUNTY, OHIO

Comprehensive Annual Financial Report

For the Year Ended
December 31, 2016



Charity A. Rauschenberg, CPA
Hancock County Auditor

Prepared by the Hancock County Auditor's Office

INTRODUCTORY SECTION

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HANCOCK COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016

TABLE OF CONTENTS

I. INTRODUCTORY SECTION

Table of Contents	i
Letter of Transmittal	v
Elected Officials.....	xii
Organizational Chart.....	xiii
GFOA Certificate of Achievement	xiv

II. FINANCIAL SECTION

Independent Auditor's Report.....	1
Management's Discussion and Analysis.....	5
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	16
Statement of Activities.....	20
Fund Financial Statements:	
Balance Sheet - Governmental Funds	22
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	24
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	28
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
General Fund.....	30
Motor Vehicle License and Gas Tax Special Revenue Fund.....	31
Alcohol, Drug, and Mental Health Special Revenue Fund.....	32
Job and Family Services Special Revenue Fund	33
Board of Developmental Disabilities Special Revenue Fund.....	34
Statement of Net Position - Proprietary Funds	35

HANCOCK COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016

TABLE OF CONTENTS (CONTINUED)

II. FINANCIAL SECTION - (Continued)

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds.....	37
Statement of Cash Flows - Proprietary Funds.....	38
Statement of Fiduciary Net Position - Fiduciary Funds.....	40
Statement of Changes in Fiduciary Net Position - Investment Trust Fund.....	41
Notes to the Basic Financial Statements	43
Required Supplementary Information:	
Schedule of the County's Proportionate Share of the Net Pension Liability/Asset:	
Ohio Public Employees Retirement System (OPERS).....	112
State Teachers Retirement System (STRS) of Ohio	113
Schedule of County Contributions:	
Ohio Public Employees Retirement System (OPERS)	114
State Teachers Retirement System (STRS) of Ohio	116
Notes to Required Supplementary Information	118
Combining Statements and Individual Fund Schedules	
Fund Descriptions - Major Funds	120
Schedule of Revenues, Expenditures/Expenses, and Changes in Fund Balance/Fund Equity	
Budget and Actual (Non-GAAP Budgetary Basis)	
General Fund.....	121
Motor Vehicle License and Gas Tax Special Revenue Fund.....	129
Alcohol, Drug and Mental Health Special Revenue Fund.....	130
Job and Family Services Special Revenue Fund.....	131
Board of Developmental Disabilities Special Revenue Fund	132
Flood Mitigation Fund	133
Sanitary Landfill Enterprise Fund.....	134
Agricultural Service Center Enterprise Fund	135
BMV One-Stop Enterprise Fund.....	136
Fund Descriptions – Nonmajor Governmental Funds	137
Combining Balance Sheet	
Nonmajor Governmental Funds	142
Nonmajor Special Revenue Funds.....	144
Nonmajor Debt Service Funds.....	148
Nonmajor Capital Projects Funds	152

HANCOCK COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016

TABLE OF CONTENTS (CONTINUED)

II. FINANCIAL SECTION - (Continued)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	
Nonmajor Governmental Funds.....	154
Nonmajor Special Revenue Funds.....	156
Nonmajor Debt Service Funds.....	160
Nonmajor Capital Projects Funds	164
Individual Fund Schedules of Revenues, Expenditures/Expenses, and Changes in Fund Balance/Fund Equity - Budget and Actual (Non-GAAP Budgetary Basis)	
Nonmajor Funds.....	167
Fund Descriptions – Fiduciary Funds	208
Combining Statement of Changes in Assets and Liabilities – Agency Funds	209

III. STATISTICAL SECTION

Statistical Section Description	215
Net Position by Component - Last Ten Years	216
Changes in Net Position - Last Ten Years	218
Fund Balances, Governmental Funds - Last Ten Years.....	222
Changes in Fund Balances, Governmental Funds - Last Ten Years.....	224
Assessed and Estimated Actual Value of Taxable Property - Last Ten Years	228
Property Tax Rates (Collection Year) - Direct and Overlapping Governments - Last Ten Years	230
Principal Property Taxpayers - Current Year and Nine Years Ago.....	237
Property Tax Levies and Collections - Real and Public Utility Real Property Taxes - Last Ten Years.....	238
Taxable Sales by Type - Last Ten Years	240
Ratios of Outstanding Debt by Type - Last Ten Years.....	242
Legal Debt Margin - Last Ten Years	244
Ratios of Net General Bonded Debt Outstanding - Last Ten Years	250

HANCOCK COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016

TABLE OF CONTENTS (CONTINUED)

III. STATISTICAL SECTION - (Continued)

Pledged Revenue Coverage - Governmental Activities - Last Ten Years	251
Demographic and Economic Statistics - Last Ten Years.....	252
Principal Employers - Current Year and Nine Years Ago.....	253
Full-Time Equivalent County Government Employees by Function/Program - Last Ten Years	255
Operating Indicators by Function/Program - Last Ten Years	256
Capital Asset Statistics by Function/Program - Last Ten Years	260

Hancock County AUDITOR



Charity A. Rauschenberg

COURTHOUSE • 300 S. MAIN STREET • FINDLAY, OHIO 45840
PHONE (419) 424-7041 FAX (419) 424-7435

June 22, 2017

To the Citizens of Hancock County
and to The Board of County Commissioners:
The Honorable Mark Gazarek
The Honorable Brian Robertson, and
The Honorable Tim Bechtol

As Auditor of Hancock County, I am pleased to present the County's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2016. This report conforms to accounting principles generally accepted in the United States of America (GAAP) and provides full and complete disclosure of the financial position and operations of the County.

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Included in this report, at the front of the financial section, is an unmodified opinion on Hancock County's financial statements for the year ended December 31, 2016, rendered by Julian & Grube, Inc. This Independent Auditor's Report, found on page one of the Financial Section, provides assurance that the financial statements are free of material misstatements.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of Hancock County

Hancock County was established and organized in 1820. The name Hancock was chosen in honor of the first signer of the Declaration of Independence, John Hancock. The County is located in northwestern Ohio abutting Hardin, Putnam, Seneca, Wood, and Wyandot counties in Ohio. It is approximately forty-five miles south of the City of Toledo and one hundred ten miles north of the City of Dayton. As a result of this location, in the so-called "I-75 Corridor", the County has been able to take advantage of its proximity to major population centers, its access to major transportation routes, and its rural location to create strong business and industrial growth. A number of major distribution centers have been constructed and opened in the County because of its location. The location of suppliers and related businesses in the County has been fostered by the presence of large facilities in Ohio, Michigan, and Kentucky, all of which are located close to I-75.

The County's 2010 census population of 74,782 placed it as the 35th most populous of the State's eighty-eight counties. The City of Findlay (the "City"), which is the County seat, has an estimated 2016 population of 41,908 and is the largest municipality in the County. In addition to the City, there is a portion of one other city, eleven villages or portions of villages, and seventeen townships located within the County.

The County's area is approximately five hundred thirty-two square miles broken down by land use as follows:

	Percent of Assessed Valuation for Real Property
Residential	61.85%
Commercial/Industrial	18.60
Public Utility	0.05
Governmental (including parks) and Other Tax Exempt	(a)
Agricultural	19.50

(a) Exempt from property taxation.

Cities and villages in the County provide various services pursuant to statutory authorizations and the constitutional grant to municipal corporations of "all powers of local self government". Among the services provided and powers generally exercised by cities and villages (and to some extent by townships) are public safety including police and fire, construction, maintenance and repair of streets and sidewalks, certain sanitation and health activities, recreation including parks, playgrounds and swimming pools, certain public service enterprises such as water and sewer systems, airports, and hospitals, and certain planning and zoning functions.

The County nonetheless has significant responsibilities in the areas of general government, administration of justice, road and bridge maintenance, health care, sanitation and public welfare, social services, and public assistance.

Educational services are provided by the various quality school districts within the County.

The Hancock Park District provides exceptional park and recreation facilities and programs for the County.

One daily newspaper serves the County. The County is within the broadcast area of five television stations and approximately twenty AM and FM radio stations. Time Warner Cable provides multi-channel cable television service including educational, governmental, and public access channels in the County's area.

The County is directly served by Blanchard Valley Regional Health Center, a one hundred fifty bed acute-care hospital located in the City, and one of the largest general hospitals in northwest Ohio. Blanchard Valley Health System is one of the largest employers in the area with 2,700+ associates and serves an eight-county area, which includes Hancock, Allen, Putnam, Henry, Wood, Seneca, Wyandot, and Hardin Counties. The Health Center is presently owned and operated by Blanchard Valley Health Association, a private nonprofit corporation. The County owns the land of the Health Center.

The County's area has a number of institutions of higher education. The University of Findlay, a four-year institution, has an approximate enrollment of 5,075 full- and part-time students. Owens Community College have campuses located in the County and account for enrollment of 1,277 students. Within commuting distance to the County are numerous public and private two-year and four-year colleges and universities, including Bowling Green State University, University of Toledo, James A. Rhodes State College, The Ohio State University-Lima Branch, Tiffin University, Ohio Northern University, Bluffton College, Heidelberg College, and University of Northwestern Ohio.

The Findlay Area Arts Partnership coordinates the activities of 14 member organizations in the fields of theater, art, music, and literature. It brings The Toledo Symphony and other nonresident artists, poets, writers, and dancers into area schools and annually sponsors the Findlay Art Walk in downtown Findlay.

New in the community is the Marathon Center for the Performing Arts (MCPA). It is Northwest Ohio's premier destination for diverse arts programming, education and entertainment. MCPA strives to enrich lives and strengthen the economic vitality of the community. Using Findlay's historic Central Middle School as both its structural and aesthetic foundation, MCPA features a beautifully renovated 960 seat performance space featuring a large proscenium stage.

The Findlay-Hancock County Public Library serves the County with the main library, two branches, and a bookmobile. Its collection includes well over 200,000 catalogued items. The Hancock Historical Center preserves the history of the area.

Major railroads serving the County include Conrail, Norfolk, and Southern. One interstate highway, and 12 State and U.S. highways that serve the County enable trucking companies to provide motor freight carrier service between the County and various points throughout the United States. In addition, the County constructed a connector road between the Tall Timbers International Industrial Park and I-75. This road serves as the first leg of a by-pass around the City and opened approximately 500 acres of land to development.

The County is served by the Findlay Airport, located in the City. Commercial air service is available at airports of the cities of Cleveland, Columbus, Toledo, Dayton, and Detroit, all less than a two-hour drive from the County.

The County has only those powers conferred upon it by Ohio statutes. The County is governed by a three member Board of County Commissioners. The Commissioners serve as the taxing authority, the contracting body, and the chief administrators of public services for the County. The Commissioners adopt the annual operating budget and prepare the annual appropriation resolution for expenditures of all County funds.

The Board of County Commissioners, by statute, adopts an annual appropriation measure for the County on or before the first day of January. All disbursements or transfers of cash between funds require appropriation authority from the County Commissioners. Budgets are controlled at the object level within a department or fund. The department head or the County Commissioners approve the purchase orders and the Auditor encumbers the funds. Any purchase order that exceeds the available appropriation is rejected until additional appropriation authority is secured. A computerized certification system allows the Auditor's Office to ascertain the status of a department's appropriation prior to authorizing additional purchases from a particular account.

The County Auditor serves as Chief Fiscal Officer for the County. No County contract or obligation may be made without the Auditor's certification that funds for that contract or obligation have been lawfully appropriated and are available for payment or are in the process of collection. As Chief Assessing Officer for the County, the Auditor is responsible for determining the fair market value on real estate for property tax purposes, establishing tax rates, and maintaining property record information. In addition, the Auditor serves as the County Sealer of Weights and Measures.

The County Treasurer is the custodian of all County funds and is responsible for collecting all tax monies and applying payments to the appropriate tax accounts. The Treasurer is also responsible for investing all County funds under the guidelines specified by Ohio law. Other elected officials serving four-year terms are the Coroner, Engineer, Prosecuting Attorney, Recorder, Sheriff, and Clerk of Courts. Three Common Pleas Judges, one designated as Probate/Juvenile Judge, are elected to six-year terms.

For financial reporting purposes, the County includes all funds, agencies, boards, and commissions making up Hancock County (the Primary Government) and its component units in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 “The Financial Reporting Entity” and GASB Statement No. 39 “Determining Whether Certain Organizations Are Component Units - an amendment to GASB Statement No. 14” and GASB Statement No. 61 “The Financial Reporting Entity: Omnibus”. The County’s primary government includes the financial activities of the Hancock County Board of Alcohol, Drug, and Mental Health Services, the Board of Developmental Disabilities, the Job and Family Services Department, and all departments and activities that are directly operated by the elected County officials.

Component units are legally separate organizations which are fiscally dependent on the County or for which the County is financially accountable. The Blanchard Valley Industries, Hancock Community Housing, Inc. and Blanchard Valley Residential Services, Inc. have been included as discretely presented component units.

The Joint Board of County Commissioners for the Blanchard River Stream Enhancement Project, the West Central Partnership, Inc., Hancock Regional Planning Commission, the Blanchard Valley Port Authority and Metropolitan Housing Authority are jointly governed organizations. The County participates in the Midwest Pool Risk Management Agency, Inc. and the Midwest Employee Benefit Consortium, which are insurance pools. The County Park District and the Findlay-Hancock County Public Library are related organizations.

The County serves as fiscal officer and custodian of funds, but is not financially accountable for, the Hancock Public Health Department, Hancock County Family First Council, the Hancock County Soil and Water Conservation District, Hancock Regional Planning Commission, and the Local Emergency Planning Commission whose activities are included as agency funds. The County Park District participates in the County’s investment pool.

A complete discussion of the County’s reporting entity is provided in Note 1.

Local Economy

Hancock County is home to many large, global companies such as Marathon Petroleum Corporation and Whirlpool Corporation. In 2016, our community continued to expand the industrial job market as well as fashion retailers, local restaurants, human resources and management, and retail automotive dealers. This influx of expanding/new business represents a significant capital investment and job creation in the community.

In the fall of 2016, McLane completed construction of its \$119 million, 337,831-square-foot grocery distribution center on Findlay’s north end. It will receive 50,000 grocery and convenience store products from across the country. It will then distribute the goods to stores, restaurants and merchants in Ohio, Michigan, Indiana and Pennsylvania. The 100-foot-tall warehouse has laser-wielding robots rise 10 stories to store and retrieve inventory. McLane has 22 other grocery distribution centers across the nation but the Findlay facility is only the second highly automated.

Blanchard Valley Health System, which started out in 1891 as Findlay’s first hospital, has seen incredible growth over recent years. What started out as Findlay’s first hospital in 1891 has now expanded into a primary hospital campus on South Main Street in Findlay. Additional services offered to the community include the Eastern Woods campus on Findlay’s east side, the Bluffton Hospital campus, and more than a dozen health-related enterprises including retirement communities, ambulance service, and a medical equipment company. In addition to these services, Blanchard Valley Health System has created a new medical spa that offers cosmetic treatments and spa services. In 2016, Blanchard Valley Health System implemented a new electronic health care information system. The intent of the system is to streamline data across the various services the health system provides, including focusing on patient safety, reducing costs, and encouraging preventative care.

Marathon Petroleum Corporation, has completed its \$80 million “campus” expansion, adding two office buildings, two multi-level parking garages, and a green space on property adjacent to their existing corporate headquarters in downtown Findlay. One of the new buildings serves as headquarters for their pipeline subsidiary MPLX LP, which has added 150 new jobs to Findlay. The second building contains warehouse/delivery space on the ground floor and offices above. The two parking garages offer a combined total of 2,500 parking spaces. The campus expansion also includes green spaces for employees, complete with Wi-Fi access from outdoor benches and tables. Construction of a \$20 million, 5-story hotel, appropriately named “The Hancock,” is in the process of being completed with plans to open in early 2018 with 100 rooms. Local businesses are anticipating Marathon’s expansion to increase sales in the downtown area.

In 2016, Whirlpool Corp. completed a \$40.6 million, 86,400-square-foot expansion last year at its Findlay dishwasher plant. It is starting to occupy the new space first quarter of 2017 and will have full occupancy by June 30, 2017. Whirlpool will add 50 jobs by 2019 related to the expansion.

Personal incomes in Hancock County increased by \$1.23 billion, or 33 percent over the last ten years. Hancock County is consistently ranked among the top counties in the State for the lowest unemployment rate; we ranked 4th out of 88 counties for 2015. Hancock County averaged 3.6 percent unemployment, remaining under the State average of 5.3 percent.

2016 was a revaluation year, which entailed a physical inspection of all real estate parcels in the County. Property values increased over the last six years as indicated by the County 2016 sexennial update with taxes payable in 2017. Most of this growth is related to residential real property and increased agricultural values within the County. Recently, the demand for housing can be attributed to new jobs coming to fruition. The number of homes offered for sale in the County decreased in 2016 slightly, thus creating competition among buyers. The result was an active housing market where the average sales price for residential property was increased from 2015 values to \$136,750 in 2016.

Long-Term Financial Planning

Hancock County management has been committed to maintaining, at a minimum, a year-end cash balance of \$2.5 million in the General Fund. This level of cash balance was achieved for the 2016 year-end, in addition to maintaining a Budget Stabilization fund.

The Commissioners established a Budget Stabilization Fund in 2010; the fund is only an insulator against short-term economic changes and, because of the limitations imposed by the Ohio Revised Code, could not reasonably protect an entity from long-term economic factors. The Commissioners maintain a proactive management approach by requesting quarterly meetings with the Budget Commission to review revenue. The Budget Commission members are the County Auditor, Prosecutor, and Treasurer. If actual revenue falls below the estimates, the Budget Commission has the statutory authority to decrease the revenue estimates. If the revenue estimates decrease, the appropriations are reviewed for potential adjustments to ensure that appropriations remain within the revenue estimates as required by statute. The Commissioners have reduced appropriations in the past to keep pace with the revenue estimates and end the year with a minimum cash balance of \$2.5 million in the General Fund.

The elected officials in the County continue to work together to establish a long-term operating plan. This plan will provide a decision-making tool to assist County officials with management decisions both presently and into the future. However, as with any long-term plan, constant monitoring and assessments must be done to ensure the plan remains viable. As economic and other factors change, Hancock County elected officials understand the need to investigate, plan, and respond in a manner which maintains a high level of services to our community. County officials meet regularly to address operational concerns that have an impact on the budget. Discussions have begun on the expiration of the 10 year 1/2% sales tax. This tax is set to expire at the end of 2018. One quarter of the sales tax is designated by Resolution for funding the flood control project, while the other quarter percent is used to supplement the County operations budget. Elected officials are evaluated the need to continue the sales tax after 2018.

Additionally, the County is assessing current and future needs for the Probate/Juvenile Court that is housed in a 150-year old building. An evaluation of the condition and capacity of the current court rooms has been completed. The estimate for construction was \$900,000. Bids were received in excess of the allowed 110% of the estimate, therefore, further assessment is underway for alternatives for this building or a new building on County owned land.

Relevant Financial Policies

It is the County's policy to ensure that current year revenues are sufficient to fund current year expenditures without the use of non-recurring revenues. Expenditures are set based upon available revenues with the County Commissioners determining the level of funding for each department or office within the primary government. The availability of resources is determined by the County's Budget Commission.

The County Treasurer manages the investment of County funds by adhering to the Investment Policy that has been approved by the County's Investment Advisory Committee. Any financial institution that holds County funds must also agree to the requirements of this policy. This policy details the objectives and allowable rules for the safekeeping of County funds.

The County Auditor's capital assets policy is designed to provide accountability and internal controls for the County's capital asset reporting. The Auditor's Office assists departments in gathering and maintaining information for the preparation of financial statements.

Major Initiatives

Flooding isn't an isolated problem; it can affect farmers, homeowners, and business owners alike; Hancock County is committed to finding a solution. The U.S. Army Corps of Engineers' preferred flood-control plan was released in April 2015. The plan recommends a 9.6-mile western diversion channel and a 1.5-mile levee southeast of Findlay, with an estimated cost of \$65.9 million. According to the corps, the proposed plan would save approximately \$3.8 million a year by reducing/preventing crop damage, infrastructure degradation, and real/personal property losses. The final stage of the Army Corps plan is known as the "Chief's Report," which is necessary to apply for federal funding of up to 65% of the total construction cost. Recently, the Army Corps announced an unexpected delay in the release of the Chief's Report. An outcry from local elected officials and the community resulted in the County Commissioners visiting the Army Corps of Engineers at their district office in Buffalo, New York. After that meeting, the Commissioners decided to interview independent engineering firms as an alternative to continuing with the Army Corps. Departing from the Army Corps and the Chief's Report means foregoing any federal funding, however federal funding was determined "unlikely" when our flood project was compared to other competing projects in the nation. The County Commissioners ultimately selected an independent engineering firm named Stantec to review the studies and plan(s) already completed by the Army Corps. This fresh "second look" by Stantec has produced an alternative flood-control plan which is under discussion for funding sources such as local and state dollars. The Maumee Watershed Conservancy District has agreed to proceed with Phase 1 of a flood reduction measure in the year 2017. This Phase is estimated to be \$20 million. A ¼% of the County sales tax has been placed into a capital fund for nine years and will be the source of funding Phase 1 through the City of Findlay. In addition to the overall flood-control plan, cleaning 10,000 dead ash trees and debris from the Blanchard River was completed in 2016 to maintain the river.

After lengthy discussions, Findlay and Hancock County's health departments consolidated into one combined general health district, Hancock Public Health, on January 1, 2016. Streamlining immunizations, physicals, birth records, and many other health services for Findlay and Hancock County residents are a top priority, therefore, any questions such as shared funding, office space/location, staffing, grant administration, and accreditation had to be resolved prior to the consolidation to avoid any disruption in services to the community. Additionally, state law now requires all boards of health to apply for accreditation by 2018 and achieve accreditation by 2020 to maintain state funding. Combining into one general health district alleviates the need for two separate boards to apply for and achieve the necessary accreditation. Hancock Public Health is committed to achieving accreditation and concurrently maintaining a full array of health services to the community.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Hancock County for its comprehensive annual financial report for the year ended December 31, 2015. The Certificate of Achievement is a prestigious national award received for 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 unit must publish an efficiently organized Comprehensive Annual Financial Report that is both easy to read and satisfies all program standards. Such a report must also conform to generally accepted accounting principles and comply with applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements and we are submitting this report to GFOA.

The preparation of this report could not have been accomplished without the assistance and cooperation of every County elected office, department head, and their staff. The staff of the Auditor's Office works diligently each year to ensure accuracy and accountability in the financial report for Hancock County. I would like to thank my fiscal staff, Adam Witteman, Kim Boudrie, Nancy Hiatt, Chelsi Frankforter, and Valorie Gillig for their dedication and service. I am grateful to the County Commissioners for their continued support through adequate funding of the CAFR.

Respectfully submitted,



Charity A. Rauschenberg, CPA
Hancock County Auditor

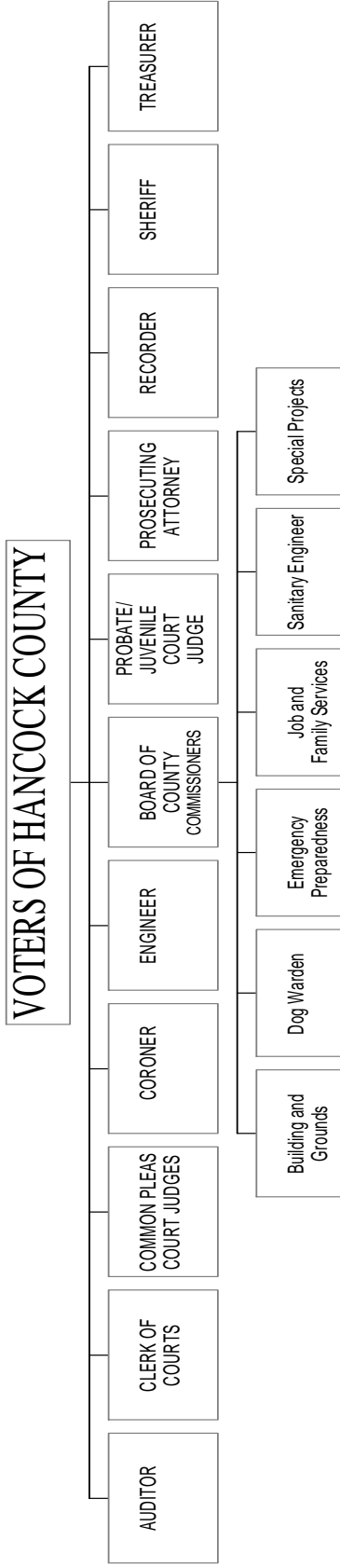
HANCOCK COUNTY, OHIO
ELECTED OFFICIALS
DECEMBER 31, 2016

COMMISSIONERS	Brian J. Robertson Timothy K. Bechtol Mark D. Gazarek
AUDITOR	Charity A. Rauschenberg, CPA
CORONER	Dr. Mark R. Fox
ENGINEER	Christopher O. Long, P.E., P.S.
PROSECUTING ATTORNEY	Phillip A. Riegler
RECORDER	Nikki G. Beltz ⁽¹⁾
SHERIFF	Michael E. Heldman
TREASURER	J. Steve Welton
CLERK OF COURTS	Cathy Prosser-Wilcox
COMMON PLEAS COURT JUDGES	Joseph H. Niemeyer ⁽²⁾ Reginald J. Routson
PROBATE/JUVENILE COURT JUDGE	Kristen K. Johnson

⁽¹⁾ Tracy Coldren began her term as County Recorder on January 1, 2017

⁽²⁾ Jonathan P. Starn began his term as Common Pleas Court Judge on January 1, 2017

HANCOCK COUNTY GOVERNMENT ORGANIZATIONAL CHART



Appointed Boards and Commissions; Statutory Boards and Commissions; or County provides space or gives financial support:

AGRICULTURAL SOCIETY	ALCOHOL, DRUG & MENTAL HEALTH BOARD	BLANCHARD VALLEY INDUSTRIES	BOARD OF ELECTIONS	BOARD OF DEVELOPMENTAL DISABILITIES	BOARD OF TAX REVISION
BUDGET COMMISSION	CHILDREN'S SERVICES BOARD	COMMUNITY IMPROVEMENT COMMISSION	COMMUNITY JUSTICE CENTER	DATA PROCESSING BOARD	DISASTER SERVICES HAZMAT
EDUCATIONAL SERVICE CENTER	FAMILY FIRST COUNCIL	HANCOCK SOIL & WATER CONSERVATION DISTRICT	HANCOCK SOLID WASTE MANAGEMENT DISTRICT	HEALTH DEPARTMENT	RECYCLING & LITTER PREVENTION
MENTAL HEALTH BOARD	MICROFILM BOARD	OHIO STATE COOPERATIVE EXTENSION SERVICE	PARK DISTRICT	PUBLIC DEFENDER COMMISSION	RECORDS COMMISSION
REGIONAL PLANNING COMMISSION	TAX INCENTIVE REVIEW COUNCIL	VETERANS COMMISSION			



Government Finance Officers Association

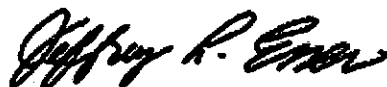
**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Hancock County
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015



Executive Director/CEO

FINANCIAL SECTION

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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

Hancock County
300 South Main Street
Findlay, Ohio 45840

To the Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Hancock County, Ohio, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise Hancock County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We did not audit the financial statements of Blanchard Valley Industries, Hancock Community Housing, Inc., and Blanchard Valley Residential Services, Inc., Hancock County's discretely presented component units, which represent 100%, 100%, and 100%, respectively, of the assets, net position, and revenues, of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Blanchard Valley Industries, Hancock Community Housing, Inc. and the Blanchard Valley Residential Services, Inc., is based solely on the report of other auditors. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement. The other auditors audited the financial statements of Blanchard Valley Industries and Blanchard Valley Residential Services, Inc., in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards*.

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

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

Independent Auditor's Report
Hancock County

Opinion

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Hancock County, Ohio, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and Major Special Revenue Funds: Motor Vehicle License and Gas Tax Fund, Alcohol, Drug and Mental Health Fund, Job and Family Services Fund, and Board of Developmental Disabilities Fund, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Independent Auditor's Report
Hancock County

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2017, on our consideration of Hancock County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hancock County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
June 22, 2017

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HANCOCK COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2016 UNAUDITED

The management's discussion and analysis of Hancock County's (the "County") financial performance provides an overview of the County's financial activities for the year ended December 31, 2016. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

Using This Annual Report

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the County as a financial whole or as an entire operating entity. The statements also provide detail of the County's financial position.

The County's basic financial statements are comprised of three components: the County-wide financial statements, the fund financial statements, and the notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

County-Wide Financial Statements

The county-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported as net position. The statement of activities presents information showing how the County's net position changed during 2016. These statements are prepared using the accrual basis of accounting similar to the accounting method used by most private sector companies. This basis of accounting considers all of the current year's revenues and expenses, regardless of when the cash is received or paid.

The change in net position is important because it tells the reader whether, for the County as a whole, the financial position of the County has improved or diminished from the prior year. Over time, these increases and/or decreases are indicators of whether the financial position is improving or deteriorating. However, in evaluating the overall position of the County, nonfinancial information such as changes in the County's tax base and the condition of the County's capital assets may also have an impact on the change.

In the statement of net position and the statement of activities, the County is divided into three kinds of activities:

Governmental Activities - Most of the County's programs and services are reported here, including general government legislative and executive and judicial, public safety, public works, health, human services, economic development, and conservation and recreation. Primarily taxes and intergovernmental revenues, including federal and state grants and other shared revenues, fund these services.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all or most of the cost of the services provided. The County's Sanitary Landfill, Agricultural Service Center, and BMV One-Stop building are reported here.

Component Units - The County's financial statements include financial data of the Blanchard Valley Industries, Inc., the Hancock Community Housing, Inc. and Blanchard Valley Residential Services, Inc. These component units are described in the notes to the financial statements. The component units are separate and may buy, sell, lease and mortgage property in their own name, and can sue or be sued in their own name.

HANCOCK COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2016 UNAUDITED

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 objects. The County, 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 County can be divided into three categories: governmental funds, enterprise funds, and fiduciary funds. Fund financial statements provide detailed information about the County's major funds. Based on the restriction on the use of moneys, the County has established many funds that account for the multitude of services provided to our residents. The County's major governmental funds are the General Fund, Motor Vehicle and Gas Tax Fund, Alcohol, Drug, and Mental Health Fund, Job and Family Services Fund, Board of Developmental Disabilities Fund and Flood Mitigation Fund.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities on the government-wide financial statements. Most of the County's basic services are reported in these funds. The reporting focuses on how money flows into and out of the funds and the year end balances available for spending. These funds are reported on the modified accrual basis of accounting which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services being provided.

Because the focus of the governmental funds is narrower than that of the county-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the county-wide financial statements. By doing so, readers may better understand the long-term impact of the County's short-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 County maintains a multitude of individual governmental funds. Information is presented separately on the governmental fund balance sheet and on the governmental fund statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in this report.

Proprietary Funds - The County's proprietary funds use the accrual basis of accounting, the same as used for the business-type activities on the government-wide financial statements. The County uses enterprise funds to account for the Sanitary Landfill operations, the Agricultural Service Center, and the BMV One-Stop building. The County also maintains an internal service fund for the self insurance of workers' compensation.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected on the county-wide financial statements because the resources from these funds are not available to support the County's programs. The accounting method used for fiduciary funds is the accrual basis.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided on the county-wide and fund financial statements.

Required Supplementary Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's net pension asset/liability.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules.

HANCOCK COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2016 UNAUDITED

Government-Wide Financial Analysis

Table 1 provides a summary of the County's net position at December 31, 2016 and December 31, 2015.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<u>Assets</u>						
Current assets	\$ 77,598,376	\$ 77,867,353	\$ 13,058,131	\$ 12,428,228	\$ 90,656,507	\$ 90,295,581
Capital assets, net	110,089,123	111,614,799	10,295,542	10,724,287	120,384,665	122,339,086
Total assets	187,687,499	189,482,152	23,353,673	23,152,515	211,041,172	212,634,667
<u>Deferred outflows of resources</u>						
Unamortized deferred charges	119,167	157,149	27,145	32,406	146,312	189,555
Pension	9,363,199	3,040,787	487,428	167,593	9,850,627	3,208,380
Total deferred outflows of resources	9,482,366	3,197,936	514,573	199,999	9,996,939	3,397,935
<u>Liabilities</u>						
Current liabilities	4,286,587	6,712,198	190,915	638,058	4,477,502	7,350,256
Long-term liabilities:						
Due within one year	2,071,085	2,392,926	700,755	705,884	2,771,840	3,098,810
Net pension liability	24,892,478	17,877,631	1,266,364	962,457	26,158,842	18,840,088
Other amounts	7,993,591	9,529,659	9,304,549	9,579,762	17,298,140	19,109,421
Total liabilities	39,243,741	36,512,414	11,462,583	11,886,161	50,706,324	48,398,575
<u>Deferred inflows of resources</u>						
Property taxes and PILOTs	10,991,413	10,987,160	-	-	10,991,413	10,987,160
Unamortized deferred gain	-	-	17,879	19,667	17,879	19,667
Pension	842,915	492,967	41,708	18,659	884,623	511,626
Total deferred inflows of resources	11,834,328	11,480,127	59,587	38,326	11,893,915	11,518,453
<u>Net Position</u>						
Net investment in capital assets	103,205,827	103,463,437	6,577,309	6,359,771	109,783,136	109,823,208
Restricted	26,437,202	26,121,562	2,860,168	2,827,900	29,297,370	28,949,462
Unrestricted	16,448,767	15,102,548	2,908,599	2,240,356	19,357,366	17,342,904
Total net position	\$ 146,091,796	\$ 144,687,547	\$ 12,346,076	\$ 11,428,027	\$ 158,437,872	\$ 156,115,574

During a previous year, the County adopted Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and GASB Statement 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68" which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the County's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

HANCOCK COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2016 UNAUDITED

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

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

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

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

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

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

Current and other assets for governmental activities decreased approximately \$300,000 from the previous year. Equity in pooled cash showed a decrease due to a reduction in cash reserves related to the Board of Development Disabilities. Due from other governments also decreased due less grant support in the Alcohol, Drug and Mental Health department and a decrease in local government support in the general fund. Capital assets decreased roughly \$1.5 million due to the donation of Distribution Dr. to a township within the County. Other liabilities in the governmental activities decreased due to accounts payable outstanding at year-end as well as a decrease in bond anticipation notes outstanding. Long-term liabilities increased due to an increase in the net pension liability at year-end.

HANCOCK COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2016 UNAUDITED

The current and other assets of the business-type activities increased approximately \$600,000 due primarily to an increase in equity in pooled cash and investments in the sanitary landfill activities and an increase restricted assets related to the landfill that held for closure costs. Capital assets of the business-type activities primarily decreased because of disposals made in the sanitary landfill fund. Other liabilities decreased due to a decrease in accounts payable related to sanitary landfill equipment purchased on account in a previous year. Long-term liabilities outstanding increased due to an increase in net pension liability.

Table 2 shows the changes in net position for 2016 and 2015.

Table 2
Changes in Net Position

	Governmental Activities 2016	Governmental Activities 2015	Business-type Activities 2016	Business-type Activities 2015	2016 Total	2015 Total
Revenues						
Program revenues:						
Charges for services and sales	\$ 9,360,974	\$ 8,734,800	\$ 5,246,964	\$ 5,033,631	\$ 14,607,938	\$ 13,768,431
Operating grants and contributions	20,391,236	22,382,940	-	-	20,391,236	22,382,940
Capital grants and contributions	785,421	1,945,398	-	-	785,421	1,945,398
Total program revenues	30,537,631	33,063,138	5,246,964	5,033,631	35,784,595	38,096,769
General revenues:						
Property taxes	11,023,457	10,816,772	-	-	11,023,457	10,816,772
Payment in lieu of taxes	383,747	281,980	-	-	383,747	281,980
Sales tax	14,908,400	14,604,344	-	-	14,908,400	14,604,344
Unrestricted grants	2,229,120	2,620,056	-	-	2,229,120	2,620,056
Investment earnings	372,597	337,190	154,953	145,090	527,550	482,280
Other	-	110,271	747,149	377,456	747,149	487,727
Total general revenues	28,917,321	28,770,613	902,102	522,546	29,819,423	29,293,159
Total revenues	59,454,952	61,833,751	6,149,066	5,556,177	65,604,018	67,389,928
Expenses						
Program Expenses:						
General government						
Legislative and executive	7,394,995	6,220,443	-	-	7,394,995	6,220,443
Judicial	4,422,980	4,555,160	-	-	4,422,980	4,555,160
Public safety	10,171,828	8,609,661	-	-	10,171,828	8,609,661
Public works	7,938,936	7,076,722	-	-	7,938,936	7,076,722
Health	15,759,703	16,104,699	-	-	15,759,703	16,104,699
Human services	8,577,667	10,457,791	-	-	8,577,667	10,457,791
Conservation and recreation	2,792,549	396,577	-	-	2,792,549	396,577
Economic development	502,509	676,154	-	-	502,509	676,154
Interest and fiscal charges	489,536	455,763	-	-	489,536	455,763
Sanitary landfill	-	-	4,949,029	4,061,372	4,949,029	4,061,372
Agricultural service center	-	-	168,394	124,570	168,394	124,570
BMV one-stop	-	-	113,594	130,684	113,594	130,684
Total expenses	58,050,703	54,552,970	5,231,017	4,316,626	63,281,720	58,869,596
Change in net position	1,404,249	7,280,781	918,049	1,239,551	2,322,298	8,520,332
Net position at beginning of year	144,687,547	137,406,766	11,428,027	10,188,476	156,115,574	N/A
Net position at end of year	\$ 146,091,796	\$ 144,687,547	\$ 12,346,076	\$ 11,428,027	\$ 158,437,872	\$ 156,115,574

The increase in charges for services can mainly be attributed to an increase in special assessment revenue received for ditch maintenance as well as an increase in conveyance and mapping fees. The operating grants and contributions decreased due to lower grant revenue received for the job and family services and the board of developmental disabilities programs. The decrease in capital grants and contributions is primarily the result of a decrease in grants received from the Ohio Department of Transportation and Ohio Public Works Commission grant money.

HANCOCK COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2016 UNAUDITED

General revenues increased only slightly by about \$150,000 in 2016. The most significant increases were in the area of sales tax revenues and property taxes. Sales tax revenues increased roughly \$300,000 due to a rebound in the economy which resulted in better sales throughout the County. Property tax revenue increased due to better collections and a higher assessed value.

Many expense categories increased from prior year due primarily to wage and benefit increases. Overall expenses increased approximately \$3.5 million. Public safety increased due to increased spending in the sheriff's department related to wages increases and pension expense. Health decreased due to less money being spent by the Board of Development Disabilities department. Human services decreased due to less program money being expended by Job and Family Services. Conservation and recreation increased due to higher amounts being spent on flood mitigation.

Net position of the business-type activities increased due to operating revenues in these activities outpacing operating expenses.

Table 3, for governmental activities, indicates the total cost of services and the net cost of services. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Table 3
Governmental Activities

	Total Cost of Services <u>2016</u>	Net Cost of Services <u>2016</u>	Total Cost of Services <u>2015</u>	Net Cost of Services <u>2015</u>
Program Expenses:				
General government				
Legislative and executive	\$ 7,394,995	\$ 3,404,304	\$ 6,220,443	\$ 2,642,343
Judicial	4,422,980	2,190,144	4,555,160	2,829,359
Public safety	10,171,828	8,331,773	8,609,661	6,501,708
Public works	7,938,936	1,677,163	7,076,722	(42,283)
Health	15,759,703	7,894,143	16,104,699	7,234,588
Human services	8,577,667	1,330,344	10,457,791	1,948,511
Conservation and recreation	2,792,549	2,777,549	396,577	46,381
Economic development	502,509	(581,884)	676,154	(126,538)
Interest and fiscal charges	489,536	489,536	455,763	455,763
Total	<u>\$ 58,050,703</u>	<u>\$ 27,513,072</u>	<u>\$ 54,552,970</u>	<u>\$ 21,489,832</u>

Charges for services provided for 51.08% of the costs of the legislative and executive program which represents costs associated with the general administration of County government including the County Commissioners, Auditor, Treasurer, Recorder, and Prosecuting Attorney. Charges for services (primarily fines and forfeitures) provided for 42.47% of the costs of the judicial program. This program represents costs associated with the administration of the County's court system including the Common Pleas, Probate, and Juvenile courts.

Program revenues exceeded costs for the public works program due to the capital contributions from the state and federal governments for capitalized assets.

The health and human services programs are principally funded from operating grants, contributions, and interest. The net cost of services represents property tax revenues or allocations from the General Fund. Health services consist of mental health and mental disability expenses. Human services include expenses for the Job and Family Services and Children Services departments.

HANCOCK COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2016 UNAUDITED

Governmental Funds Financial Analysis

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. The County's major governmental funds are the General Fund, Motor Vehicle and Gas Tax Fund, Alcohol, Drug, and Mental Health Fund, Job and Family Services Fund, Board of Developmental Disabilities Fund and Flood Mitigation fund.

The General Fund is the primary operating fund of the County. At the end of 2016, unassigned fund balance was \$4,804,145 while total fund balance was \$7,753,372. During 2016, the County's General Fund increased \$409,185 due primarily to an increase in sales tax revenue.

The Motor Vehicle and Gas Tax Fund increased \$723,193 due primarily to a decrease in expenditures. The Motor Vehicle and Gas Tax Fund decreased spending in the areas of personal services and materials and supplies in comparison to the previous year.

The Alcohol, Drug, and Mental Health Fund's fund balance increased by \$229,877. This fund experienced increases in intergovernmental revenues to go along with a decrease in spending from the previous year.

The increase in fund balance in the Job and Family Services Fund can be attributed to lower costs expended during the year to counteract decreased grant support.

The Board of Developmental Disabilities Fund showed a decrease in fund balance in 2016. While revenues decreased related to lower intergovernmental grant revenue, the fund's decreased its costs but also transferred out \$1.4 million for capital project costs.

The Flood Mitigation Fund increased due to transfers from the General Fund from increased sales tax revenues and a grant received during the year. This fund should continue to increase to offset any anticipated flood mitigation assessments.

Business-Type Activities Financial Analysis

The County's enterprise funds provide the same information found in the county-wide financial statements. The County's enterprise funds are the Sanitary Landfill, the Agricultural Service Center, and the BMV One-Stop Building.

The change in net position for the Sanitary Landfill Fund was mainly the result of operating revenues exceeding operating expenses. The fund was able to charge costs that exceeding an increase operating expenses, primarily in contract services.

The Agricultural Service Center Fund increased due an increase in charges for services as well as savings realized from the refunding of previous bonds outstanding.

The BMV One-Stop enterprise fund reported a positive change in net position due to operating revenues, consisting of charges for services, exceeding operating expenses.

Budgetary Highlights

The County prepares an annual budget of revenues and expenditures/expenses for all funds of the County for use by County officials and department heads. By State statute, the Board of County Commissioners adopts the annual operating budget for the County effective the first day of January. Elected officials meet regularly to evaluate budget status and prioritize the capital needs of the County.

HANCOCK COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2016 UNAUDITED

For the General Fund, the revenue and other financing sources increased from the original budget to the final budget by about \$1.6 million. This increase was the result of better sales tax collection estimates throughout the year and better than expected investment income returns. Actual receipts and other financing sources increased about \$1.9 million from the final budget. This increase was primarily the result of increases in sales taxes, charges for services and advances to be repaid which are not required to be budgeted by the County.

Appropriation changes from the original budget to the final budget were roughly \$1.8 million higher due to a large increase in transfers out of the increase in sales tax committed for flood mitigation. Actual expenditures and other financing uses were approximately \$700,000 less than the final budget. While all expenditure line items showed positive variances, advances out increased \$323,678 since the County is not required to budget these amounts. The most significant changes in the expenditures were in the areas of legislative and executive, judicial, public safety and human services. In legislative and executive, the most significant decrease from final budget to actual was in building and ground maintenance. Contractual services decreased due to conservative budgeting. In judicial, common pleas showed the most significant unused appropriation decrease. In public safety, the primary reason for the decrease was due to the sheriff and jail operations spending less than their budget. Human services showed a large decrease due to conservative spending in soldier's relief and veteran's services.

Capital Assets and Debt Administration

Capital Assets - The County's capital assets for governmental and business-type activities as of December 31, 2016, were \$110,089,123 and \$10,295,542, respectively, (net of accumulated depreciation). This investment in capital assets includes land, easements, construction in progress, buildings, improvements other than buildings, equipment, vehicles, and infrastructure.

For governmental activities, major capital asset additions included land purchases, equipment, construction in progress, buildings and infrastructure. In business-type activities, the Landfill purchased new equipment. Note 12 to the basic financial statements provides additional information regarding capital assets.

Debt - At December 31, 2016, the County had total general obligation bonded debt outstanding of \$9,821,261. Of this amount, \$3,472,674 will be repaid from business-type activities. Other outstanding debt included special assessment bonds of \$618,680, OWDA loans of \$74,595, \$1,387,197 in other loans and OPWC loans of \$254,825.

Moody's has assigned an underlying rating of Aa2 and Standards & Poor's Corporation has assigned an underlying rating of AA- to the outstanding general obligation debt of the County.

In addition to the bonded debt, the County's long-term obligations include net pension liability, compensated absences and closure/postclosure costs. Notes 19 and 20 to the basic financial statements provide additional information regarding the County's debt.

Current Issues

For 2016, the County recognized approximately \$600,000 in additional sales tax revenue on a cash basis. This increase was attributed to a variety of factors which originated in 2016. First, several local companies made improvements to their facilities which, as a by-product, generated revenue. In early 2017, the County has shown a slight decrease in sales tax receipts which may prompt a further look into decreasing expenditures. As prior years' projects are winding down, fewer new projects are starting up.

HANCOCK COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2016 UNAUDITED

The County Commissioners awarded a contract for the construction of a new Engineer's maintenance garage in early 2014. The existing maintenance garage was undersized based on the current needs of the Engineer's Office, as well as heavily damaged during a windstorm. Construction of the new maintenance garage proceeded slowly due to unseasonable weather including subsequent windstorms, record-setting snowfall, and a polar vortex which created unprecedented sub-zero temperatures. Record cold temperatures continued into mid-March 2015. Throughout construction, the Engineer's maintenance staff worked in temporary facilities outfitted with plastic drop cloths and portable heaters to keep the plow/salt vehicles out on the county roads. Construction of the maintenance garage is complete.

In the mid-1990s, the County used tax increment financing to construct a connector road between Interstate 75 and the Tall Timbers International Industrial Park on Industrial Drive, opening about 500 acres to development. The project incorporated expanding parts of Hancock County 99 and Hancock County 212 to four lanes between I-75 and Hancock County 236. In 2016, the County's bonds for the I-75/ Tall Timber connector were paid off early in the amount of \$1,925,000. This long-term project has illustrated a huge success in drawing companies to Hancock County with the current infrastructure in place. Due to the success, the amount needed to call on the debt service was fully collected by 2015.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Charity A. Rauschenberg, CPA, Hancock County Auditor, Courthouse, 300 South Main Street, Findlay, Ohio 45840.

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BASIC FINANCIAL STATEMENTS

HANCOCK COUNTY, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2016

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and investments	\$ 53,174,211	\$ 3,436,617	\$ 56,610,828
Cash with fiscal and escrow agents.	68,081	-	68,081
Cash and cash equivalents in segregated accounts.	153,682	1,216,338	1,370,020
Investments in segregated accounts	-	7,788,612	7,788,612
Receivables:			
Sales taxes.	4,197,444	-	4,197,444
Real estate and other taxes	11,061,085	-	11,061,085
Accounts.	307,895	587,654	895,549
Special assessments	1,381,071	-	1,381,071
Accrued interest	81,625	12,190	93,815
Payment in lieu of taxes	278,413	-	278,413
Loans receivable.	761,162	-	761,162
Internal balance	28,006	(28,006)	-
Due from other governments.	4,692,724	-	4,692,724
Materials and supplies inventory.	508,126	29,332	537,458
Prepayments	860,423	13,047	873,470
Net pension asset	44,389	2,347	46,736
Due from external parties	39	-	39
Restricted certificate of deposit.	-	-	-
Restricted cash and investments	-	-	-
Client held funds	-	-	-
Capital assets:			
Non-depreciable capital assets	40,812,885	1,751,006	42,563,891
Depreciable capital assets, net.	69,276,238	8,544,536	77,820,774
Total capital assets, net.	<u>110,089,123</u>	<u>10,295,542</u>	<u>120,384,665</u>
Total assets	<u>187,687,499</u>	<u>23,353,673</u>	<u>211,041,172</u>
Deferred outflows of resources:			
Unamortized deferred loss on debt refunding	119,167	27,145	146,312
Pension - OPERS	9,218,616	487,428	9,706,044
Pension - STRS	144,583	-	144,583
Total deferred outflows of resources	<u>9,482,366</u>	<u>514,573</u>	<u>9,996,939</u>

Component Units		
Blanchard Valley Industries	Hancock Community Housing, Inc.	Blanchard Valley Residential Services
\$ 361,607	\$ 98,628	\$ 1,211,896
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
124,854	-	73,186
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
3,142	-	-
20,164	1,880	31,671
-	-	-
-	-	-
7,517	-	-
419,228	-	-
-	-	92,639
30,259	159,854	-
338,364	550,786	297,597
368,623	710,640	297,597
1,305,135	811,148	1,706,989
-	-	-
-	-	-
-	-	-
-	-	-

(Continued)

HANCOCK COUNTY, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2016
(CONTIUED)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Liabilities:			
Accounts payable	\$ 1,038,158	\$ 73,182	\$ 1,111,340
Retainage payable	68,081	-	68,081
Accrued wages and benefits payable	732,767	33,495	766,262
Compensated absences payable	-	-	-
Due to other governments	616,150	61,862	678,012
Due to external parties	-	14,791	14,791
Accrued interest payable	40,607	7,585	48,192
Claims payable	17,824	-	17,824
Notes payable	1,773,000	-	1,773,000
Unearned revenue	-	-	-
Accrued payroll taxes	-	-	-
Donation liability	-	-	-
Sales tax payable	-	-	-
Security deposits payable	-	-	-
Client held funds	-	-	-
Long-term liabilities:			
Due within one year	2,071,085	700,755	2,771,840
Due in more than one year:			
Net pension liability	24,892,478	1,266,364	26,158,842
Other amounts	7,993,591	9,304,549	17,298,140
Total liabilities	39,243,741	11,462,583	50,706,324
Deferred inflows of resources:			
Property taxes levied for the next fiscal year.	10,713,000	-	10,713,000
PILOTs levied for the next fiscal year	278,413	-	278,413
Unamortized deferred gain on debt refunding	-	17,879	17,879
Pension - OPERS	788,820	41,708	830,528
Pension - STRS	54,095	-	54,095
Total deferred inflows of resources	11,834,328	59,587	11,893,915
Net position:			
Net investment in capital assets.	103,205,827	6,577,309	109,783,136
Restricted for:			
Capital projects	873,182	-	873,182
Debt service	1,915,797	-	1,915,797
Legislative and executive	2,486,216	-	2,486,216
Judicial	963,722	-	963,722
Public safety	1,257,519	-	1,257,519
Public works	2,983,623	-	2,983,623
Health	14,538,109	-	14,538,109
Human services	112,128	-	112,128
Economic development	898,690	-	898,690
Conservation and recreation	10	-	10
Closure/post closure costs	-	2,860,168	2,860,168
Temporarily restricted	-	-	-
Children in custody:			
Expendable	161,206	-	161,206
Nonexpendable	247,000	-	247,000
Unrestricted	16,448,767	2,908,599	19,357,366
Total net position	\$ 146,091,796	\$ 12,346,076	\$ 158,437,872

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Component Units		
Blanchard Valley Industries	Hancock Community Housing, Inc.	Blanchard Valley Residential Services
\$ 247	\$ 4,777	\$ 87,118
-	-	-
25,446	-	85,941
-	-	90,282
-	-	7,384
-	-	-
-	-	-
-	-	-
-	-	-
-	48,850	-
12,653	-	-
1,005	-	-
512	-	-
1,575	-	-
-	-	92,639
-	47,570	-
-	-	-
-	318,314	-
41,438	419,511	363,364
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
9,740	-	-
-	-	-
-	-	-
885,334	46,881	1,046,028
<u>\$ 1,263,697</u>	<u>\$ 391,637</u>	<u>\$ 1,343,625</u>

HANCOCK COUNTY, OHIO

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2016

		Program Revenues		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government:				
Legislative and executive.	\$ 7,394,995	\$ 3,777,660	\$ 213,031	\$ -
Judicial.	4,422,980	1,878,604	354,232	-
Public safety	10,171,828	1,249,078	590,977	-
Public works	7,938,936	1,022,775	4,686,430	552,568
Health.	15,759,703	564,691	7,300,869	-
Human services	8,577,667	271,688	6,757,782	217,853
Conservation and recreation	2,792,549	-	-	15,000
Economic development and assistance	502,509	596,478	487,915	-
Interest and fiscal charges.	489,536	-	-	-
Total governmental activities	58,050,703	9,360,974	20,391,236	785,421
Business-type activities:				
Sanitary landfill	4,949,029	4,816,453	-	-
Agricultural service center	168,394	243,091	-	-
BMV one-stop	113,594	187,420	-	-
Total business-type activities	5,231,017	5,246,964	-	-
Totals	\$ 63,281,720	\$ 14,607,938	\$ 20,391,236	\$ 785,421
Component units:				
Blanchard Valley Industries	\$ 1,757,151	\$ 407,347	\$ 1,881,324	\$ -
Hancock Community Housing, Inc.	109,197	142,758	-	40,867
Blanchard Valley Residential Services	3,288,511	2,266,027	972,971	-
Total component units	\$ 5,154,859	\$ 2,816,132	\$ 2,854,295	\$ 40,867

General revenues:

Property taxes levied for:

General fund
 Health - Alcohol, Drug and Mental Health
 Health - Board of Developmental Disabilities
 Human services
 County capital improvements
 Payment in lieu of taxes
 Sales taxes
 Grants and entitlements not restricted
 to specific programs.
 Interest and dividends
 Miscellaneous

Total general revenues

Change in net position

Net position at beginning of year

Net position at end of year.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Position					
Primary Government			Component Units		
Governmental Activities	Business-type Activities	Total	Blanchard Valley Industries	Hancock Community Housing, Inc.	Blanchard Valley Residential Services
\$ (3,404,304)	\$ -	\$ (3,404,304)	\$ -	\$ -	\$ -
(2,190,144)	-	(2,190,144)	-	-	-
(8,331,773)	-	(8,331,773)	-	-	-
(1,677,163)	-	(1,677,163)	-	-	-
(7,894,143)	-	(7,894,143)	-	-	-
(1,330,344)	-	(1,330,344)	-	-	-
(2,777,549)	-	(2,777,549)	-	-	-
581,884	-	581,884	-	-	-
(489,536)	-	(489,536)	-	-	-
(27,513,072)	-	(27,513,072)	-	-	-
-	(132,576)	(132,576)	-	-	-
-	74,697	74,697	-	-	-
-	73,826	73,826	-	-	-
-	15,947	15,947	-	-	-
(27,513,072)	15,947	(27,497,125)	-	-	-
-	-	-	531,520	-	-
-	-	-	-	74,428	-
-	-	-	-	-	(49,513)
-	-	-	531,520	74,428	(49,513)
2,205,157	-	2,205,157	-	-	-
1,831,198	-	1,831,198	-	-	-
6,010,390	-	6,010,390	-	-	-
869,894	-	869,894	-	-	-
106,818	-	106,818	-	-	-
383,747	-	383,747	-	-	-
14,908,400	-	14,908,400	-	-	-
2,229,120	-	2,229,120	-	-	-
372,597	154,953	527,550	29,985	-	-
-	747,149	747,149	9,718	-	2,799
28,917,321	902,102	29,819,423	39,703	-	2,799
1,404,249	918,049	2,322,298	571,223	74,428	(46,714)
144,687,547	11,428,027	156,115,574	692,474	317,209	1,390,339
\$ 146,091,796	\$ 12,346,076	\$ 158,437,872	\$ 1,263,697	\$ 391,637	\$ 1,343,625

HANCOCK COUNTY, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	General	Motor Vehicle and Gas Tax	Alcohol, Drug and Mental Health	Job and Family Services
Assets:				
Equity in pooled cash and investments	\$ 6,139,923	\$ 1,741,860	\$ 824,766	\$ 397,113
Cash with escrow agents.	-	-	-	-
Cash and cash equivalents in segregated accounts .	-	-	-	-
Receivables:				
Sales taxes	4,197,444	-	-	-
Real estate and other taxes.	2,217,594	-	1,857,879	-
Accounts.	283,091	789	22,915	-
Special assessments	-	-	-	-
Accrued interest	79,786	-	-	-
Loans	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Interfund loans.	240,971	-	-	-
Due from other funds	16,479	23,632	-	46,532
Due from other governments.	1,273,060	2,189,094	166,130	162,344
Due from external parties	-	39	-	-
Loans to other funds	12,613	-	-	-
Prepayments	558,490	22,541	49,030	28,465
Materials and supplies inventory.	95,438	380,985	1,774	29,893
Total assets	<u>\$ 15,114,889</u>	<u>\$ 4,358,940</u>	<u>\$ 2,922,494</u>	<u>\$ 664,347</u>
Liabilities:				
Accounts payable.	\$ 254,973	\$ 138,322	\$ 149,880	\$ 45,418
Retainage payable	-	-	-	-
Accrued wages and benefits payable	444,468	50,512	13,238	77,391
Compensated absences payable	31,842	-	-	-
Due to other funds	22,979	8,979	3,290	4,258
Due to other governments	305,347	8,047	3,581	14,774
Interfund loans payable.	-	-	-	-
Loans from other funds.	-	-	-	-
Accrued interest payable	-	-	-	-
Notes payable	-	-	-	-
Total liabilities	<u>1,059,609</u>	<u>205,860</u>	<u>169,989</u>	<u>141,841</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year. . .	2,150,000	-	1,800,000	-
Delinquent property tax revenue not available. .	67,594	-	57,879	-
Accrued interest not available	42,922	-	-	-
Special assessments revenue not available. . . .	-	-	-	-
Miscellaneous revenue not available.	328,389	20,141	20,821	-
PILOTs levied for the next fiscal year	-	-	-	-
Intergovernmental revenue not available	823,294	1,818,609	153,626	-
Sales taxes not available	2,889,709	-	-	-
Total deferred inflows of resources	<u>6,301,908</u>	<u>1,838,750</u>	<u>2,032,326</u>	<u>-</u>
Fund balances:				
Nonspendable	666,541	403,526	50,804	58,358
Restricted.	-	1,910,804	669,375	464,148
Committed	169,077	-	-	-
Assigned	2,113,609	-	-	-
Unassigned (deficit)	4,804,145	-	-	-
Total fund balances	<u>7,753,372</u>	<u>2,314,330</u>	<u>720,179</u>	<u>522,506</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,114,889</u>	<u>\$ 4,358,940</u>	<u>\$ 2,922,494</u>	<u>\$ 664,347</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Board of Developmental Disabilities	Flood Mitigation	Other Governmental Funds	Total Governmental Funds
\$ 15,236,327	\$ 17,390,165	\$ 11,412,878	\$ 53,143,032
-	-	68,081	68,081
-	-	153,682	153,682
-	-	-	4,197,444
6,098,899	-	886,713	11,061,085
-	-	1,100	307,895
-	-	1,381,071	1,381,071
-	-	1,839	81,625
-	-	761,162	761,162
-	-	278,413	278,413
-	-	-	240,971
-	-	3,290	89,933
727,779	-	174,317	4,692,724
-	-	-	39
-	-	-	12,613
139,793	101	62,003	860,423
36	-	-	508,126
<u>\$ 22,202,834</u>	<u>\$ 17,390,266</u>	<u>\$ 15,184,549</u>	<u>\$ 77,838,319</u>
\$ 126,973	\$ 7,565	\$ 315,027	\$ 1,038,158
-	-	68,081	68,081
85,507	840	60,811	732,767
-	-	-	31,842
9,091	3,170	54,884	106,651
53,366	214,233	16,802	616,150
-	-	214,071	214,071
-	-	12,613	12,613
-	1,498	4,841	6,339
-	419,000	1,354,000	1,773,000
<u>274,937</u>	<u>646,306</u>	<u>2,101,130</u>	<u>4,599,672</u>
5,903,000	-	860,000	10,713,000
195,899	-	26,713	348,085
-	-	-	42,922
-	-	1,382,910	1,382,910
-	-	280	369,631
-	-	278,413	278,413
357,258	-	78,907	3,231,694
-	-	-	2,889,709
<u>6,456,157</u>	<u>-</u>	<u>2,627,223</u>	<u>19,256,364</u>
139,829	101	309,003	1,628,162
15,331,911	-	9,664,538	28,040,776
-	16,743,859	500,949	17,413,885
-	-	1,310,128	3,423,737
-	-	(1,328,422)	3,475,723
<u>15,471,740</u>	<u>16,743,960</u>	<u>10,456,196</u>	<u>53,982,283</u>
<u>\$ 22,202,834</u>	<u>\$ 17,390,266</u>	<u>\$ 15,184,549</u>	<u>\$ 77,838,319</u>

HANCOCK COUNTY, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2016

Total governmental fund balances		\$ 53,982,283
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		110,089,123
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Sales taxes receivable	\$ 2,889,709	
Real estate and other taxes receivable	348,085	
Accounts receivable	369,631	
Special assessments receivable	1,382,910	
Accrued interest receivable	42,922	
Due from other governments	3,231,694	
Total		8,264,951
An internal service fund is used by management to charge the costs of workers compensation to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.		31,179
On the statement of net position interest is accrued on outstanding bonds and loans payable, whereas in the governmental funds, interest is accrued when due.		(34,268)
Unamortized deferred amounts on refundings are not recognized in the governmental funds.		119,167
Unamortized premiums (discounts) on bond issuances are not recognized in the governmental funds.		(358,172)
The net pension asset and net pension liability are not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Net pension asset	44,389	
Deferred outflows of resources	9,363,199	
Deferred inflows of resources	(842,915)	
Net pension liability	(24,892,478)	
Total		(16,327,805)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds payable	(6,004,095)	
Special assessment bonds payable	(605,000)	
OWDA loans	(74,595)	
Guaranteed energy savings performance contract	(475,670)	
ADAMH note	(68,183)	
Compensated absences	(2,447,119)	
Total		(9,674,662)
Net position of governmental activities		<u>\$ 146,091,796</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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HANCOCK COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>General</u>	<u>Motor Vehicle and Gas Tax</u>	<u>Alcohol, Drug and Mental Health</u>	<u>Job and Family Services</u>
Revenues:				
Property taxes	\$ 2,207,862	\$ -	\$ 1,829,660	\$ -
Payment in lieu of taxes	-	-	-	-
Permissive motor vehicle license tax	-	180,604	-	-
Sales taxes.	14,954,907	-	-	-
Special assessments	-	-	-	-
Charges for services.	4,914,920	419,024	-	-
Licenses and permits	4,296	-	-	-
Fines and forfeitures	164,935	91,326	-	-
Intergovernmental.	2,251,332	4,459,279	1,638,106	3,645,417
Investment income.	369,232	12,412	-	-
Rental income	310,951	-	154,154	-
Other	-	-	28,113	678,597
Total revenues	<u>25,178,435</u>	<u>5,162,645</u>	<u>3,650,033</u>	<u>4,324,014</u>
Expenditures:				
Current:				
General government:				
Legislative and executive	5,968,631	-	-	-
Judicial.	3,709,929	-	-	-
Public safety	8,306,018	-	-	-
Public works	155,361	4,195,452	-	-
Health	594,618	-	3,394,247	-
Human services.	821,851	-	-	4,178,283
Conservation and recreation	401,135	-	-	-
Economic development and assistance	30,000	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement.	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	<u>19,987,543</u>	<u>4,195,452</u>	<u>3,394,247</u>	<u>4,178,283</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>5,190,892</u>	<u>967,193</u>	<u>255,786</u>	<u>145,731</u>
Other financing sources (uses):				
Issuance of bond proceeds	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	-	-	-	-
Transfers (out).	(4,781,707)	(244,000)	(25,909)	(120,947)
Premium on bond issuance	-	-	-	-
Issuance of OWDA loans	-	-	-	-
Total other financing sources (uses)	<u>(4,781,707)</u>	<u>(244,000)</u>	<u>(25,909)</u>	<u>(120,947)</u>
Net change in fund balances	409,185	723,193	229,877	24,784
Fund balances at beginning of year	<u>7,344,187</u>	<u>1,591,137</u>	<u>490,302</u>	<u>497,722</u>
Fund balances at end of year	<u>\$ 7,753,372</u>	<u>\$ 2,314,330</u>	<u>\$ 720,179</u>	<u>\$ 522,506</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Board of Developmental Disabilities	Flood Mitigation	Other Governmental Funds	Total Governmental Funds
\$ 6,000,166	\$ -	\$ 976,664	\$ 11,014,352
-	-	383,747	383,747
-	-	-	180,604
-	-	-	14,954,907
-	-	1,033,420	1,033,420
120,324	-	2,056,554	7,510,822
-	-	320,376	324,672
-	-	80,969	337,230
5,360,735	15,000	4,966,770	22,336,639
-	-	19,082	400,726
-	-	23,939	489,044
220,074	-	202,201	1,128,985
<u>11,701,299</u>	<u>15,000</u>	<u>10,063,722</u>	<u>60,095,148</u>
-	-	1,195,765	7,164,396
-	-	457,976	4,167,905
-	-	1,205,192	9,511,210
-	-	27,942	4,378,755
10,944,702	-	362,395	15,295,962
-	-	3,854,596	8,854,730
-	-	-	401,135
-	-	472,509	502,509
-	2,391,414	2,258,139	4,649,553
-	-	2,762,523	2,762,523
-	14,777	299,031	313,808
-	-	96,635	96,635
<u>10,944,702</u>	<u>2,406,191</u>	<u>12,992,703</u>	<u>58,099,121</u>
<u>756,597</u>	<u>(2,391,191)</u>	<u>(2,928,981)</u>	<u>1,996,027</u>
-	-	2,934,095	2,934,095
-	-	(2,488,852)	(2,488,852)
-	4,256,821	3,848,750	8,105,571
(1,400,000)	-	(1,533,008)	(8,105,571)
-	-	347,885	347,885
-	-	22,707	22,707
<u>(1,400,000)</u>	<u>4,256,821</u>	<u>3,131,577</u>	<u>815,835</u>
(643,403)	1,865,630	202,596	2,811,862
16,115,143	14,878,330	10,253,600	51,170,421
<u>\$ 15,471,740</u>	<u>\$ 16,743,960</u>	<u>\$ 10,456,196</u>	<u>\$ 53,982,283</u>

HANCOCK COUNTY, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2016

Net change in fund balances - total governmental funds	\$	2,811,862
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital asset additions	\$ 3,806,458	
Current year depreciation	<u>(3,831,063)</u>	
Total		(24,605)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.	(1,501,071)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	9,105	
Sales taxes	(46,507)	
Special assessments	(208,028)	
Charges for services	(33,073)	
Fines and forfeitures	(87,580)	
Intergovernmental	(153,057)	
Interest income	(189)	
Rental income	7,972	
Other	<u>(128,839)</u>	
Total		(640,196)

Proceeds of bonds and loans are reported as an other financing source in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position.

Bonds	(2,934,095)	
OWDA loans	<u>(22,707)</u>	
Total		(2,956,802)

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.

General obligation bonds	2,285,000	
Special assessment bonds	189,999	
OWDA loans	56,997	
Guaranteed energy savings performance contract	224,772	
ADAMH loan	<u>5,755</u>	
Total		2,762,523

In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due.

Accrued interest payable	(5,728)	
Amortization of bond premiums	46,082	
Amortization of bond discounts	(236)	
Amortization of deferred amounts on refunding	<u>(119,211)</u>	
Total		(79,093)

(Continued)

HANCOCK COUNTY, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2016 (CONTINUED)

Payment to refunded bond escrow agent for the retirement of bonds is an other financing use in the governmental funds but the payment reduces long-term liabilities on the statement of net position. Deferred charges related to bond refundings are amortized over the life of the issuance in the statement of activities. The following refunding transactions occurred during the year:

Bonds refunded	\$ 2,355,000	
Premiums associated with bonds refunded	52,623	
Deferred charges on refundings	<u>81,229</u>	
Total		\$ 2,488,852

Premiums on general obligation bonds are recognized as other financing sources in the governmental funds, however, they are amortized over the life of the issuance in the statement of activities. (347,885)

Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 2,179,502

Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability are reported as pension expense in the statement of activities. (3,204,026)

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. (99,403)

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. 14,591

Change in net position of governmental activities \$ 1,404,249

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HANCOCK COUNTY, OHIO

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

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Property taxes	\$ 2,159,000	\$ 2,234,000	\$ 2,207,862	\$ (26,138)
Sales taxes	12,800,000	13,600,000	14,827,711	1,227,711
Charges for services.	3,315,906	3,686,406	4,103,363	416,957
Licenses and permits	3,600	3,600	4,296	696
Fines and forfeitures	55,500	55,500	65,954	10,454
Intergovernmental.	2,093,200	2,183,200	2,275,361	92,161
Investment income.	170,000	410,000	450,176	40,176
Rental income	200,000	200,000	310,945	110,945
Other	1,000	1,000	382	(618)
Total revenues	<u>20,798,206</u>	<u>22,373,706</u>	<u>24,246,050</u>	<u>1,872,344</u>
Expenditures:				
Current:				
General government:				
Legislative and executive	6,455,402	6,305,765	5,902,911	402,854
Judicial.	3,975,351	3,984,835	3,833,234	151,601
Public safety	8,176,802	8,342,690	8,196,756	145,934
Public works	163,043	164,204	158,017	6,187
Health	732,884	709,925	611,376	98,549
Human services.	998,872	999,424	844,844	154,580
Conservation and recreation	401,135	401,135	401,135	-
Economic development and assistance . .	30,000	30,000	30,000	-
Total expenditures	<u>20,933,489</u>	<u>20,937,978</u>	<u>19,978,273</u>	<u>959,705</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(135,283)</u>	<u>1,435,728</u>	<u>4,267,777</u>	<u>2,832,049</u>
Other financing sources (uses):				
Advances in	-	-	178,516	178,516
Advances out	-	-	(323,678)	(323,678)
Transfers in	90,000	110,000	-	(110,000)
Transfers out.	<u>(3,250,000)</u>	<u>(5,049,780)</u>	<u>(4,996,708)</u>	<u>53,072</u>
Total other financing sources (uses)	<u>(3,160,000)</u>	<u>(4,939,780)</u>	<u>(5,141,870)</u>	<u>(202,090)</u>
Net change in fund balances	<u>(3,295,283)</u>	<u>(3,504,052)</u>	<u>(874,093)</u>	<u>2,629,959</u>
Fund balances at beginning of year	3,170,097	3,170,097	3,170,097	-
Prior year encumbrances appropriated . . .	717,121	717,121	717,121	-
Fund balance at end of year	<u>\$ 591,935</u>	<u>\$ 383,166</u>	<u>\$ 3,013,125</u>	<u>\$ 2,629,959</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HANCOCK COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MOTOR VEHICLE LICENSE AND GAS TAX SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Permissive motor vehicle license tax	\$ 170,000	\$ 170,000	\$ 179,555	\$ 9,555
Charges for services.	400,000	400,000	425,750	25,750
Fines and forfeitures	80,000	80,000	91,326	11,326
Intergovernmental.	4,428,000	4,428,000	4,458,622	30,622
Investment income.	1,000	1,000	12,412	11,412
Total revenues	5,079,000	5,079,000	5,167,665	88,665
Expenditures:				
Current:				
Public works	5,032,039	5,119,105	4,461,063	658,042
Total expenditures	5,032,039	5,119,105	4,461,063	658,042
Excess (deficiency) of revenues over (under) expenditures	46,961	(40,105)	706,602	746,707
Other financing uses:				
Transfers out.	(244,000)	(244,000)	(244,000)	-
Total other financing sources uses	(244,000)	(244,000)	(244,000)	-
Net change in fund balances	(197,039)	(284,105)	462,602	746,707
Fund balances at beginning of year	928,472	928,472	928,472	-
Prior year encumbrances appropriated . . .	138,365	138,365	138,365	-
Fund balance at end of year	<u>\$ 869,798</u>	<u>\$ 782,732</u>	<u>\$ 1,529,439</u>	<u>\$ 746,707</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HANCOCK COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) ALCOHOL, DRUG AND MENTAL HEALTH SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Property taxes	\$ 1,807,000	\$ 1,807,000	\$ 1,829,660	\$ 22,660
Intergovernmental.	1,360,878	1,567,752	1,708,816	141,064
Rental income	154,000	154,000	154,313	313
Other	25,000	25,000	28,113	3,113
Total revenues	3,346,878	3,553,752	3,720,902	167,150
Expenditures:				
Current:				
Health	3,027,638	3,894,362	3,790,163	104,199
Total expenditures	3,027,638	3,894,362	3,790,163	104,199
Excess (deficiency) of revenues over (under) expenditures	319,240	(340,610)	(69,261)	271,349
Other financing sources (uses):				
Transfers out.	(26,000)	(26,000)	(25,909)	91
Total other financing sources (uses)	(26,000)	(26,000)	(25,909)	91
Net change in fund balances	293,240	(366,610)	(95,170)	271,440
Fund balances at beginning of year	226,889	226,889	226,889	-
Prior year encumbrances appropriated	429,708	429,708	429,708	-
Fund balance at end of year	<u>\$ 949,837</u>	<u>\$ 289,987</u>	<u>\$ 561,427</u>	<u>\$ 271,440</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HANCOCK COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) JOB AND FAMILY SERVICES SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental.	\$ 4,279,055	\$ 4,552,940	\$ 3,615,573	\$ (937,367)
Other	886,761	886,761	768,635	(118,126)
Total revenues	5,165,816	5,439,701	4,384,208	(1,055,493)
Expenditures:				
Current:				
Human services.	5,394,789	5,560,899	4,427,773	1,133,126
Total expenditures	5,394,789	5,560,899	4,427,773	1,133,126
Excess of expenditures over revenues	(228,973)	(121,198)	(43,565)	77,633
Other financing uses:				
Transfers out.	(207,039)	(207,039)	(120,947)	86,092
Total other financing uses	(207,039)	(207,039)	(120,947)	86,092
Net change in fund balances	(436,012)	(328,237)	(164,512)	163,725
Fund balances at beginning of year	236,106	236,106	236,106	-
Prior year encumbrances appropriated . . .	159,411	159,411	159,411	-
Fund balance (deficit) at end of year	<u>\$ (40,495)</u>	<u>\$ 67,280</u>	<u>\$ 231,005</u>	<u>\$ 163,725</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HANCOCK COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) BOARD OF DEVELOPMENTAL DISABILITIES SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Property taxes	\$ 5,926,000	\$ 5,926,000	\$ 6,000,166	\$ 74,166
Charges for services.	127,000	127,000	120,324	(6,676)
Intergovernmental.	5,540,051	5,540,051	5,318,540	(221,511)
Other	255,000	255,000	220,074	(34,926)
Total revenues	11,848,051	11,848,051	11,659,104	(188,947)
Expenditures:				
Current:				
Health	14,220,818	13,393,806	13,018,818	374,988
Total expenditures	14,220,818	13,393,806	13,018,818	374,988
Excess of expenditures over revenues	(2,372,767)	(1,545,755)	(1,359,714)	186,041
Other financing sources (uses):				
Transfers in	175,000	175,000	-	(175,000)
Transfers out.	(1,000,000)	(1,400,000)	(1,400,000)	-
Total other financing sources (uses).	(825,000)	(1,225,000)	(1,400,000)	(175,000)
Net change in fund balances	(3,197,767)	(2,770,755)	(2,759,714)	11,041
Fund balances at beginning of year	15,327,680	15,327,680	15,327,680	-
Prior year encumbrances appropriated . . .	1,246,318	1,246,318	1,246,318	-
Fund balance at end of year	<u>\$ 13,376,231</u>	<u>\$ 13,803,243</u>	<u>\$ 13,814,284</u>	<u>\$ 11,041</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HANCOCK COUNTY, OHIO

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Sanitary Landfill	Agricultural Service Center	BMV One Stop	Total	
Assets:					
Current assets:					
Equity in pooled cash and investments	\$ 3,160,174	\$ 183,833	\$ 92,610	\$ 3,436,617	\$ 31,179
Receivables:					
Accounts	587,654	-	-	587,654	-
Accrued interest	12,190	-	-	12,190	-
Due from other funds	2,452	-	-	2,452	17,824
Prepayments	12,837	210	-	13,047	-
Materials and supplies inventory	28,830	223	279	29,332	-
Total current assets	3,804,137	184,266	92,889	4,081,292	49,003
Noncurrent assets:					
Net pension asset	2,310	37	-	2,347	-
Restricted assets:					
Cash and cash equivalents in segregated accounts	1,216,338	-	-	1,216,338	-
Investments in segregated accounts	7,788,612	-	-	7,788,612	-
Capital assets:					
Non-depreciable capital assets	1,674,959	75,000	1,047	1,751,006	-
Depreciable capital assets, net	5,627,050	1,402,697	1,514,789	8,544,536	-
Total capital assets, net	7,302,009	1,477,697	1,515,836	10,295,542	-
Total noncurrent assets	16,309,269	1,477,734	1,515,836	19,302,839	-
Total assets	20,113,406	1,662,000	1,608,725	23,384,131	49,003
Deferred outflows of resources:					
Unamortized deferred charges on debt refunding	-	27,145	-	27,145	-
Pension - OPERS	479,826	7,602	-	487,428	-
Total deferred outflows of resources	479,826	34,747	-	514,573	-

(Continued)

HANCOCK COUNTY, OHIO

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2016
 (CONTINUED)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Sanitary Landfill	Agricultural Service Center	BMV One Stop	Total	
Liabilities:					
Current liabilities:					
Accounts payable	\$ 38,884	\$ 33,274	\$ 1,024	\$ 73,182	\$ -
Accrued wages and benefits payable	32,887	608	-	33,495	-
Compensated absences payable	45,520	-	-	45,520	-
Due to other governments	61,768	94	-	61,862	-
Due to other funds	3,558	-	-	3,558	-
Due to external parties	14,791	-	-	14,791	-
Interfund loans payable	-	26,900	-	26,900	-
Accrued interest payable	4,202	1,043	2,340	7,585	-
Claims payable	-	-	-	-	17,824
Current portion of general obligation bonds . .	395,000	118,247	125,000	638,247	-
OPWC loans payable	16,988	-	-	16,988	-
Total current liabilities	613,598	180,166	128,364	922,128	17,824
Long-term liabilities:					
Compensated absences payable	75,313	-	-	75,313	-
General obligation bonds payable	1,290,655	318,277	1,225,495	2,834,427	-
OPWC loans payable	237,837	-	-	237,837	-
Estimated liability for landfill closure costs . .	6,156,972	-	-	6,156,972	-
Net pension liability	1,246,615	19,749	-	1,266,364	-
Total long-term liabilities	9,007,392	338,026	1,225,495	10,570,913	-
Total liabilities	9,620,990	518,192	1,353,859	11,493,041	17,824
Deferred inflows of resources:					
Unamortized deferred gain on debt refunding . .	-	-	17,879	17,879	-
Pension - OPERS	41,058	650	-	41,708	-
Total deferred inflows of resources	41,058	650	17,879	59,587	-
Net position:					
Net investment in capital assets	5,361,529	1,068,318	147,462	6,577,309	-
Restricted for closure and postclosure costs . .	2,860,168	-	-	2,860,168	-
Unrestricted	2,709,487	109,587	89,525	2,908,599	31,179
Total net position	\$ 10,931,184	\$ 1,177,905	\$ 236,987	\$ 12,346,076	\$ 31,179

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HANCOCK COUNTY, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Sanitary Landfill	Agricultural Service Center	BMV One Stop	Total	
Operating revenues:					
Charges for services	\$ 4,816,453	\$ 243,091	\$ 187,420	\$ 5,246,964	\$ 23,130
Other operating revenues	743,104	4,045	-	747,149	-
Total operating revenues.	5,559,557	247,136	187,420	5,994,113	23,130
Operating expenses:					
Personal services	1,254,642	22,164	-	1,276,806	-
Contract services.	1,946,590	83,362	30,890	2,060,842	-
Materials and supplies.	284,533	7,120	4,954	296,607	-
Landfill closure and post-closure costs . . .	370,213	-	-	370,213	-
Claims expense	-	-	-	-	8,539
Depreciation.	372,287	16,900	50,992	440,179	-
Other	994	-	-	994	-
Total operating expenses.	4,229,259	129,546	86,836	4,445,641	8,539
Operating income	1,330,298	117,590	100,584	1,548,472	14,591
Nonoperating revenues (expenses):					
Interest and fiscal charges	(57,760)	(21,872)	(26,758)	(106,390)	-
Loss on sale of capital assets	(662,010)	-	-	(662,010)	-
Interest income.	154,953	-	-	154,953	-
Bond issuance costs.	-	(16,976)	-	(16,976)	-
Total nonoperating revenues (expenses). . . .	(564,817)	(38,848)	(26,758)	(630,423)	-
Change in net position	765,481	78,742	73,826	918,049	14,591
Net position at beginning of year	10,165,703	1,099,163	163,161	11,428,027	16,588
Net position at end of year	\$ 10,931,184	\$ 1,177,905	\$ 236,987	\$ 12,346,076	\$ 31,179

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HANCOCK COUNTY, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Sanitary Landfill	Agricultural Service Center	BMV One Stop	Total	
Cash flows from operating activities:					
Cash received from sales/charges for services.	\$ 4,750,337	\$ 243,091	\$ 187,420	\$ 5,180,848	\$ 69,052
Cash received from other operations	723,006	4,045	-	727,051	-
Cash payments for personal services.	(1,267,148)	(23,638)	-	(1,290,786)	-
Cash payments for contractual services	(1,962,615)	(50,088)	(31,370)	(2,044,073)	-
Cash payments for materials and supplies	(288,428)	(6,899)	(5,013)	(300,340)	-
Cash payments for claims	-	-	-	-	(54,461)
Cash payments for other expenses	(994)	-	-	(994)	-
Net cash provided by operating activities	1,954,158	166,511	151,037	2,271,706	14,591
Cash flows from noncapital financing activities:					
Cash received from interfund loans	-	26,900	-	26,900	-
Net cash provided by noncapital financing activities.	-	26,900	-	26,900	-
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(1,104,058)	-	-	(1,104,058)	-
Principal retirement bonds.	(385,000)	(130,000)	(120,000)	(635,000)	-
Principal retirement OPWC loans.	(16,988)	-	-	(16,988)	-
Interest payments on bonds	(61,675)	(17,052)	(30,794)	(109,521)	-
Bonds issued	-	415,905	-	415,905	-
Payment to refunded bond escrow agent	-	(430,317)	-	(430,317)	-
Premium on bonds issued	-	21,053	-	21,053	-
Bond issuance costs	-	(16,976)	-	(16,976)	-
Net cash used in capital and related financing activities.	(1,567,721)	(157,387)	(150,794)	(1,875,902)	-
Cash flows from investing activities:					
Interest received	121,434	-	-	121,434	-
Cash received from the maturity of investments	5,069,000	-	-	5,069,000	-
Cash used to purchase investments	(7,227,964)	-	-	(7,227,964)	-
Net cash used in investing activities	(2,037,530)	-	-	(2,037,530)	-
Net increase (decrease) in cash and cash equivalents	(1,651,093)	36,024	243	(1,614,826)	14,591
Cash and cash equivalents at beginning of year	6,027,605	147,809	92,367	6,267,781	16,588
Cash and cash equivalents at end of year	\$ 4,376,512	\$ 183,833	\$ 92,610	\$ 4,652,955	\$ 31,179

(Continued)

HANCOCK COUNTY, OHIO

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Sanitary Landfill	Agricultural Service Center	BMV One Stop	Total	
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	\$ 1,330,298	\$ 117,590	\$ 100,584	\$ 1,548,472	\$ 14,591
Adjustments:					
Depreciation.	372,287	16,900	50,992	440,179	-
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:					
Materials and supplies inventory	1,682	221	(59)	1,844	-
Accounts receivable.	(66,116)	-	-	(66,116)	-
Prepayments	(12,234)	(210)	-	(12,444)	-
Due from other funds	(2,452)	-	-	(2,452)	45,922
Net pension asset	(832)	(16)	-	(848)	-
Deferred outflows - pension - OPERS	(314,628)	(5,207)	-	(319,835)	-
Accounts payable	(43,281)	30,683	(480)	(13,078)	-
Accrued wages and benefits	(1,347)	187	-	(1,160)	-
Due to other governments	(350)	(13)	-	(363)	-
Compensated absences payable.	(799)	-	-	(799)	-
Due to other funds.	870	-	-	870	-
Landfill closure and postclosure care liability	370,213	-	-	370,213	-
Due to external parties	267	-	-	267	-
Net pension liability	297,915	5,992	-	303,907	-
Claims payable	-	-	-	-	(45,922)
Deferred inflows - pension - OPERS	22,665	384	-	23,049	-
Net cash provided by operating activities.	<u>\$ 1,954,158</u>	<u>\$ 166,511</u>	<u>\$ 151,037</u>	<u>\$ 2,271,706</u>	<u>\$ 14,591</u>

Non-Cash Transactions:

During 2015, the sanitary landfill fund purchased \$430,614 in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HANCOCK COUNTY, OHIO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2016

	Investment Trust	Agency
Assets:		
Equity in pooled cash and investments	\$ 1,150,333	\$ 4,041,077
Cash and cash equivalents in segregated accounts	-	898,641
Receivables:		
Real estate and other taxes	-	131,551,874
Accounts	-	413,513
Special assessments	-	1,375,536
Due from other governments	59,674	2,958,796
Due from external parties	-	14,791
Prepayments.	31,644	-
Total assets.	<u>1,241,651</u>	<u>\$ 141,254,228</u>
Liabilities:		
Accounts payable	6,077	\$ 40,339
Payroll withholdings	-	319,163
Due to other governments	-	139,338,018
Deposits held and due to others	-	413,513
Undistributed assets	-	1,143,156
Due to external parties	-	39
Total liabilities.	<u>6,077</u>	<u>\$ 141,254,228</u>
Net position:		
Held in trust for external pool participants	<u>1,235,574</u>	
Total net position	<u>\$ 1,235,574</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HANCOCK COUNTY, OHIO

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
INVESTMENT TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Investment Trust
Additions:	
Interest	\$ 11,765
Individual account transactions:	
Operating revenues	1,616,708
Reinvested distributions	11,765
Net individual account transactions	<u>1,628,473</u>
Total additions	<u>1,640,238</u>
Deductions:	
Operating expenses	1,459,427
Distributions to participants	<u>11,765</u>
Total deductions.	<u>1,471,192</u>
Change in net position.	169,046
Net position at beginning of year.	<u>1,066,528</u>
Net position at end of year	<u><u>\$ 1,235,574</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 - DESCRIPTION OF THE COUNTY

Hancock County, Ohio (the "County"), was incorporated in 1828. The County is governed by a Board of three Commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the Auditor, Coroner, Engineer, Prosecuting Attorney, Recorder, Sheriff, Treasurer, Clerk of Courts, two Common Pleas Court Judges and a Probate/Juvenile Court Judge. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the entire County, including each of these departments.

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus". The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the County are not misleading. The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County. For Hancock County, this includes the Board of Alcohol, Drug, and Mental Health Services, the Board of Developmental Disabilities, the Job and Family Services Department, Hancock Emergency Management Agency, and all departments and activities that are operated directly by the elected County officials.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations for which the County approves the budget, the issuance of debt, or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary governments financial statements incomplete or misleading.

The component unit columns on the financial statements identify the financial data of the County's discretely presented component units. They are reported in separate columns to emphasize that they are legally separate from the County.

Blanchard Valley Industries: Blanchard Valley Industries (Industries) is a legally separate not-for-profit corporation served by a Board of Trustees whose appointment is approved by the Hancock County Board of Developmental Disabilities (DD). The Industries, under a contractual agreement with the Hancock County Board of DD, provides sheltered employment for handicapped adults in Hancock County. The Hancock County Board of DD provides the Industries with staff salaries, transportation, equipment (except that used directly in the production of goods or rendering of services), staff to administer and supervise training programs, and other funds as necessary for the operation of the Industries.

Based on the significant services and resources provided by the County to the Industries, and the Industries' sole purpose of providing assistance to handicapped adults of Hancock County, the Industries is presented as a component unit of Hancock County. Separately issued financial statements can be obtained from Blanchard Valley Industries, 1700 East Sandusky Street, Findlay, Ohio 45840.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 - DESCRIPTION OF THE COUNTY - (Continued)

Hancock Community Housing, Inc.: The Hancock Community Housing, Inc. is a legally separate not-for-profit corporation. It was created to develop dwellings and provide affordable housing in Hancock County for persons from the County with disabilities. The Hancock Community Housing, Inc., is governed by a five member Board of Trustees appointed by the Hancock County Board of DD. The Hancock Community Housing, Inc., under a contractual agreement with the Hancock County Board of DD, provides housing for handicapped adults in Hancock County. The Hancock County Board of DD provides Hancock Community Housing, Inc. with State grants to purchase property.

Based on the significant services and resources provided by the County to Hancock Community Housing, Inc., and their sole purpose of providing housing to handicapped adults of Hancock County, the Hancock Community Housing, Inc. is presented as a component unit of Hancock County. Separately issued financial statements can be obtained from Hancock Community Housing, Inc., 1700 East Sandusky Street, Findlay, Ohio 45840.

Blanchard Valley Residential Services, Inc.: Blanchard Valley Residential Services, Inc. is a non-profit organization incorporated in the State of Ohio. The Organization was formed in 2013 for the purpose of managing and operating Blanchard Valley Center which is comprised of three 8-bed residential facilities. The Hancock County Board of Developmental Disabilities (the "County") owns the facilities and holds the license to the 24 beds.

Based on the significant services and resources provided by the County, Blanchard Valley Residential Services, Inc., is presented as a component unit of Hancock County. Separately issued financial statements can be obtained from Blanchard Valley Residential Services, Inc. 1701 E. Main Cross, Findlay, Ohio 45840.

Jointly Governed Organizations - The County participates in four jointly governed organizations; the Joint Board of County Commissioners for the Blanchard River Stream Enhancement Project, the West Central Partnership, Inc., the Metropolitan Housing Authority and the Blanchard Valley Port Authority (See Note 26).

Insurance Pools - The County participates in two insurance pools: the Midwest Pool Risk Management Agency, Inc. and the Midwest Employee Benefit Consortium (See Note 27).

Related Organizations - Hancock County officials are responsible for appointing a voting majority of the Board members of the County Park District, the Findlay-Hancock County Public Library and the Regional Planning Commission (See Note 28).

The County Treasurer, as custodian of public funds, invests all public moneys held on deposit in the County treasury. In the case of separate agencies, boards, and commissions, the County serves as fiscal agent, but is not financially accountable for the organization. The activity of the County Park District is presented as an investment trust fund. The activity of the remaining organizations is presented as agency funds within the County's financial statements:

Hancock Public Health (formerly Hancock County General Health District)
Hancock County Soil and Water Conservation District
Local Emergency Planning Commission
Hancock County Family First Council

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

The County's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and business-type activities. 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 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 County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements - During the year, the County segregates transactions related to certain County 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 County 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. Fiduciary funds are reported by type.

B. Fund Accounting

The County 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. The funds of the County are presented in three categories; governmental, proprietary and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions of the County 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 purpose 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 plus deferred outflows of resources less liabilities and deferred inflows of resources is reported as fund balance.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

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

The following are the County's major governmental funds:

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

Motor vehicle and gas tax special revenue fund - This fund accounts for revenues derived from motor vehicle license and gasoline taxes that are restricted for public works programs.

Alcohol, drug and mental health fund - The fund accounts for a county-wide property tax levy and federal and State grants that are restricted for the cost of services provided by local mental health agencies to the public at large.

Job and family services fund - The fund accounts for various federal and State grants that are restricted to provide public assistance to general relief recipients and pay their providers of medical assistance, and for certain public social services.

Board of developmental disabilities fund - The fund accounts for a county-wide property tax levy and federal and state grants and entitlements that are restricted for operating the Blanchard Valley School, a residential center, and the costs of administering a facility for the developmentally disabled.

Flood mitigation fund - The fund accounts for transfers from the County general fund sales tax revenues and contributions from the City of Findlay that are committed and restricted, respectively, for capital improvements intended to reduce the risk of damage to County property due to severe flooding.

Other governmental funds of the County are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects, (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest and (d) to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the County's programs.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows.

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

Sanitary landfill fund - This fund accounts for fees collected at the County landfill for dumping waste. This fund also includes the activities for the recycling facility, Litter Landing.

Agricultural service center fund - This fund accounts for the rental of space in the agricultural service center. Rental fees are based on the costs of maintaining the building and annual debt service payments.

BMV one-stop fund - This fund accounts for the rental of space in the Bureau of Motor Vehicles building. Rental fees are based on the costs of maintaining the building and annual debt service payments.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

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

Internal Service Fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency or other departments or agencies of the County, or to other governments, on a cost-reimbursement basis. The only internal service fund of the County accounts for a self-insurance program for workers' compensation.

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are not available to support the County's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. The County's investment trust fund accounts for the external portion of the cash management pool which represents resources that belong to legally separate entities. The County's agency funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent, which include the Hancock County General Health District, the Hancock County Soil and Water Conservation District, the Local Emergency Planning Commission and the Hancock County Family First Council, and for taxes, State-levied shared revenues and fines and forfeitures collected and distributed to other political subdivisions.

C. Measurement Focus

Government-Wide Financial Statements - The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets, all deferred outflows of resources, all liabilities and all deferred inflows of resources associated with the operation of the County are included on the statement of net position. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current deferred outflows of resources, current liabilities and current deferred inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflects 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 fund financial statements for governmental funds.

Like the government-wide financial statements, the proprietary funds are accounted for using a flow of economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses, and changes in fund net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows reflects how the County finances and meets the cash flow needs of its enterprise activities.

The investment trust fund is accounted for using a flow of economic resources measurement focus.

D. 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 funds and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

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

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

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (See Note 10). Revenue from sales taxes is recognized in the period in which the sales are made (See Note 8). 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 County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On the 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 both measurable and available at year end: sales taxes, charges for services, fines and forfeitures, State-levied locally shared taxes (including gasoline tax and motor vehicle license tax), grants, interest and rent.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the County, See Note 16 for deferred outflows of resources related the County's net pension liability. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

For the County, See Note 16 for deferred inflows of resources related to the County's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position. In addition, deferred inflows of resources include a deferred gain on debt refunding. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

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

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

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

E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources and the appropriations resolution, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate. The appropriations resolution is the County Commissioners' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, program, department and object level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the County Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the County Commissioners.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriations resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the County Commissioners during the year.

F. Cash and Investments

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

Cash and cash equivalents and investments that are held separately within departments of the County and not included in the County treasury are recorded as "cash and cash equivalents in segregated accounts" and "investments in segregated accounts". Retainage held in separate accounts is recorded as "cash with escrow agents".

During 2016, the County's investments included negotiable and nonnegotiable certificates of deposit, Federal Home Loan Bank (FHLB) bonds, Federal Home Loan Mortgage Corporation (FHLMC) bonds, Federal National Mortgage Association (FNMA) bonds, governmental money market, U.S. Treasury bonds and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Investments are reported at fair value, except for nonnegotiable certificates of deposit, which are reported at cost. Fair value is based on quoted market price or current shares price.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

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

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

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

Interest earnings are allocated to County funds according to State statutes and grant requirements. Interest revenue credited to the general fund during 2016 was \$369,232 which includes \$349,601 assigned from other County funds.

For presentation on the basic financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the County are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments, to the extent the investments were purchased from a specific fund rather than the pool.

G. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of expendable supplies held for consumption. On the fund financial statements, reported inventory is equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

H. Capital Assets

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

All capital assets are capitalized at cost and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The County maintains a capitalization threshold of \$5,000 for all capital assets except infrastructure. The capitalization threshold for infrastructure is \$10,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the assets or materially extend an asset's life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

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

All capital assets are depreciated, except for land, easements and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. The County reports all infrastructure, including that acquired prior to 1980. The County's infrastructure consists of roads, bridges and culverts. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings and Building Improvements	40 - 100 years
Improvements Other Than Buildings	5 - 20 years
Machinery and Equipment	5 - 20 years
Vehicles	6 - 20 years
Infrastructure	20 - 50 years

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2016, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. On the fund financial statements, reported prepayments are equally offset by a nonspendable fund balance in governmental funds which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

J. Unamortized Bond Premium/Unamortized Bond Discount/Unamortized Deferred Loss/Unamortized Deferred Gain/Bond Issuance Costs

Bond premiums, bond discounts and accounting losses and gains are deferred and amortized over the term of the bonds using the bond outstanding 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. Unamortized deferred losses on refundings are reported as a deferred outflow of resources on the statement of net position. Unamortized deferred gains on refundings are reported as a deferred inflow of resources on the statement of net position. On the governmental fund financial statements, bond premiums, bond discounts and deferred charges are recognized in the period when the debt is issued. Bond issuance costs are expensed when they occur.

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the County has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the County's termination policy. The County records a liability for accumulated unused sick leave for employees with seven or more years of service at varying rates depending on County policy. Employees hired after March 10, 1994, must also be at least 55 years of age to be considered probable of receiving payment under the County's policy enacted in 1994.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

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

L. Loans Receivable

Loans receivable represent the right to receive repayment for certain loans made by the County. These loans are based upon written agreements between the County and the various loan recipients.

M. 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 in 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, claims and judgments, net pension liability and 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. Bonds, capital leases and long-term loans are recognized as a liability in the fund financial statements when due.

N. Internal Activity

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

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 the enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

O. Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund loans receivables/payables". Receivables and payables resulting from routine lag between the dates interfund goods and services are provided or reimbursed expenditures occur are classified as "due to/due from other funds". Receivables and payables resulting from long-term interfund loans are classified as "loans to other funds/loans from other funds". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. Receivables and payables resulting from activity between the primary government and agency funds are classified as "due to/due from external parties".

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

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

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for the self-insurance workers' compensation program, recycling services and collection fees for the sanitary landfill, and rent for the Agricultural Service Center and BMV One-Stop. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting this definition are reported as nonoperating.

Q. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets (primarily from developers), or from grants or outside contributions of resources restricted to capital acquisition and construction. The County did not receive any capital contributions during 2016.

R. Fund Balance

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

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

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes, but do not meet the criteria to be classified as restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the Board of Commissioners.

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

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

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

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

S. Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by the creditors, grantors or laws or regulations of other governments. As of December 31, 2016, there was no net position restricted by enabling legislation.

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

T. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Certain resources set aside for the payment of closure and postclosure costs for the sanitary landfill are classified as restricted assets because their use is limited.

U. Estimates

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

V. Pensions

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

W. Fair Value Measurements

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

X. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the County administration and that are either unusual in nature or infrequent in occurrence. The County had no extraordinary or special items during 2016.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2016, the County has implemented GASB Statement No. 72, "Fair Value Measurement and Application", GASB Statement No. 73 "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68", GASB Statement No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", GASB Statement No. 77, "Tax Abatement Disclosures", GASB Statement No. 78, "Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans" and GASB Statement No. 79, "Certain External Investment Pools and Pool Participants".

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurement. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The implementation of GASB Statement No. 72 did not have an effect on the financial statements of the County.

GASB Statement No. 73 improves the usefulness of information about pensions included in the general purposes external financial reports of state and local governments for making decisions and assessing accountability. The implementation of GASB Statement No. 73 did not have an effect on the financial statements of the County.

GASB Statement No. 76 identifies - in the context of the current governmental financial reporting environment - the hierarchy of generally accepted accounting principles (GAAP). This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of GASB Statement No. 76 did not have an effect on the financial statements of the County.

GASB Statement No. 77 requires governments that enter into tax abatement agreements to disclose certain information about the agreement. GASB Statement No. 77 also requires disclosures related to tax abatement agreements that have been entered into by other governments that reduce the reporting government's tax revenues. The implementation of GASB Statement No. 77 did not have an effect on the financial statements of the County.

GASB Statement No. 78 establishes accounting and financial reporting standards for defined benefit pensions provided to the employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan (cost-sharing pension plan) that meets the criteria in paragraph 4 of Statement 68 and that (a) is not a state or local governmental pension plan, (b) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (c) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). The implementation of GASB Statement No. 78 did not have an effect on the financial statements of the County.

GASB Statement No. 79 establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. This Statement provides accounting and financial reporting guidance also establishes additional note disclosure requirements for governments that participate in those pools. The County participates in STAR Ohio which implemented GASB Statement No. 79 for 2016. The County incorporated the corresponding GASB 79 guidance into its 2016 financial statements; however, there was no effect on beginning net position/fund balance.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

B. Deficit Fund Balances

Fund balances at December 31, 2016 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
Children services	\$ 125,168
Victim's assistance	3,647
Juvenile diversion	3,141
Water pollution control	1,390
Juvenile court special docket	2,619
Special improvements	90,835
Motor vehicle and gas tax capital projects	359,280
Distribution Dr. TIF	741,052

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances in the children services, victim's assistance, juvenile diversion, water pollution control and juvenile court special docket funds resulted from adjustments for accrued liabilities. The deficit fund balances in the special improvements, motor vehicle and gas tax capital projects and Distribution Dr. TIF capital projects funds are due to the reporting of bond anticipation notes as fund liabilities and accrued liabilities. The deficits will be alleviated when the debt is repaid.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund, motor vehicle and gas tax fund, alcohol, drug and mental health fund, job and family services fund and board of developmental disabilities fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
- (e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,
- (f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented:

Net Change in Fund Balance

	General Fund	Motor Vehicle and Gas Tax Fund	Alcohol, Drug and Mental Health Fund	Job and Family Services Fund	Board of Developmental Disabilities Fund
Budget basis	\$ (874,093)	\$ 462,602	\$ (95,170)	\$ (164,512)	\$ (2,759,714)
Net adjustment for revenue accruals	147,699	(5,020)	(70,869)	(60,194)	42,195
Net adjustment for expenditure accruals	(74,685)	53,190	132,577	83,382	652,073
Net adjustment for other sources/uses	145,163	-	-	-	-
Funds budgeted elsewhere	462,588	-	-	-	-
Adjustment for encumbrances	<u>602,513</u>	<u>212,421</u>	<u>263,339</u>	<u>166,108</u>	<u>1,422,043</u>
GAAP basis	<u>\$ 409,185</u>	<u>\$ 723,193</u>	<u>\$ 229,877</u>	<u>\$ 24,784</u>	<u>\$ (643,403)</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the sheriff police revolve fund, the County home donations fund, the centennial fund, the budget stabilization fund, the certificate of title administration fund and the severance fund.

NOTE 5 - DEPOSITS AND INVESTMENTS

Monies held by the County are classified by State statute into two categories. Active monies are public monies determined to be necessary to meet current demand upon the County treasury. Active monies must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Monies held by the County which are not considered active are classified as inactive.

Inactive 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 and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair 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;

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

5. Time certificates of deposit including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items 1 and 2, above, and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool State Treasury Asset Reserve of Ohio (STAR Ohio);
8. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
9. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity. 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 County Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash and Cash Equivalents in Segregated Accounts

At year end, the County had \$2,268,661 in cash and cash equivalents deposited separate from the County's internal investment pool, which includes \$1,216,338 in restricted assets associated with the County sanitary landfill. This amount is included in the amount of deposits with financial institutions below.

B. Cash with Escrow Agents

At year end, the County had \$68,081 in cash with escrow agents. This amount is not included in the amount of deposits with financial institutions below.

C. Deposits with Financial Institutions

At December 31, 2016, the carrying amount of all County deposits, including cash in segregated accounts, was \$33,059,455. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2016, \$8,351,011 of the County's bank balance of \$35,584,588 was exposed to custodial risk as discussed below, while \$27,233,577 was covered by the Federal Deposit Insurance Corporation (FDIC).

The County has no deposit policy for custodial risk beyond the requirements of State statute. Custodial credit risk is the risk that, in the event of bank failure, the County's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the County.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

D. Investments

As of December 31, 2016, the County had the following investments and maturities:

Measurement/ <u>Investment type</u>	Measurement <u>Value</u>	<u>Investment Maturities</u>			
		6 months or <u>less</u>	7 to 12 <u>months</u>	1 year to <u>5 years</u>	Greater than <u>5 years</u>
Fair value:					
FHLB	\$ 2,955,537	\$ -	\$ -	\$ 2,955,537	\$ -
FHLMC	10,063,492	-	-	10,063,492	-
FNMA	9,782,457	-	-	9,782,457	-
Neogtiable CDs	12,411,328	1,986,495	6,207,460	4,217,373	-
US Treasury bonds	283,811	-	-	-	283,811
US Government money market	1,686,714	1,686,714	-	-	-
Amortized cost:					
STAR Ohio	1,616,717	1,616,717	-	-	-
Total	<u>\$ 38,800,056</u>	<u>\$ 5,289,926</u>	<u>\$ 6,207,460</u>	<u>\$ 27,018,859</u>	<u>\$ 283,811</u>

The weighted average maturity of investments is 2.40 years.

The County's investments in U.S. Government money markets are valued using quoted market prices (Level 1 inputs). The County's investments in federal agency securities (FHLB, FHLMC, FNMA), negotiable CDs and U.S. Treasury bonds are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

The following investments are held by the landfill enterprise fund and are restricted for the closure and post closure of the solid waste facility.

<u>Investment type</u>	<u>Landfill</u>
FHLMC	\$ 2,850,368
FNMA	1,686,767
FHLB	982,570
Negotiable CDs	1,985,096
US Treasury Bonds	283,811
US Government money market	<u>1,216,338</u>
Total	<u>\$ 9,004,950</u>

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the County's investment policy limits investment portfolio maturities to five years or less. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the County and that an investment must be purchased with the expectation that it will be held to maturity. Investments may not be redeemed prior to maturity without majority approval of the Advisory Committee.

Credit Risk: The County's investments in federal agency securities and U.S. treasury bonds were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. STAR Ohio and the government money market was rated AAAM by Moody's Investor Services. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard ratings service. The County has no investment policy dealing with investment credit risk beyond the requirements in State statute. Ohio law requires that no-load money market mutual funds be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County 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 the U.S. Treasury bonds 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 County's name. The County 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 County places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the County at December 31, 2016:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
Fair value:		
FHLB	\$ 2,955,537	7.62
FHLMC	10,063,492	25.94
FNMA	9,782,457	25.21
Negotiable CDs	12,411,328	31.98
US Treasury bonds	283,811	0.73
US Government money market	1,686,714	4.35
Amortized cost:		
STAR Ohio	1,616,717	4.17
Total	<u>\$ 38,800,056</u>	<u>100.00</u>

E. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2016.

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 33,059,455
Investments	38,800,056
Cash with escrow agent	68,081
Total	<u>\$ 71,927,592</u>
<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 53,395,974
Business-type activities	12,441,567
Investment trust	1,150,333
Agency funds	4,939,718
Total	<u>\$ 71,927,592</u>

NOTE 6 - INVESTMENT POOL

The County serves as fiscal agent for the Hancock County Park District, a legally separate entity. The County pools the monies of this entity with the County's monies for investment purposes. Participation in the pool is voluntary. The investment pool is not registered with the SEC as an investment company. The fair value of investments is determined annually. The pool does not issue shares. Each participant is allocated a pro rata share of each investment at fair value along with a pro rata share of the interest that it earns.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 6 - INVESTMENT POOL - (Continued)

Condensed financial information for the investment pool follows:

Statement of Net Position December 31, 2016

<u>Assets</u>	
Equity in pooled cash and investments	\$ 61,802,238
Due from other governments	59,674
Accrued interest receivable	81,625
Prepayments	<u>31,644</u>
Total	<u>\$ 61,975,181</u>
<u>Liabilities</u>	
Accounts payable	<u>\$ 6,077</u>
Total	<u>6,077</u>
<u>Net position held in trust for pool participants</u>	
Internal portion	60,733,530
External portion	<u>1,235,574</u>
Total net position	<u>\$ 61,969,104</u>

Statement of Changes in Net Position For The Year Ended December 31, 2016

<u>Additions</u>	
Interest	<u>\$ 384,362</u>
Net increase in assets resulting from operations	384,362
Distribution to participants	(501,689)
Capital transactions	<u>(464,241)</u>
Change in net position	(581,568)
Net position, beginning of year	<u>62,550,672</u>
Net position, end of year	<u>\$ 61,969,104</u>

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 7 - RECEIVABLES

Receivables at December 31, 2016, consisted of accounts (billings for user charged services); sales taxes; accrued interest; amounts due from other governments including grants, entitlements, and shared revenues; amounts due from external parties; interfund, payment in lieu of taxes; property taxes, loans (community development block grant moneys loaned to local businesses), and special assessments. All receivables are considered collectible in full and within one year, except for payment in lieu of taxes, property taxes, loans, and special assessments. Payment in lieu of taxes and property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Loans receivable represent low interest loans for development projects granted to eligible County businesses under the Federal CDBG program. The loans have an annual interest rate of 2 to 5.25 percent and are to be repaid over periods ranging from six to fifteen years. Loans outstanding at December 31, 2016, were \$761,162. Loans receivable, in the amount of \$686,713, will not be received within one year.

Special assessments relating to the payment of debt are not expected to be collected within one year. Special assessments, in the amount of \$2,758,446, will not be received within one year. Delinquent special assessments were \$191,623.

Receivables recorded on the County's financial statements are recorded to the extent the amounts are determined material and substantiated, not only by supporting documentation, but also by a reasonable systematic method of determining their existence, completeness, valuation and collectibility. Using this criteria, the County has elected to not record child support arrearages in the agency funds. These amounts, while potentially significant, are not considered measurable and, because collections are often significantly in arrears, the County is unable to determine a reasonable value.

A summary of the principal amounts due from other governments is as follows:

Fund	Description	Amount
General Fund	Local Government	\$ 526,230
	Casino revenue	436,196
	Prisoner Housing	55,557
	Phone Services	1,105
	Paper Services	5,275
	Homestead and Rollback	154,664
	Defense of Indigents	76,276
	Other	17,757
Total General Fund		<u>1,273,060</u>

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HANCOCK COUNTY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 7 - RECEIVABLES - (Continued)

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
Other Major Funds		
Motor Vehicle and Gas Tax	Charges/Fines and Forfeitures	\$ 8,808
Motor Vehicle and Gas Tax	Permissive Motor Vehicle License Tax	15,339
Motor Vehicle and Gas Tax	Gas Tax	1,146,085
Motor Vehicle and Gas Tax	Motor Vehicle License Registration Fees	1,018,862
Alcohol, Drug and Mental Health	Homestead and Rollback	110,418
Alcohol, Drug and Mental Health	Grants	55,712
Job and Family Services	Grants	162,344
Board of Development Disabilities	Homestead and Rollback	357,258
Board of Development Disabilities	Grants	<u>370,521</u>
Total Other Major Funds		<u>3,245,347</u>
Non-Major Funds		
Children Services	Grants	51,882
Children Services	Other	3,236
Child Support Enforcement Agency	Other	20,147
Felony delinquent juvenile care and custody	Grants	
Agency on Aging Levy	Homestead and Rollback	53,133
Other public safety funds:		
COP CAR grant	Grants	4,117
Juvenile Diversion	Grants	3,141
Emergency Management Agency	Grants	14,374
E-911	Grants	15,757
Other special revenue funds:		
Victims Assistance	Grants	<u>8,530</u>
Total Non-Major Funds		<u>174,317</u>
Total Governmental Activities		<u>\$ 4,692,724</u>
Investment Trust Fund	Grants	<u>\$ 59,674</u>
Agency Funds		
Subdivision	Motor Vehicle License - Corporation	\$ 230,539
Subdivision	Motor Vehicle License - Township	125,911
Library/Local Government Support	Library Local Government	1,202,727
Local Government	Local Government	535,057
Undivided Tax	Township Gas Tax	729,661
Municipal Permissive Motor Vehicle Tax	Permissive Motor Vehicle License Tax	<u>134,901</u>
Total Agency Funds		<u>\$ 2,958,796</u>

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 8 - PERMISSIVE SALES AND USE TAX

In 1983, the County Commissioners, by resolution, imposed a one-half of one percent tax on all retail sales made in the County, except sales of motor vehicles, and on the storage, use, or consumption of tangible personal property, including motor vehicles not subject to the sales tax. On November 3, 2009, County voters approved a .5 percent sales tax for ten years for general operations. The Commissioners' resolution further discerned that the .5 percent sales tax would be allocated as .25 percent for general operations provided by the County's general fund and .25 percent for flood mitigation. The additional sales taxes were effective January 1, 2010. Proceeds of the tax are credited to the general fund and transferred accordingly.

Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. A warrant payable to the County is to be made within five days of the certification.

A receivable is recognized at year end for amounts that will be received from sales which occurred during 2016. On the modified accrual basis, the amount of the receivable not collected within the available period is recorded as deferred inflows of resources. On the accrual basis, the full amount of the receivable is recognized as revenue.

NOTE 9 - PAYMENT IN LIEU OF TAXES

According to State law, the County has entered into agreements with a number of property owners under which the County has granted property tax abatements to those property owners and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the County to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if their taxes had not been abated. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by those owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners.

NOTE 10 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the County. 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.

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. 2016 public utility property taxes became a lien December 31, 2015, are levied after October 1, 2016, and are collected in 2017 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 10 - PROPERTY TAXES - (Continued)

The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Auditor periodically remits to the taxing districts their portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2016 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2016 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

The full tax rate for all County operations for the year ended December 31, 2016 was \$7.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2016 property tax receipts were based are as follows:

Real property

Residential/agricultural	\$ 1,349,839,180
Commercial/industrial/mineral	323,966,590

Public utility

Personal	<u>98,734,220</u>
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Total assessed value	<u><u>\$ 1,772,539,990</u></u>
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NOTE 11 - TAX ABATEMENTS

A. Tax Abatements Entered into by the County

The County has entered into a tax abatement agreement in Allen Township for the abatement of property taxes. The Enterprise Zone (E Zone) agreement entered into with HD Findlay Ohio Landlord, LLC was authorized under Ohio Revised Code (ORC) through the Ohio Development Services Agency. Under the agreement, new construction is eligible for the reduction of up to 100% of the assessed value on the improvements of the property. During 2016, the County abated \$30,561 in property taxes.

B. Tax Abatements Entered into by Other Governments

Within the County, the taxing district of the City of Findlay has entered into tax abatement agreements under the Community Reinvestment Area (CRA) program that forgo property taxes assessed to the County. During 2016, property taxes of the County were abated by \$16,200.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 12 - CAPITAL ASSETS

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

	Balance 12/31/15	Additions	Disposals	Balance 12/31/16
<u>Governmental activities:</u>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 38,889,514	\$ 334,929	\$ -	\$ 39,224,443
Construction in progress	<u>6,871,091</u>	<u>1,690,309</u>	<u>(6,972,958)</u>	<u>1,588,442</u>
Total capital assets, not being depreciated	<u>45,760,605</u>	<u>2,025,238</u>	<u>(6,972,958)</u>	<u>40,812,885</u>
<i>Capital assets, being depreciated:</i>				
Buildings	32,163,486	5,607,162	-	37,770,648
Improvements other than buildings	498,546	47,202	-	545,748
Equipment	7,270,807	233,105	(144,457)	7,359,455
Vehicles	6,016,056	214,528	(85,589)	6,144,995
Infrastructure	<u>71,048,862</u>	<u>1,151,110</u>	<u>(49,519)</u>	<u>72,150,453</u>
Total capital assets, being depreciated	<u>116,997,757</u>	<u>7,253,107</u>	<u>(279,565)</u>	<u>123,971,299</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(12,492,839)	(792,110)	-	(13,284,949)
Improvements other than buildings	(258,089)	(22,195)	-	(280,284)
Equipment	(5,108,732)	(416,938)	144,457	(5,381,213)
Vehicles	(4,166,483)	(414,516)	85,589	(4,495,410)
Infrastructure	<u>(29,117,420)</u>	<u>(2,185,304)</u>	<u>49,519</u>	<u>(31,253,205)</u>
Total accumulated depreciation	<u>(51,143,563)</u>	<u>(3,831,063)</u>	<u>279,565</u>	<u>(54,695,061)</u>
Total capital assets, being depreciated net	<u>65,854,194</u>	<u>3,422,044</u>	<u>-</u>	<u>69,276,238</u>
Governmental activities capital assets, net	<u>\$ 111,614,799</u>	<u>\$ 5,447,282</u>	<u>\$ (6,972,958)</u>	<u>\$ 110,089,123</u>

Depreciation expense was charged to governmental functions as follows:

<u>Governmental activities:</u>	
Legislative and executive	\$ 285,443
Judicial	85,614
Public safety	435,134
Health	358,646
Public works	2,599,513
Human services	<u>66,713</u>
Total depreciation expense	<u>\$ 3,831,063</u>

HANCOCK COUNTY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 12 - CAPITAL ASSETS - (Continued)

	Balance 12/31/15	Additions	Disposals	Balance 12/31/16
<u>Business-type activities</u>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 1,699,699	\$ 40,431	\$ -	\$ 1,740,130
Easements	-	10,876	-	10,876
Total capital assets, not being depreciated	<u>1,699,699</u>	<u>51,307</u>	<u>-</u>	<u>1,751,006</u>
<i>Capital assets, being depreciated:</i>				
Buildings	6,206,101	-	-	6,206,101
Improvements other than buildings	1,753,645	-	-	1,753,645
Equipment	4,075,436	622,137	(1,178,856)	3,518,717
Vehicles	1,359,505	-	-	1,359,505
Total capital assets, being depreciated	<u>13,394,687</u>	<u>622,137</u>	<u>(1,178,856)</u>	<u>12,837,968</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(897,328)	(88,577)	-	(985,905)
Improvements other than buildings	(658,406)	(59,752)	-	(718,158)
Equipment	(2,052,823)	(226,305)	516,846	(1,762,282)
Vehicles	(761,542)	(65,545)	-	(827,087)
Total accumulated depreciation	<u>(4,370,099)</u>	<u>(440,179)</u>	<u>516,846</u>	<u>(4,293,432)</u>
Total capital assets, being depreciated net	<u>9,024,588</u>	<u>181,958</u>	<u>(662,010)</u>	<u>8,544,536</u>
Business-type activities capital assets, net	<u>\$ 10,724,287</u>	<u>\$ 233,265</u>	<u>\$ (662,010)</u>	<u>\$ 10,295,542</u>

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

Business-type activities:

Sanitary landfill	\$ 372,287
Agricultural service center	16,900
BMV one-stop	<u>50,992</u>
Total depreciation expense	<u>\$ 440,179</u>

NOTE 13 - INTERFUND RECEIVABLES/PAYABLES

- A.** Interfund loans receivable/payable consisted of the following at December 31, 2016, as reported on the fund statements:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$ 214,071
General fund	Agriculture service center fund	<u>26,900</u>
Total interfund loans		<u>\$ 240,971</u>

The primary purpose of the interfund balance is to cover costs in specific funds where revenues were not received by December 31. These interfund balances will be repaid once the anticipated revenues are received.

Interfund balances between governmental funds are eliminated on the government-wide statement of net position. Interfund balances between governmental funds and business-type activities are reported as internal balances on the government-wide statement of net position.

HANCOCK COUNTY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 13 - INTERFUND RECEIVABLES/PAYABLES - (Continued)

- B.** Due to/from other funds at December 31, 2016, consisted of the following as reported on the fund statements:

	General	Motor Vehicle and Gas Tax	Alcohol, Drug and Mental Health	Job and Family Services	Board of Developmental Disabilities
General	\$ -	\$ -	\$ -	\$ 4,258	\$ 8,992
Motor Vehicle and Gas Tax	14,233	-	-	-	-
Job and Family Services	-	-	-	-	-
Other Governmental	-	-	3,290	-	-
Internal Service	8,746	8,979	-	-	99
Sanitary landfill	-	-	-	-	-
Total due to other funds	<u>\$ 22,979</u>	<u>\$ 8,979</u>	<u>\$ 3,290</u>	<u>\$ 4,258</u>	<u>\$ 9,091</u>

	Flood Mitigation	Other Governmental	Sanitary Landfill	Total Due from Other Funds
General	\$ 3,170	\$ -	\$ 59	\$ 16,479
Motor Vehicle and Gas Tax	-	5,900	3,499	23,632
Job and Family Services	-	46,532	-	46,532
Other Governmental	-	-	-	3,290
Internal Service	-	-	-	17,824
Sanitary landfill	-	2,452	-	2,452
Total due to other funds	<u>\$ 3,170</u>	<u>\$ 54,884</u>	<u>\$ 3,558</u>	<u>\$ 110,209</u>

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All interfund balances are due within one year.

Amounts due to/from other funds between governmental funds are eliminated on the government-wide financial statements. Amounts due to/from other funds between governmental activities and business-type activities are reported as an internal balance on the statement of net position.

- C.** Due to/from external parties at December 31, 2016, consisted of the following as reported on the fund statements:

	Agency	Sanitary Landfill	Total Due from External Parties
Motor Vehicle and Gas Tax	\$ 39	\$ -	\$ 39
Agency	-	14,791	14,791
Total due to external parties	<u>\$ 39</u>	<u>\$ 14,791</u>	<u>\$ 14,830</u>

These balances resulted from the time lag between the dates that (1) goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments are made. All balances are due within one year.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 13 - INTERFUND RECEIVABLES/PAYABLES - (Continued)

- D. Loans due from other funds/loans due to other funds consisted of the following at December 31, 2016, as reported on the fund statements:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental fund	<u>\$ 12,613</u>

The primary purpose of the loans due from other funds/loans due to other funds is for manuscript debt issued by the County in accordance with Ohio Revised Code Section 133.29 during 2016. These loans will be repaid on December 1 of each year with the final maturity date of December 1, 2017. The loans carry an interest rate of 1.00%.

Interfund balances between governmental funds are eliminated on the government-wide statement of net position.

Principal and interest requirement to retire the long-term loans due from other funds/loans due to other funds are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	<u>\$ 12,613</u>	<u>\$ 126</u>	<u>\$ 12,739</u>

NOTE 14 - RISK MANAGEMENT

A. Property and Liability

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Since 1992, the County has contracted with the Midwest Pool Risk Management Agency, Inc. for liability, property, and crime insurance. The program has a \$100,000 self-insured retention per occurrence, respectively.

The list below is a general description of insurance coverage; all policy terms, conditions, restrictions, exclusions, etc. are not included.

Liability

General, Automotive and Law Liability	
Combined (Per Occurrence)	\$ 7,000,000
Public Official Errors and Omissions	
Aggregate	7,000,000
Property including Automotive Comprehensive	
and Collision (Per Occurrence)	78,425,000
Flood and Earthquake (Annual Aggregate)	36,000,000
Boiler and machinery	
(Per Occurrence)	50,000,000
Crime Protection Insurance	
(Per Occurrence)	500,000

The County pays all elected officials' bonds by statute.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 14 - RISK MANAGEMENT - (Continued)

Settled claims have not exceeded this commercial coverage in any of the past three years and there has been no significant reduction in coverage from the prior year.

B. Health Care

The County participates in the Midwest Employee Benefit Consortium (MEBC), a public entity shared risk pool consisting of five counties. Each member pays premiums to MEBC for employee medical and life insurance premiums. MEBC is responsible for the management and operation of the program. Upon withdrawal, the County is responsible for the payment of all MEBC liabilities to its employees, dependents, and designated beneficiaries accruing as a result of the withdrawal. Upon termination of MEBC, all member claims will be paid without regard to the member's account balance. The MEBC Board of Trustees has the right to return monies to an exiting member subsequent to the settlement of all expenses and claims.

C. Workers' Compensation

The County participates in the Ohio Bureau of Workers' Compensation (BWC) Group Experience Rating Program (the "Program"). The Program permits both public and private employers with better-than-average claim histories to join together through a sponsoring organization. This results in BWC rating each employer the group as one. By participating in group rating, employers potentially may enjoy much lower premium rates than they could attain on their own. The County's workers' compensation coverage is still through BWC; however, BWC does not form the groups. To be eligible for the Program, the County must meet several criteria to be accepted into a group. A separate internal service fund was established to account for the operation of the Program, including a reserve balance based on sound actuarial principles to cover actual claims costs. The Program is intended to achieve lower workers' compensation premiums and claims costs by promoting safe working conditions and environments for the employees.

The County has agreed to pay all claims up to a maximum of \$200,000 of what the County would have paid had the County remained an experience-rated risk. Claims exceeding these limits will be paid by the State. Each year, the County pays the State a "minimum premium" for retaining the risk of having claims which exceeded the County's maximum claims limit.

The claims liability of \$17,824 reported on the basic financial statements at December 31, 2016, is based on an estimate provided by the third party administrator and the requirements of 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 claim. Changes in the internal service fund's claims liability amounts in the past two years follows:

<u>Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Balance at End of End of Year</u>
2016	\$ 63,746	\$ 8,539	\$ (54,461)	\$ 17,824
2015	98,687	61,489	(96,430)	63,746

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 15 - CONTRACTUAL OBLIGATIONS

As of December 31, 2016, the County had the following contractual purchase commitments:

Company	Project	Contract Amount	Payments as of 12/31/16	Contract Balance at 12/31/16
Lucas Co. Coroner	Autopsy Services	\$ 82,500	\$ 78,833	\$ 3,667
AT&T	2016 Phone Service	119,293	114,261	5,032
Health Professionals LTD	Inmate Medical Services	287,396	272,221	15,174
Mannik & Smith Group	Engineering & Environmental Planning	57,000	44,730	12,270
Mannik & Smith Group	Groundwater Monitoring Program	72,000	59,415	12,585
Wood Co. Detention Cnt	Detention of Juveniles	200,000	191,590	8,410
Aramark	Food Services Contract	203,730	165,071	38,659
Blaugrund, Kessler, Myers	Labor & HR Relations	125,000	121,053	3,947
Blanchard Valley Industries	Community Employment Program	80,000	71,097	8,903
Blanchard Valley Industries	Adult Day Array Services	98,000	80,000	18,000
BVRSI	ICF-IID Services	2,300,000	2,175,849	124,151
Vanlue School	Annual Bus Services	100,000	-	100,000
INVO Health Care	Speech & Physical Therapy	184,620	73,145	111,476
PT Services	Occupational Therapy Services	112,000	41,877	70,123
Hancock Co Commissioners	TANF/PRC	60,000	3,498	56,502
Appraisal Research Corp	Annual Maintenance	65,625	-	65,625
Woolpert Inc	Oblique Imagery Project #1	134,992	-	134,992
Woolpert Inc	Oblique Imagery Project #2	139,355	-	139,355
Family Resource Center	Services for ADAMHS	525,099	512,245	12,854
Century Health	Services for ADAMHS	543,752	420,455	123,297
WSOS-CAC	Youth Services	50,000	26,674	23,326
Ohio CAT	Cat 826K 800 Compactor	768,753	-	768,753
House of Color	Carpet Replacement at Hancock Ag Service	85,000	-	85,000
B Hill'z Excavating Inc	Whirlpool Co Rd 220 turn lane improvement	77,441	-	77,441
Oglesby Construction	2016 Road Striping Contract	53,849	41,578	12,271
Bluffton Paving	2016 Co/Twp/Landfill Road Resurfacing	424,367	420,731	3,636
Encompass Engineers	Kan Du Studio	201,600	132,885	68,715
Clearwater Council of Government	Management & Admin of Waiver Services	60,079	42,925	17,154
Clearwater Council of Government	Management & Admin of Waiver Services	185,033	160,995	24,038
Helms Construction Inc	Kan Du Studio	1,377,299	963,176	414,123
Cornerstone Detention Product	Jail Window Replacement	171,840	123,010	48,830
City of Findlay	Reimb Maint of Streamguages	53,380	-	53,380
Maumee Watershed Conservancy	Flood Mitigation	1,585,000	681,637	903,363
Julian & Grube Inc.	Audit Services Contract	58,000	54,000	4,000
Ohio CAT	Rental D7E Waste Handler Dozer	69,120	51,520	17,600
Total		<u>\$ 10,711,123</u>	<u>\$ 7,124,470</u>	<u>\$ 3,586,653</u>

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability/Asset

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

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

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

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

The proportionate share of each plan's unfunded benefits or overfunded benefits is presented as a long-term *net pension liability* or *net pension asset*, respectively, on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *due to other governments* on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - County employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan and the Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. County employees) may elect the Member-Directed Plan and the Combined Plan, substantially all employee members are in OPERS' Traditional Pension Plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the Traditional Pension Plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

<p style="text-align: center;">Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013</p>	<p style="text-align: center;">Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013</p>	<p style="text-align: center;">Group C Members not in other Groups and members hired on or after January 7, 2013</p>
<p style="text-align: center;">State and Local</p>	<p style="text-align: center;">State and Local</p>	<p style="text-align: center;">State and Local</p>
<p>Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit</p>	<p>Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit</p>	<p>Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit</p>
<p>Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30</p>	<p>Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30</p>	<p>Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35</p>
<p style="text-align: center;">Public Safety and Law Enforcement</p>	<p style="text-align: center;">Public Safety and Law Enforcement</p>	<p style="text-align: center;">Public Safety and Law Enforcement</p>
<p>Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25</p>	<p>Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25</p>	<p>Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25</p>

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

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

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

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.0% to the member's FAS for the first 30 years of service.

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 3% COLA adjustment on the defined benefit portion of their benefit.

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS's Board of Trustees. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. The amount available for defined contribution benefits in the Member-Directed Plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. For additional information, see the Plan Statement in the OPERS CAFR.

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

	State and Local	Public Safety	Law Enforcement
2016 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
2016 Actual Contribution Rates			
Employer:			
Pension	12.0 %	16.1 %	16.1 %
Post-employment Health Care Benefits	2.0 %	2.0	2.0
Total Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	12.0 %	13.0 %

* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The County's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$2,271,161 for 2016. Of this amount, \$98,241 is reported as due to other governments.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - State Teachers Retirement System (STRS)

Plan Description - County licensed teachers participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 11.5% of the 13% member rate goes to the DC Plan and the remaining 1.5% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

New members who choose the DC Plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

Funding Policy - Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For January 1, 2016 through June 30, 2016, plan members were required to contribute 13 percent of their annual covered salary. For July 1, 2016 through December 31, 2016, plan members were required to contribute 14 percent of their annual covered salary. The County was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The 2016 contribution rates were equal to the statutory maximum rates.

The County's contractually required contribution to STRS was \$41,562 for 2016. Of this amount, \$1,399 is reported as due to other governments.

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

The net pension liability and net pension asset for the OPERS Traditional Pension Plan and Combined Plan and Member-Directed Plan, respectively, were measured as of December 31, 2015, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. STRS's total pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability or asset was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.15799100%	0.00305535%	
Proportion of the net pension liability current measurement date	<u>0.15498100%</u>	<u>0.00281416%</u>	
Change in proportionate share	<u>-0.00301000%</u>	<u>-0.00024119%</u>	
Proportion of the net pension asset prior measurement date	0.07708600%		
Proportion of the net pension asset current measurement date	<u>0.18844900%</u>		
Change in proportionate share	<u>0.11136300%</u>		
Proportionate share of the net pension liability	\$ 25,216,858	\$ 941,984	\$ 26,158,842
Proportionate share of the net pension asset	46,736	-	46,736
Pension expense	3,382,845	(58,490)	3,324,355

HANCOCK COUNTY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	<u>OPERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 2,160	\$ 38,063	\$ 40,223
Net difference between projected and actual earnings on pension plan investments	7,432,723	78,211	7,510,934
Changes in employer's proportionate percentage/ difference between employer contributions	-	5,912	5,912
County contributions subsequent to the measurement date	<u>2,271,161</u>	<u>22,397</u>	<u>2,293,558</u>
Total deferred outflows of resources	<u><u>\$ 9,706,044</u></u>	<u><u>\$ 144,583</u></u>	<u><u>\$ 9,850,627</u></u>
Deferred inflows of resources			
Differences between expected and actual experience	508,422	-	508,422
Changes in employer's proportionate percentage/ difference between employer contributions	<u>322,106</u>	<u>54,095</u>	<u>376,201</u>
Total deferred inflows of resources	<u><u>\$ 830,528</u></u>	<u><u>\$ 54,095</u></u>	<u><u>\$ 884,623</u></u>

\$2,293,558 reported as deferred outflows of resources related to pension resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/asset in the year ending December 31, 2017.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>STRS</u>	<u>Total</u>
Year Ending December 31:			
2017	\$ 1,470,245	\$ 6,855	\$ 1,477,100
2018	1,598,006	6,856	1,604,862
2019	1,865,814	36,868	1,902,682
2020	1,679,667	17,511	1,697,178
2021	(2,409)	1	(2,408)
Thereafter	<u>(6,968)</u>	<u>-</u>	<u>(6,968)</u>
Total	<u><u>\$ 6,604,355</u></u>	<u><u>\$ 68,091</u></u>	<u><u>\$ 6,672,446</u></u>

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - OPERS

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

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

Wage inflation	3.75 percent
Future salary increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or ad hoc COLA	Pre 1/7/2013 retirees: 3 percent, simple Post 1/7/2013 retirees: 3 percent, simple through 2018, then 2.80% simple
Investment rate of return	8 percent
Actuarial cost method	Individual entry age

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

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

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 401 (h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.40 percent for 2015.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed income	23.00 %	2.31 %
Domestic equities	20.70	5.84
Real estate	10.00	4.25
Private equity	10.00	9.25
International equities	18.30	7.40
Other investments	18.00	4.59
Total	100.00 %	5.27 %

Discount Rate - The discount rate used to measure the total pension liability/asset was 8 percent for both the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
County's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 40,176,616	\$ 25,216,858	\$ 12,598,776
Combined Plan	(954)	(46,424)	(82,999)
Member-Directed Plan	816	(312)	(816)

Changes Between Measurement Date and Report Date - In October 2016, the OPERS Board of Trustees adopted certain assumption changes which impacted their annual actuarial valuation prepared as of December 31, 2016. The most significant changes are a reduction in the expected investment return to 7.50% from 8.00%, the expected long-term average wage inflation was reduced to 3.25% from 3.75%, the expected long-term average price inflation was reduced to 2.50% from 3.00% and a change to various demographic assumptions. Although the exact amount of these changes is not known, the impact to the County's net pension liability is expected to be significant.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Projected salary increases	2.75 percent at age 70 to 12.25 percent at age 20
Investment Rate of Return	7.75 percent, net of investment expenses
Cost-of-Living Adjustments (COLA)	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA paid on fifth anniversary of retirement date.

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2016, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

STRS Ohio's investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Rate of Return *
Domestic Equity	31%	8.00%
International Equity	26%	7.85%
Alternatives	14%	8.00%
Fixed Income	18%	3.75%
Real Estate	10%	6.75%
Liquid Reserves	1%	3.00%
Total	100%	7.61%

*10-Year geometric nominal returns, which include the real rate of return and inflation of 2.50% and does not include investment expenses. The total fund long-term expected return reflects diversification among the asset classes and therefore is not a weighted average return of the individual asset classes.

Discount Rate - The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2016. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2016. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2016.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the County's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
County's proportionate share of the net pension liability	\$ 1,251,820	\$ 941,984	\$ 680,619

Changes Between Measurement Date and Report Date - In March 2017, the STRS Board adopted certain assumption changes which impacted their annual actuarial valuation prepared as of July 1, 2016. The most significant changes are a reduction in the expected investment return to 7.45% from 7.75% and a change to updated generational mortality tables. Although the exact amount of these changes is not known, the impact to the County's net pension liability is expected to be significant.

NOTE 17 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

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

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

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (800) 222-7377.

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

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2016, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan and Combined Plan for 2016 was 2.00%.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 17 - POSTRETIREMENT BENEFIT PLANS - (Continued)

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

The County's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2016, 2015, and 2014 were \$387,531, \$348,324, and \$436,086, respectively; 96.50% has been contributed for 2016 and 100% has been contributed for 2015 and 2014. The remaining 2016 post-employment health care benefits liability has been reported as due to other governments on the basic financial statements.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under State Bill 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4.00% of the employer contributions toward the health care fund after the end of the transition period.

B. State Teachers Retirement System of Ohio

Plan Description - The County contributes to the cost sharing, multiple employer defined benefit Health Plan (the "Plan") administered by the State Teachers Retirement System of Ohio (STRS) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS which may be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy - Ohio law authorizes STRS to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2016, STRS did not allocate any percentage of employer contributions to the Health Care Stabilization Fund. The County's contributions for health care for the years ended December 31, 2016, 2015 and 2014 were \$0, \$0 and \$3,095, respectively. The full amount has been contributed for 2014.

NOTE 18 - COMPENSATED ABSENCES

County employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time is paid upon separation if the employee has at least one year of service with the County. Accumulated, unused sick leave is paid, up to a maximum of 120 days, depending on length of service to employees hired before March 10, 1994, who retire, leave, or due to death. Accumulated, unused sick leave is paid, up to a maximum of 30 days, depending on length of service to employees who retire or due to death for employees hired on or after March 10, 1994.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 19 - NOTES PAYABLE

A summary of the note transactions for the year ended December 31, 2016, follows:

	Balance 12/31/2015	Issued	Retired	Balance 12/31/2016
Governmental activities:				
<u>Bond anticipation notes</u>				
Series 2015 Notes - 0.591%	\$ 3,725,000	\$ -	\$ (3,725,000)	\$ -
Series 2016 Notes - 2.25%	-	1,773,000	-	1,773,000
Total	<u>\$ 3,725,000</u>	<u>\$ 1,773,000</u>	<u>\$ (3,725,000)</u>	<u>\$ 1,773,000</u>

On November 5, 2015, the County issued \$3,725,000 in Series 2015 bond anticipation notes for the following purposes: (i) \$106,000 for the Beech Joint County Ditch Project, (ii) \$950,000 for the Blanchard River Stream Enhancement Project, (iii) \$449,000 for the engineer's maintenance garage, (iv) \$480,000 for the Tall Timber's Ditch, (v) \$108,000 for public infrastructure improvements, (vi) \$925,000 for County Road 212 public infrastructure projects, (vii) \$578,000 for sanitary sewers at Distribution Drive, (viii) \$129,000 for Distribution Drive infrastructure improvements. The notes bore an interest rate of 0.591% and matured on November 3, 2016.

On November 3, 2016, the County issued \$1,773,000 in Series 2016 bond anticipation notes for the following purposes: (i) \$419,000 for the Blanchard River Stream Enhancement Project, (ii) \$358,000 for the engineer's maintenance garage, (iii) \$96,000 for the Tall Timber's Ditch and (iv) \$900,000 for Distribution Dr. and County Road 212 public infrastructure projects. The notes bear an interest rate of 2.25% and mature on November 3, 2017.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 20 - LONG-TERM DEBT

The original issue date, interest rate and original issue amount for the County's long-term obligations are as follows:

<u>General Obligation Bonds</u>	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
<u>Governmental Activities</u>			
Job and Family Services Refunding	2002	3.50 - 4.75	950,000
I-75/Tall Timbers Connector Refunding	2005	3.50 - 5.00	4,415,000
ADAMHS Building	2005	3.50 - 5.00	200,000
US 224/CR 300 Construction	2007	4.10 - 4.50	2,995,000
Jail Security System	2009	2.00 - 4.00	755,000
Sheriff Department Radios	2009	2.00 - 4.00	435,000
Engineers Garage	2013	0.35 - 3.375	2,595,000
Series 2016 Refunding - ADAMHS building	2016	2.00 - 4.00	94,095
Series 2016 Refunding - US 224/CR 95	2016	2.00 - 4.00	2,145,000
Series 2016 Refunding - Distribution Dr.	2016	2.00 - 4.00	665,000
<u>Business-Type Activities</u>			
Agricultural Service Center Refunding	2005	3.50 - 5.00	1,180,000
County Landfill Improvements	2009	2.00 - 3.625	2,045,000
County Landfill Equipment	2009	2.00 - 4.00	515,000
Landfill - Leachate	2013	0.35 - 3.372	305,000
Landfill - Land Acquisition	2013	0.35 - 3.375	565,000
Landfill - Equipment	2013	0.35 - 3.375	415,000
BMV One-Stop Refunding	2013	0.35 - 2.50	1,715,000
Series 2016 Refunding - Agriculture Serv. Cent	2016	2.00 - 4.00	415,905
<u>Special Assessment Bonds</u>			
US 224 Water Refunding	2005	3.50-5.00	179,761
CR 88/SR 12 Sewer Refunding	2005	3.50 - 5.00	407,628
SR 12 West Water Refunding	2005	3.50 - 5.00	82,611
CR 95/CR 18 Sewer	2007	3.40 - 4.10	810,000
Special Assessment Refunding 2013	2013	0.35 - 3.375	695,000
Series 2016 Refunding - Beach Joint Ditch	2016	2.00 - 4.00	30,000
<u>Ohio Water Development Loans</u>			
SR 12 West (Fostoria)	1998	5.73	475,239
<u>Ohio Public Works Commission</u>			
Landfill Sanitary Sewer	2011	N/A	339,765
<u>Other Long-Term Obligations</u>			
Guaranteed Energy Savings			
Performance Contract	2008	3.60	2,011,500
ADAMH Taxable Affordable			
Housing Revenue Note	2009	8.50	100,000

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 20 - LONG-TERM DEBT - (Continued)

Changes in the County's long-term obligations during 2016 were as follows.

Governmental Activities:	Balance 12/31/2015	Additions	Reductions	Balance 12/31/2016	Amount Due Within One Year
<u>General Obligation Bonds</u>					
I-75/Tall Timbers connector refunding					
Serial and term bonds	\$ 1,925,000	\$ -	\$ (1,925,000)	\$ -	\$ -
Premium	32,923	-	(32,923)	-	-
Job and family services refunding					
Serial and term bonds	110,000	-	(55,000)	55,000	55,000
Premium	214	-	(106)	108	-
ADMHS building	105,000	-	(105,000)	-	-
US 224/CR 300 construction	2,100,000	-	(1,955,000)	145,000	145,000
Premium	51,196	-	(46,929)	4,267	-
Jail Security System					
Serial and term bonds	440,000	-	(55,000)	385,000	60,000
Discount	(838)	-	123	(715)	-
Sheriff Department Radio					
Serial and term bonds	285,000	-	(25,000)	260,000	30,000
Discount	(891)	-	113	(778)	-
Engineers Garage					
Serial and term bonds	2,335,000	-	(80,000)	2,255,000	85,000
Premium	938	-	(43)	895	-
Series 2016 Refunding - ADAMHS building					
Serial and term bonds	-	94,095	-	94,095	26,753
Premium	-	4,763	(98)	4,665	-
Series 2016 Refunding - US 224/CR 95					
Serial and term bonds	-	2,145,000	-	2,145,000	10,000
Premium	-	270,681	(4,070)	266,611	-
Series 2016 Refunding - Distribution Dr.					
Serial and term bonds	-	665,000	-	665,000	75,000
Premium	-	70,901	(1,462)	69,439	-
Total general obligation bonds	<u>7,383,542</u>	<u>3,250,440</u>	<u>(4,285,395)</u>	<u>6,348,587</u>	<u>486,753</u>
<u>Special Assessment Bonds</u>					
US 224 water refunding					
serial and term bonds	18,780	-	(18,780)	-	-
Premium	119	-	(119)	-	-
CR 88/SR 12 sewer refunding					
Serial bonds	42,588	-	(42,588)	-	-
Premium	265	-	(265)	-	-
SR 12 West water refunding					
Serial bonds	8,631	-	(8,631)	-	-
Premium	53	-	(53)	-	-
CR 95/CR18 sewer	505,000	-	(460,000)	45,000	45,000
Premium	12,451	-	(11,206)	1,245	-
Special assessment refunding 2013					
Series bonds	630,000	-	(100,000)	530,000	70,000
Premium	12,326	-	(1,369)	10,957	-
Series 2016 Refunding - Beach Joint Ditch					
Series bonds	-	30,000	-	30,000	5,000
Premium	-	1,540	(62)	1,478	-
Total special assessment bonds	<u>1,230,213</u>	<u>31,540</u>	<u>(643,073)</u>	<u>618,680</u>	<u>120,000</u>

--Continued

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 20 - LONG-TERM DEBT - (Continued)

Governmental Activities:	Balance 12/31/2015	Additions	Reductions	Balance 12/31/2016	Amount Due Within One Year
<u>OWDA Loans</u>					
SR 12 west water/sewer project	\$ 108,885	\$ -	\$ (34,290)	\$ 74,595	\$ 36,256
2016 HSTS	-	22,707	(22,707)	-	-
Total special assessment bonds	108,885	22,707	(56,997)	74,595	36,256
<u>Other Long-Term Obligations</u>					
Guaranteed energy savings performance contract	700,442	-	(224,772)	475,670	233,371
ADAMH Taxable Affordable Housing Revenue Note	73,938	-	(5,755)	68,183	6,254
Net pension liability	17,877,631	7,014,847	-	24,892,478	-
Compensated absences	2,425,565	1,231,379	(1,177,983)	2,478,961	1,188,451
Total other long-term obligations	21,077,576	8,246,226	(1,408,510)	27,915,292	1,428,076
Total governmental activities long-term obligations	\$ 29,800,216	\$ 11,550,913	\$ (6,393,975)	\$ 34,957,154	\$ 2,071,085

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HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 20 - LONG-TERM DEBT - (Continued)

Business-type activities:	Balance 12/31/15	Additions	Reductions	Balance 12/31/16	Amount Due Within One Year
<u>General Obligation Bonds</u>					
Landfill improvements					
Serial bonds	\$ 890,000	\$ -	\$ (210,000)	\$ 680,000	\$ 220,000
Premium	862	-	(225)	637	-
Landfill equipment					
Serial bonds	225,000	-	(55,000)	170,000	55,000
Premium	221	-	(57)	164	-
Landfill - Leachate 2013					
Serial bonds	270,000	-	(15,000)	255,000	15,000
Premium	1,927	-	(113)	1,814	-
Landfill - land acquisition					
Serial bonds	510,000	-	(20,000)	490,000	20,000
Premium	440	-	(20)	420	-
Landfill - equipment					
Serial bonds	170,000	-	(85,000)	85,000	85,000
Premium	5,239	-	(2,619)	2,620	-
Agricultural service center refunding					
Serial and term bonds	550,000	-	(550,000)	-	-
Premium	9,208	-	(9,208)	-	-
BMV one-stop refunding					
Serial bonds	1,450,000	-	(120,000)	1,330,000	125,000
Premium	22,545	-	(2,050)	20,495	-
2016 Refunding - Agriculture service center					
Serial bonds	-	415,905	-	415,905	118,247
Premium	-	21,053	(434)	20,619	-
Total general obligation bonds	4,105,442	436,958	(1,069,726)	3,472,674	638,247
<u>OPWC Loans</u>					
Landfill sanitary sewer	271,813	-	(16,988)	254,825	16,988
Total OPWC loans	271,813	-	(16,988)	254,825	16,988
<u>Other Long-Term Obligations</u>					
Net pension liability	962,457	303,907	-	1,266,364	-
Compensated absences	121,632	45,022	(45,821)	120,833	45,520
Landfill closure/postclosure costs	5,786,759	370,213	-	6,156,972	-
Total other long-term obligations	6,870,848	719,142	(45,821)	7,544,169	45,520
Total business-type activities	\$ 11,248,103	\$ 1,156,100	\$ (1,132,535)	\$ 11,271,668	\$ 700,755

General Obligation Bonds

On April 1, 2002, the County issued \$3,145,000 in various purpose refunding bonds with interest rates ranging from 3.5 percent to 4.75 percent. The bonds were issued to advance refund \$1,590,000 in Library Improvement general obligation bonds, \$865,000 in Job and Family Services general obligation bonds, and \$415,000 in Beechwood water and sewer special assessment bonds. All of the refunded bonds have been retired by the escrow agent.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 20 - LONG-TERM DEBT - (Continued)

The reacquisition price exceeded the net carrying amount of the old debt by \$195,983. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which equals the life of the new debt. This refunding was undertaken to reduce the combined total debt service payments by \$231,471 resulting in an economic gain of \$178,235.

The Job and Family Services refunding bonds pledge the full faith and credit of the County for the payment of the debt. The Job and Family Services refunding bonds will be paid from rental charges from the Job and Family Services Department.

The term bonds maturing on December 1, 2017, are subject to mandatory sinking fund redemption, in part by lot, pursuant to the terms of the mandatory sinking fund redemption requirements of the County. The mandatory redemption is to occur on December 1 from 2012 through 2016 (with the balance of \$55,000 to be paid at stated maturity on December 1, 2017) at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

<u>Year</u>	<u>Amount</u>
2013	\$ 60,000
2014	55,000
2015	60,000
2016	55,000

On March 14, 2013, the County issued \$2,595,000 in general obligation bonds with interest rates ranging from 0.35-3.375%. The bonds were issued to retire bond anticipation notes originally issued to construct, furnish and equip the engineer's garage.

On March 14, 2013, the County issued \$1,715,000 in Series 2013 BMV one-stop refunding bonds. The bonds were issued to refund \$1,605,000 of the BMV one-stop bonds issued in 2003. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded bonds at December 31, 2016 was \$1,320,000.

The reacquisition price exceeded the net carrying amount of the old debt by \$79,885. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt, which has a final maturity date of December 1, 2026. This advance refunding was undertaken to reduce the combined total debt service payments by \$404,358 and resulted in an economic gain of \$345,344.

On November 10, 2005, the County issued \$8,085,000 in various purpose improvement and refunding bonds with interest rates ranging from 3.5 percent to 5 percent. The various purpose improvement bonds were issued to retire notes originally issued for Alcohol, Drug Addiction, and Mental Health Services to purchase a new office building and to construct East Melrose Road. The refunding portion of the issue refunded the I-75/Tall Timbers Connector, Courthouse Restoration, Justice Center, and Agricultural Service Center general obligation bonds and the US 224 Water, CR 88/SR 12 Sewer, and SR 12 West water special assessment bonds. There are no further obligations on the Justice Center portion, the US 224 Water, CR88/SR 12 Sewer or the SR 12 West water. At December 31, 2016, \$1,900,000 of the refunded bonds being held by the escrow agent is still outstanding.

During 2016, the \$1,925,000 balance of the I-75/Tall Timers Connector portion was paid off early and \$95,000 of the ADAMHS and \$420,000 of the Agriculture Service Center were refunded by the Series 2016 refunding bonds.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 20 - LONG-TERM DEBT - (Continued)

The reacquisition price exceeded the net carrying amount of the old debt by \$613,925. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which equals the life of the new debt. This refunding was undertaken to reduce the combined total debt service payments by \$317,722 resulting in an economic gain of \$255,166.

The alcohol, drug addiction and mental health services bonds will be paid with transfers from the alcohol, drug addiction and mental health services special revenue fund.

The I-75/Tall Timbers Connector refunding bonds will be paid from payments in lieu of taxes. The Agriculture Service Center refunding bonds will be paid from tenants who rent the facilities.

The US 224 Water, CR 88/SR 12 Sewer, and SR 12 West Water special assessment refunding bonds will be paid from the proceeds of special assessments levied against the benefited property owners. In the event the property owners do not pay their assessment, the County will be responsible for the debt payments.

On October 31, 2007, the County issued \$3,805,000 in general obligation bonds with interest rates ranging from 3.40 to 4.50 percent. The bonds were issued for additional infrastructure improvements for US 224 and County Road 300 and for improvements to CR 95/CR 18 sewer district. The bonds will be paid from payments in lieu of taxes the County receives related to the projects. During 2016, the balance of \$1,820,000 of the term bonds related to the US 224 and County Road 300 and the balance of \$440,000 of the term bonds related to the CR95/CR18 sewer district were refunded by the Series 2016 refunding bonds.

On November 4, 2009, the County issued \$3,935,000 in various purpose limited tax general obligation bonds, with interest rates ranging from 2.0 percent to 4.00 percent. The bonds were issued to retire notes originally issued for the Engineers Garage, Jail Security System, Sheriff's Department Radios, County Landfill Improvements and County Landfill Equipment.

On March 14, 2013, the County issued a total of \$1,285,000 in general obligation bonds with interest rates ranging from 0.35-3.375%. The bonds were issued to retire bond anticipation notes originally issued for Landfill Leachate, Landfill Land Acquisition and Landfill Equipment.

On October 25, 2016, the County issued \$3,350,000 in Various Purpose Improvement and Refunding Bonds, Series 2016 for the following purposes: (i) to refund \$95,000 of the Series 2005 bonds related to the ADAMHS building, (ii) to refund \$1,820,000 of the Series 2007 bonds related to the US 224/CR 300 construction, (iii) to refunding a portion of the Series 2015 bond anticipation notes outstanding related to Distribution Dr. and the Beach Joint Ditch, (iv) to refund \$440,000 of the Series 2007 bonds related to the CR95/CR18 sewer district and (v) to refund \$420,000 of Series 2005 bonds related to the agriculture service center. At December 31, 2016, \$2,775,000 of the refunded bonds being held by the escrow agent is still outstanding.

The reacquisition price exceeded the net carrying amount of the old debt by \$108,945. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which equals the life of the new debt. This refunding was undertaken to reduce the combined total debt service payments by \$279,493 resulting in an economic gain of \$263,697.

Special Assessment Bonds and OWDA Loans

On November 1, 2004, special assessment bonds were issued with interest rates ranging from 4 percent to 5 percent for various water and sewer projects. The bonds will be paid from the proceeds of special assessments levied against the benefited property owners. In the event the property owners do not pay their assessment, the County will be responsible for the debt payments.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 20 - LONG-TERM DEBT - (Continued)

On March 14, 2013, the County issued \$695,000 in Series 2013 special assessment refunding bonds. The bonds were issued to refund \$630,000 of the Griffith heights water/sewer project, CR 220 sanitary sewer/Van Buren, US 224 W/Trenton Avenue sewer and McKinley Street waterline special assessment bonds issued in 2004. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded bonds at December 31, 2016 was \$515,000.

The reacquisition price exceeded the net carrying amount of the old debt by \$53,142. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt, which has a final maturity date of December 1, 2024. This advance refunding was undertaken to reduce the combined total debt service payments by \$60,632 and resulted in an economic gain of \$56,914.

The OWDA loans will be paid from the proceeds of special assessments levied against the benefited property owners and with transfers from the general fund for the County's portion of the projects. In the event the property owners do not pay their assessment, the County would be responsible for the debt payments.

The special assessment bonds and OWDA loans will be paid from special assessment collections. In the event special assessments are not sufficient to cover the principal and interest payments, the general fund will be responsible for making principal and interest payments. The total principal remaining to be paid on the special assessment bonds and OWDA loans are \$605,000 and \$74,595, respectively. Principal and interest for the current year and total assessments received were \$266,200 and \$198,469, respectively.

ADAMH Taxable Affordable Housing Revenue Note

The County issued a \$100,000 taxable affordable housing revenue note on November 24, 2009 to pay a portion of the costs of the Melrose Efficiency Apartment Complex, a supervised living facility owned and operated by ADAMH. Principal and interest payments are payable May 25 and November 25 of each year at an interest rate of 8.50% commencing May 25, 2010. The scheduled maturity date is November 25, 2024.

Guaranteed Energy Savings Contract

On May 1, 2008, the County entered into a GES Performance Contract (Contract) for the acquisition of and installation of energy conservation measures and related improvements. The Contract will be paid from the Energy Savings Gateway nonmajor debt service fund. The scheduled maturity date is December 15, 2018.

OPWC Loans

During 2011, The County received an Ohio Public Works Commission (OPWC) interest free loan for the purpose of building a sanitary sewer at the County landfill. The final maturity date of the loan is July 1, 2031.

Net Pension Liability

See Note 16 for details.

Compensated Absences

The compensated absences liability will be paid mainly from the General Fund, Motor Vehicle and Gas Tax, Alcohol, Drug Addiction, and Mental Health, Job and Family Services, Board of Developmental Disabilities, Child Support Enforcement Agency, Real Estate Assessment, Community Corrections, Felony Delinquent Juvenile Care and Custody, Jail Diversion, Emergency Management Agency, Juvenile Diversion, Law Library, Delinquent Real Estate Tax Assessment Collection, Victim's Assistance, COP-CAR Grant, Common Pleas Court General Special Projects and Probation Improvements Special Revenue Funds and the Sanitary Landfill and Agricultural Service Center enterprise funds.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 20 - LONG-TERM DEBT - (Continued)

Debt Margin

The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors should not exceed 1 percent of the total assessed valuation of the County. The Revised Code further provides that the total voted and unvoted net debt of the County less the same exempt debt should not exceed a sum equal to 3 percent of the first \$100,000,000, plus 1.5 percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus 2.5 percent of such valuation in excess of \$300,000,000.

The effect of the debt limitations described above is an overall debt margin of \$42,168,500 at December 31, 2016.

The following is a summary of the County's future annual debt service requirements for long-term obligations:

Year Ending December 31,	General Obligation Bonds			Year Ending December 31,	Special Assessment Bonds		
	Principal	Interest	Total		Principal	Interest	Total
2017	\$ 486,753	\$ 204,153	\$ 690,906	2017	\$ 120,000	\$ 13,561	\$ 133,561
2018	467,675	180,648	648,323	2018	80,000	10,081	90,081
2019	492,675	167,018	659,693	2019	85,000	8,431	93,431
2020	466,845	152,543	619,388	2020	85,000	6,631	91,631
2021	491,845	138,487	630,332	2021	80,000	4,832	84,832
2022 - 2026	2,068,302	434,877	2,503,179	2022 - 2026	155,000	6,524	161,524
2027 - 2031	750,000	188,405	938,405	Total	<u>\$ 605,000</u>	<u>\$ 50,060</u>	<u>\$ 655,060</u>
2032 - 2036	640,000	88,679	728,679				
2037	140,000	4,725	144,725				
Total	<u>\$ 6,004,095</u>	<u>\$ 1,559,535</u>	<u>\$ 7,563,630</u>				

Year Ending December 31,	OWDA Loans			Year Ending December 31,	GES Performance Contract		
	Principal	Interest	Total		Principal	Interest	Total
2017	\$ 36,256	\$ 2,984	\$ 39,240	2017	\$ 233,371	\$ 15,837	\$ 249,208
2018	38,339	1,527	39,866	2018	242,299	6,909	249,208
Total	<u>\$ 74,595</u>	<u>\$ 4,511</u>	<u>\$ 79,106</u>	Total	<u>\$ 475,670</u>	<u>\$ 22,746</u>	<u>\$ 498,416</u>

Year Ending December 31,	ADAMH Note		
	Principal	Interest	Total
2017	\$ 6,254	\$ 5,665	\$ 11,919
2018	6,797	5,122	11,919
2019	7,387	4,532	11,919
2020	8,028	3,891	11,919
2021	8,725	3,194	11,919
2022 - 2024	30,992	4,765	35,757
Total	<u>\$ 68,183</u>	<u>\$ 27,169</u>	<u>\$ 95,352</u>

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 20 - LONG-TERM DEBT - (Continued)

Year Ending December 31,	Business-Type General Obligation Bonds			Year Ending December 31,	Business-Type OPWC Loans		
	Principal	Interest	Total		Principal	Interest	Total
2017	\$ 638,247	\$ 92,046	\$ 730,293	2017	\$ 16,988	\$ -	\$ 16,988
2018	557,325	74,929	632,254	2018	16,988	-	16,988
2019	577,325	58,357	635,682	2019	16,988	-	16,988
2020	173,155	40,796	213,951	2020	16,988	-	16,988
2021	173,155	37,251	210,406	2021	16,988	-	16,988
2022 - 2026	911,698	127,341	1,039,039	2022 - 2026	84,940	-	84,940
2027 - 2031	205,000	50,968	255,968	2027 - 2031	84,945	-	84,945
2032 - 2036	160,000	20,181	180,181	Total	\$ 254,825	\$ -	\$ 254,825
2037	30,000	1,012	31,012				
Total	\$ 3,425,905	\$ 502,881	\$ 3,928,786				

Conduit Debt

In 1998, the County issued \$8,115,000 in multi-family housing revenue bonds and \$3,500,000 in multi-family housing mortgage revenue bonds. The proceeds were used to acquire, construct, improve, and equip real and personal property as a multi-family housing complex for Pedcor Investments. The County is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore, the debt has been excluded entirely from the County's debt presentation. During 2007, \$5,855,000 of the multi-family housing revenue bonds and \$2,524,000 of the multi-family housing mortgage revenue bonds were refunded. As of December 31, 2016, \$1,334,000 of these bonds was outstanding.

In 2004, the County issued \$110,875,000 in hospital facilities revenue bonds. The proceeds were used to acquire, construct, equip, and improve hospital facilities at an acute health care facility for Blanchard Valley Regional Health Center. The County is not obligated in any way to pay the debt charges on the bonds from any of its funds, and therefore, the debt has been excluded entirely from the County's debt presentation. As of December 31, 2016, \$99,700,000 of these bonds was outstanding.

In 2007, the County issued \$5,855,000 in multi-family housing refunding revenue bonds and \$215,000 in multi-family housing revenue bonds to acquire, construct, improve, and equip real and personal property as a multi-family housing complex for Pedcor Investments. The County is not obligated in any way to pay the debt charges on the bonds from any of its funds, and therefore, the debt has been excluded entirely from the County's debt presentation. As of December 31, 2016, \$5,642,530 of these bonds was outstanding.

In 2007, the County issued \$2,520,000 in multi-family housing refunding revenue bonds and \$100,000 in multi-family housing revenue bonds to acquire, construct, improve, and equip real and personal property as a multi-family housing complex for Pedcor Investments. The County is not obligated in any way to pay the debt charges on the bonds from any of its funds, and therefore, the debt has been excluded entirely from the County's debt presentation. As of December 31, 2016, \$2,435,483 of these bonds was outstanding.

In 2007, the County entered into a \$6,756,000 capital lease agreement of Independence House, which is comprised of a skilled nursing facility, rehabilitation facility and independent living apartments located in Fostoria, Ohio. The leasing arrangement will provide hospital facilities to service the residents of the County. The County is not obligated in any way to pay the lease charges on the lease from any of its funds, and therefore, the lease has been excluded entirely from the County's debt presentation. As of December 31, 2016, \$5,008,967 of the lease was outstanding.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 21 - CLOSURE AND POSTCLOSURE OF LANDFILL

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, the County reports a portion of these closure and postclosure costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$6,156,972 reported as landfill closure and postclosure costs payable at December 31, 2016, represents the cumulative amount reported to date based on the use of 40.22% of the estimated capacity of the landfill. The County will recognize the remaining cost of closure and postclosure care of \$9,150,186 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2016. The County expects to close the active cell of the landfill in 2032. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by State and federal laws and regulations to make annual contributions to a trust to finance closure and postclosure care. The County is in compliance with these requirements, and, at December 31, 2016, cash and cash equivalents and investments of \$9,004,950 are held for these purposes. These are reported as restricted assets on the statement of fund net position.

The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenues.

NOTE 22 - INTERFUND TRANSFERS

During 2016, the following transfers were made:

Transfers In	Transfers Out						Total
	General	Motor Vehicle and Gas Tax	Alcohol, Drug and Mental Health	Job and Family Services	Board of Developmental Disabilities	Other Governmental	
Flood Mitigation	\$ 3,706,927	\$ -	\$ -	\$ -	\$ -	\$ 549,894	\$ 4,256,821
Other governmental	1,074,780	244,000	25,909	120,947	1,400,000	983,114	3,848,750
Total	<u>\$ 4,781,707</u>	<u>\$ 244,000</u>	<u>\$ 25,909</u>	<u>\$ 120,947</u>	<u>\$ 1,400,000</u>	<u>\$ 1,533,008</u>	<u>\$ 8,105,571</u>

Transfers are used to (1) move revenues from the fund that statute or budget required 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. The transfers out of the Motor Vehicle and Gas Tax fund, Alcohol, Drug and Mental Health fund (\$20,909) and other governmental funds (\$1,533,008) were for debt service payments. The transfer out of the Alcohol, Drug and Mental Health fund (\$5,000) was to fund the substance abuse fund, a nonmajor governmental fund. The transfers out of the Job and Family Services fund were to fund the Child Support Enforcement Agency fund (\$91,350) and the Children Services fund (\$29,597), both nonmajor governmental funds. The transfers out of the Board of Developmental Disabilities fund were to fund capital projects.

All transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16. Transfers between governmental funds are eliminated on the government-wide financial statements.

Transfers between governmental activities and business-type activities are reported as transfers on the statement of activities.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 23 - FUND BALANCE

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

Fund balance	General	Motor Vehicle and Gas Tax	Alcohol, Drug and Mental Health	Job and Family Services	Board of Developmental Disabilities
Nonspendable:					
Prepayments	\$ 558,490	\$ 22,541	\$ 49,030	\$ 28,465	\$ 139,793
Materials and supplies inventory	95,438	380,985	1,774	29,893	36
Long-term loans	12,613	-	-	-	-
Permanent fund	-	-	-	-	-
Total nonspendable	<u>666,541</u>	<u>403,526</u>	<u>50,804</u>	<u>58,358</u>	<u>139,829</u>
Restricted:					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Legislative and executive programs	-	-	-	-	-
County courts and judicial programs	-	-	-	-	-
Sheriff and public safety programs	-	-	-	-	-
County engineer and public works programs	-	1,910,804	-	-	-
Health programs	-	-	669,375	-	15,331,911
Human service programs	-	-	-	464,148	-
Economic development programs	-	-	-	-	-
Conservation and recreation programs	-	-	-	-	-
Permanent fund	-	-	-	-	-
Total restricted	<u>-</u>	<u>1,910,804</u>	<u>669,375</u>	<u>464,148</u>	<u>15,331,911</u>
Committed:					
Capital projects	-	-	-	-	-
Sheriff police revolving	88,298	-	-	-	-
County home donations	4,816	-	-	-	-
Centennial	172	-	-	-	-
Severance	75,791	-	-	-	-
Total committed	<u>169,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Assigned:					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Legislative and executive programs	152,225	-	-	-	-
County courts and judicial programs	144,796	-	-	-	-
Sheriff and public safety programs	72,958	-	-	-	-
Health programs	15,000	-	-	-	-
County engineer and public works programs	900	-	-	-	-
Human service programs	10,499	-	-	-	-
Subsequent year appropriations	1,717,231	-	-	-	-
Total assigned	<u>2,113,609</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned (deficit)	<u>4,804,145</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 7,753,372</u>	<u>\$ 2,314,330</u>	<u>\$ 720,179</u>	<u>\$ 522,506</u>	<u>\$ 15,471,740</u>

-Continued

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 23 - FUND BALANCE - (Continued)

Fund balance	Flood Mitigation	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:			
Prepayments	\$ 101	\$ 62,003	\$ 860,423
Materials and supplies inventory	-	-	508,126
Long-term loans	-	-	12,613
Permanent fund	-	247,000	247,000
Total nonspendable	<u>101</u>	<u>309,003</u>	<u>1,628,162</u>
Restricted:			
Capital projects	-	855,558	855,558
Debt service	-	924,404	924,404
Legislative and executive programs	-	2,853,165	2,853,165
County court and judicial programs	-	1,077,895	1,077,895
Sheriff and public safety programs	-	1,404,499	1,404,499
County engineer and public works programs	-	44,079	1,954,883
Health programs	-	1,156,501	17,157,787
Human service programs	-	288,531	752,679
Economic development programs	-	898,690	898,690
Conservation and recreation programs	-	10	10
Permanent fund	-	161,206	161,206
Total restricted	<u>-</u>	<u>9,664,538</u>	<u>28,040,776</u>
Committed:			
Capital projects	16,743,859	500,949	17,244,808
Police revolving	-	-	88,298
County home donations	-	-	4,816
Centennial	-	-	172
Severance	-	-	75,791
Total committed	<u>16,743,859</u>	<u>500,949</u>	<u>17,413,885</u>
Assigned:			
Capital projects	-	898,832	898,832
Debt service	-	411,296	411,296
Legislative and executive programs	-	-	152,225
County court and judicial programs	-	-	144,796
Sheriff and public safety programs	-	-	72,958
Health programs	-	-	15,000
County engineer and public works programs	-	-	900
Human service programs	-	-	10,499
Subsequent year appropriations	-	-	1,717,231
Total assigned	<u>-</u>	<u>1,310,128</u>	<u>3,423,737</u>
Unassigned (deficit)	<u>-</u>	<u>(1,328,422)</u>	<u>3,475,723</u>
Total fund balances	<u>\$ 16,743,960</u>	<u>\$ 10,456,196</u>	<u>\$ 53,982,283</u>

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 24 - OTHER COMMITMENTS

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

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 402,111
Motor vehicle and gas tax fund	83,310
Alcohol, drug and mental health fund	139,518
Job and family services fund	135,783
Board of developmental disabilities fund	1,304,031
Flood Mitigation fund	799,142
Other governmental funds	<u>1,300,943</u>
Total	<u>\$ 4,164,838</u>

NOTE 25 - COMPONENT UNITS

A. Blanchard Valley Industries, Inc.

Nature of Activities - Blanchard Valley Industries, Inc. (BVI, Inc.) is an Ohio nonprofit corporation and is a training and vocational facility designed to place individuals with developmental disabilities in an industrial atmosphere. BVI, Inc. serves residents of Hancock County. Revenues of BVI, Inc. are generated by sub assembly work, cleaning, clerical, and artwork performed by these individuals. Additionally, BVI, Inc. occasionally serves in a financial agency capacity for various related parties and earns fees associated with delivery of those agency services. BVI, Inc. operates in facilities owned by and with a staff provided by the Hancock County Board of Developmental Disabilities.

Basis of Presentation - BVI, Inc. is required to report information regarding its financial position and activities according to three classes of net position: unrestricted net position, temporarily restricted and permanently restricted. As of December 31, 2016, all net position was unrestricted, except for \$9,740 which is temporarily restricted by the donor for marketing purposes only.

Basis of Accounting - Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. BVI, Inc.'s financial statements are prepared using the accrual basis of accounting.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents - BVI, Inc. considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. BVI, Inc.'s cash and cash equivalents are held at financial institutions in interest bearing accounts and are covered under standard Federal deposit insurance, up to \$250,000. BVI, Inc. does not expect to incur any losses resulting from cash held in financial institutions.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 24 - COMPONENT UNITS - (Continued)

Cash Restricted Under Fiduciary Agency Agreements; Agency Liabilities - The Organization occasionally serves as a fiduciary agent for Blanchard Valley Center, (BVC) a sub-division of Hancock County, Ohio. Blanchard Valley Center is a related party. Fiduciary funds held by BVI, Inc. as an agent for BVC are reflected as restricted cash and the related amounts are shown as an agency liability on the statement of net position. Cash received from grantors and donors to BVC under agency agreements are not reflected in the Organization's statement of activities when BVI, Inc. does not meet the criteria for recognition of the related revenues and expenses. BVI, Inc. has no variance power or other discretion over any of the assets accounted for under these agency agreements.

Accounts Receivable - Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on specific assessment of all invoices that remain unpaid following normal payment periods. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. There was no bad debt expense for the year ended December 31, 2016.

Functional Allocation of Expenses - BVI, Inc. allocates its expenses on a functional basis among its various programs, including management and general. Certain expenses that can be identified with a specific program are allocated directly according to their natural expenditure classification. Other expenses that are common to several programs are allocated on staff time distribution and other factors.

Property and Equipment - Property and equipment, purchased and donated, are assigned original acquisition cost. It is BVI, Inc.'s policy to capitalize expenditures for items with a useful life in excess of three years and having a value of over \$500. Donated capital assets are capitalized at fair value on the date donated. Amounts not meeting this policy are expensed. The cost of depreciable property is computed on the straight line method with useful lives as follows:

Building and Improvements	5-30 Years
Machinery and Equipment	5-10 Years
Furniture and Fixtures	5-10 Years
Computer Software	5 Years
Vehicles	5 Years

Long Term Restricted Cash - The Organization maintains a certificate of deposit required by the Ohio Department of Job and Family Services. As long as the Organization maintains the certificate of deposit, they are allowed to pay for actual claims for unemployment.

Support and Revenue - BVI, Inc. receives revenue from the Hancock County Board of Developmental Disabilities ("HCDD") and other government and nongovernmental entities by providing services to them at competitive rates. The two primary types of services are production-providing value-added services to others' products and janitorial services. The fee for these services is determined by contract, based on service hours or units produced by adults with developmental disabilities. Additionally, BVI, Inc. earns agency income from providing fiscal agency services for related parties. Such revenues typically are in the amount of 10 percent of all funds handled under the agency agreement.

Government payment systems are related funding for development disabilities programs, are subject to periodic review and modification by governmental payors. Changes to these payment systems and the effects are uncertain and, therefore, such changes could have a material impact on BVI, Inc.'s future financial condition, results of operation and cash flows.

In Kind Support - Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair market value when received.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 25 - COMPONENT UNITS - (Continued)

Tax Exempt Status - The Internal Revenue Service has determined the Organization to be exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has further determined that the Organization is not a private foundation within the meaning of Section 509 (a) of the Code.

BVI, Inc. is no longer subject to Federal, state or local income tax examinations by tax authorities for years before 2013.

Investments - The Organization's short-term investments are comprised of equity securities, all of which are classified as trading securities and are carried at their fair value based on the quoted market prices of the securities at December 31, 2016. Net unrealized gains on trading securities are included in the statements of activities. For purpose of determining realized gains and losses, the cost of securities sold is based on specific identification. The composition of trading securities, classified as current assets, is as follows at December 31, 2016:

Mutual funds:	
Equity	\$ 258,436
Fixed income	<u>160,792</u>
Total Investments	<u>\$ 419,228</u>
Net realized gain from sale of investments	\$ 4,703
Interest and dividend income	11,280
Net unrealized gain	<u>13,158</u>
Net investment income	<u>\$ 29,141</u>

Fair Value Measurements

Fair Value Hierarchy

The Fair Value Measurements Topic of the FASB Accounting Standards Codification establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although BVI, Inc. believes its valuation techniques are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 25 - COMPONENT UNITS - (Continued)

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The major categories of assets and liabilities measured at fair value, on a recurring basis, included mutual funds all valued at Level 1 of the fair value hierarchy at December 31, 2016.

In Kind Contribution - Contributions of donated services that create or enhance non-financial assets or that require specialized skills, provided by individuals possessing those skills are typically recorded at their estimated fair values in the period received. For the year ended December 31, 2016, the Hancock County Board of Developmental Disabilities provided services and the use of their building to BVI, Inc. at no charge. The value of the services for the year ended December 31, 2016 was \$1,024,887 and is recorded as an operating grant and contribution on the statement of activities. Donated services are recorded at the same amount under expenses.

Concentrations - BVI, Inc. is dependent on the economy of the Findlay, Ohio market and their continued support of the Organization's operations.

During the year ended December 31, 2016, the Company had three customers who received 53% of the services provided by BVI, Inc. Amounts included in accounts receivable with the customers totaled \$19,983 at December 31, 2016.

During the year ended December 31, 2016, BVI, Inc. derived approximately 17% of its total revenue from BVC and 27% from Medicaid. Amounts due from BVC included in accounts receivable totaled \$25,759. Amounts due from Medicaid included in accounts receivable totaled \$55,788.

BVI, Inc. is dependent upon the support and assistance of the HCBDD to provide staffing and facilities for their mission.

Temporarily Restricted Net Position - Temporarily restricted net position was restricted for the following purposes for the years ended December 31, 2016:

Adult habilitation	<u>\$ 9,740</u>
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B. Hancock Community Housing, Inc.

Purpose of the Organization - The Hancock Community Housing, Inc. (the Organization) was incorporated on October 18, 2001 as a 501 C (3) nonprofit organization in the State of Ohio. The entity was created to develop dwellings and provide affordable housing in Hancock County for the occupancy by persons from the county including persons with disabilities. The Organization's main source of revenue is rent income.

Basis of Accounting - The Organization's operates as a self-supporting governmental enterprise and uses accounting policies applicable to governmental enterprise funds. All transactions are accounted for in a single enterprise fund. The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) as applied to a governmental nonprofit organization. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 25 - COMPONENT UNITS - (Continued)

Cash and Cash Equivalents - The carrying amount of the cash deposits held by the Organization at December 31, 2016 was \$98,628 and the bank balance was \$98,628. Of the bank balance, all was covered by federal depository insurance.

Capital asset activity as of December 31, 2016, was as follows:

	Balance 12/31/15	Reclassifications Additions	Reductions	Balance 12/31/16
Land	\$ 160,354	\$ (500)	\$ -	\$ 159,854
Land Improvements	6,852	-	-	6,852
Buildings	851,464	(3,502)	-	847,962
Total Capital Assets	1,018,670	(4,002)	-	1,014,668
Accumulated Depreciation For:				
Land Improvements	(4,787)	(457)	-	(5,244)
Buildings	(273,190)	(25,594)	-	(298,784)
Total Accumulated Depreciation	(277,977)	(26,051)	-	(304,028)
Total Capital Assets, Net	\$ 740,693	\$ (30,053)	\$ -	\$ 710,640

There were no additions (purchases) or disposals of capital assets this year. However, a reclassification was made, mainly, for the reduction of estimated imputed interest that was capitalized last year. As the Warrington St. home was not occupied in 2016, a reduction in the value of the home and a corresponding reduction in note payable to the Hancock County Developmental Disability Board was made. This had no effect on the net position of the Organization.

Depreciation was taken on the buildings over a twenty-seven and a half year life.

Long-Term Note Debt

The following are mortgages of the Organization:

Huntington Bank

Property Located at 2800 High Point Lane, 1118 Crystal Lane, 1815 Bishop Lane, and 1859 Breckenridge Road

Interest is presently 5.04%

Original amount: \$ 520,000

First Federal Bank

Property Located at 1615 Payne Avenue

Interest is presently 4.875%

Original amount: \$ 55,156

Hancock County Board of Developmental Disabilities

Property located at 1532 Marcelle Avenue

Imputed Interest is presently 4.5% on a non-interest bearing note.

Original Amount at Present Value: \$91,447

Hancock County Board of Developmental Disabilities

Property located at 661 Remington Avenue

Imputed Interest is presently 4.5% on a non-interest bearing note.

Original Amount at Present Value: \$115,017

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 25 - COMPONENT UNITS - (Continued)

Hancock County Board of Developmental Disabilities
Property located at 1532 Marcelle Avenue
Imputed Interest is presently 4.5% on a non-interest bearing note.
Original Amount at Present Value: \$108,938

The schedule below includes principal and interest payments along with the other mortgages, however, a portion of each annual amount that the Organization is to pay for the HCBDD note and interest expense should receive a credit as long as the home is used for its intended purpose. The credit earned for this year was recognized as grant revenue on the Statement of Revenues, Expenditures, and Changes in Net Position in the amount of \$19,353. The following is a schedule of long term debt:

	Beginning Balance 01/01/16	Issued	Redeemed	Ending Balance 12/31/16	Due Within One Year
Mortgage - Huntington Bank	\$ 70,465	\$ -	\$ (27,079)	\$ 43,386	\$ 28,527
Mortgage - First Federal	31,528	-	(7,954)	23,574	8,374
Mortgage - HCBDD	<u>312,117</u>	<u>-</u>	<u>(13,193)</u>	<u>298,924</u>	<u>10,669</u>
Totals	<u>\$ 414,110</u>	<u>\$ -</u>	<u>\$ (48,226)</u>	<u>\$ 365,884</u>	<u>\$ 47,570</u>

The annual requirements to amortize all mortgages outstanding as of December 31, 2016, including interest payments of \$115,103 are as follows:

Year Ending December 31,	Principal	Interest	Total
2017	\$ 47,570	\$ 21,314	\$ 68,884
2018	40,512	13,393	53,905
2019	24,044	11,974	36,018
2020	18,445	11,042	29,487
2021	19,292	10,194	29,486
2022 - 2026	110,598	36,835	147,433
2027 - 2030	<u>105,423</u>	<u>10,351</u>	<u>115,774</u>
Total	<u>\$ 365,884</u>	<u>\$ 115,103</u>	<u>\$ 480,987</u>

Risk Management

The Organization is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, and natural disasters.

The Organization does not have a "self-insurance" fund with formalized risk management programs. During 2016, the Organization purchased property liability insurance from the Erie Insurance Group.

Settled claims have not exceeded this commercial coverage in any of the past three years and there has been no significant reduction in insurance coverage from last year.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 25 - COMPONENT UNITS - (Continued)

Tax-Exempt Status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Service Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending 2014, 2015, and 2016 are subject to examination by the IRS, generally for three years after they are filed.

Unearned Grant Income

In 2005, the Organization received a grant of \$322,815 from the Ohio Department of Developmental Disabilities (ODDD). The proceeds were to provide affordable housing in Hancock County for occupancy by persons from the county including persons with disabilities. The agreement with the ODDD requires the property be used for the project for fifteen years after the property is purchased. Should the property not be used for the project, the ODDD shall be reimbursed on a pro rata basis for the amount of the community assistance funds used to purchase the property. The Organization recognizes 1/15th or \$21,544 of grant income each year. Unearned grant income is \$48,850 at December 31, 2016.

C. Blanchard Valley Residential Services, Inc.

Description of organization - Blanchard Valley Residential Services, Inc. (the "Organization") is a non-profit organization incorporated in the State of Ohio. The Organization was formed in 2013 for the purpose of operating and managing the ICF/residential program, formerly known as Blanchard Valley Residential, which is comprised of 20 intermediate care facility (ICF) beds (effective January 4, 2017 four ICF beds were converted to waiver beds). The Hancock County Board of Developmental Disabilities (the "County") owns the facilities and holds the license to the 20 beds. The Organization has entered into an agreement with the County to provide residential waiver, supported living and related services for adults with developmental disabilities in the Findlay, Ohio area.

The Ohio Department of Developmental Disabilities (DODD) regulates intermediate care facilities for individuals with intellectual disabilities (ICF/IID) facilities through state licensure. DODD approved the County's license to continue to operate as a ICF/IID through November 2017. The Organization expects the license to continually be renewed by DODD in future years.

During 2016, the Organization and the County began the process of transferring the license to the 20 beds from the County to the Organization. A change of ownership was granted by the DODD effective January 1, 2017. Subsequent to December 31, 2016, the Ohio Department of Medicaid (ODM) approved the Ohio Provider Agreement for the Organization, effective January 1, 2017, granting the Organization the ability to bill and collect service fees under the State of Ohio Medicaid program for the ICF program.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates and assumptions.

Cash - The Organization's cash is held at financial institutions in interest bearing accounts and is covered under standard Federal deposit insurance, up to \$250,000. At December 31, 2016 and periodically throughout the period, the Organization maintained balances in various accounts in excess of federally insured limits. The Organization does not expect to incur any losses resulting from cash held in financial institutions.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 25 - COMPONENT UNITS - (Continued)

Accounts receivable - Accounts receivable and operating revenue are recorded at established billing rates as services are rendered. Reductions are currently provided for as contractual adjustments representing the difference between establishing billing rates and amounts established by management as realizable under current payment systems. Accounts receivable are due primarily from the State of Ohio Medicaid Program. Accounts receivable are recorded at the amount expected to be collected. In evaluating the collectability of accounts receivable, the Organization makes an assessment of all amounts that remain unpaid following normal payment periods. Based on this evaluation, management has determined an allowance for doubtful accounts is not necessary at December 31, 2016.

Client held funds - Separate checking accounts are maintained and held in trusts for clients. These are included as current assets on the statement of financial position. An equal offsetting liability is included in the current liabilities section of the statement of net position.

Property and equipment, net - Additions of property and equipment are recorded at cost or at fair value if acquired by gift. Maintenance and repairs are charged to operations when incurred. When property and equipment is sold or otherwise disposed of, the asset and related accumulated depreciation are relieved, and any gain or loss is included in gain (loss) on disposal of assets. The cost of property and equipment is depreciated over the following useful lives of the related assets using the straight-line method.

Furniture and equipment	5 - 20 years
Transportation equipment	5 years

The Organization reports contributions of long-lived assets (land, buildings, and equipment) as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Contributions of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expiration of donor restrictions when the donated or acquired long-lived assets are placed in service.

Classification of net position - Net position of the Organization is classified as permanently restricted, temporarily restricted or unrestricted depending on the presence and characteristics of donor-imposed restrictions limiting the Organization's ability to use or dispose of contributed assets or the economic benefits embodied in those assets. Donor-imposed restrictions that expire with the passage of time or that can be removed by meeting certain requirements result in temporarily restricted net position. Permanently restricted net position result from donor-imposed restrictions that limit the use of net position in perpetuity. Earnings, gains and losses on restricted net assets are classified as unrestricted unless specifically restricted by the donor or by applicable state law. The Organization had no temporarily restricted or permanently restricted net position at December 31, 2016.

Service revenue - The Organization receives substantially all of its revenue from participation in the Ohio Medicaid program (through the County, see description of the Organization) and the Individual Option (I/O) Waiver program under Medicaid.

The payment methodology and amounts earned related to the Medicaid and I/O Waiver programs are based on cost and clinical assessments that are subject to review and final approval by Medicaid. Any adjustment that is a result of this final review and approval will be recorded in the period in which the adjustment is made. In the opinion of management, adequate provision has been made for any adjustments that may result from such third party review.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 25 - COMPONENT UNITS - (Continued)

The following paragraphs describe the reimbursement systems in place pertaining to the Organization's service revenue sources:

ICF/IID revenue - Medicaid reimbursement for an ICF/IID is based on cost and clinical assessments with a rate cap based on the statewide average Medicaid rate for ICF/IIDs. The Medicaid payment system in Ohio is a prospective one, whereby rates for the following state fiscal year beginning July 1 are based upon filed cost reports for the preceding calendar year. Future reimbursement changes are subject to legislative approval. The continuity of this system is subject to the uncertainty of the fiscal health of the state of Ohio, which can directly impact future rates and the methodology currently in place. Any significant change in rates, or the payment system itself, could have a material impact on future Medicaid funding to providers.

Waiver revenue - DODD provides a home and community-based services waiver wherein services are provided to the individual based on a profiling mechanism which places the individual receiving services into a funding range. DODD determines the rate at which the provider is to be reimbursed for each range of services.

Laws and regulations governing the Medicaid program are complex and subject to interpretation. Management believes it and the County are in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoings. While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties and exclusion from the Medicaid program.

Contributions - Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net position if the restriction expires or is met in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of revenue, expenses and changes net position – modified cash basis as net position released from restrictions.

In-kind contributions - In-kind contributions consist of contributed services, use of certain property and equipment, and the annual provider franchise permit fee and are recognized if the services or goods received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair market value when received.

Advertising costs - The Organization expenses advertising costs to operations as incurred.

Income taxes - The Organization is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from Federal income taxes on related income pursuant to Section 501(a) of the Code.

The Organization is subject to Federal income tax examinations by tax authorities since they were formed in 2013.

Performance indicator - The statement of activities and changes in position include revenue in excess of expense, which is considered the performance indicator in accordance with the AICPA Audit and Accounting Guide, *Health Care Entities*.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 25 - COMPONENT UNITS - (Continued)

Subsequent events - In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through April 26, 2016, the date the Organization's financial statements were available to be issued.

Property and equipment, net - The following is a summary of property and equipment, net at December 31, 2016:

	<u>2016</u>
Furniture and equipment	\$ 139,550
Transportation equipment	179,532
Less: accumulated depreciation	<u>(21,485)</u>
	<u>\$ 297,597</u>

Functional expenses - The costs of providing program and support services are reported below on a functional basis. Indirect costs have been allocated between the various programs and support services based on estimates by management. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts. Functional expenses for the Organization for the year ended December 31, 2016 was as follows:

	<u>2016</u>
Program services	\$ 2,592,143
General and administrative	<u>696,368</u>
	<u>\$ 3,288,511</u>

Contract with Hancock County Board of Developmental Disabilities - During May 2014, the Organization entered into a contract (the "contract") with the County to provide residential waiver, ICF-110 and supported living services to individuals with disabilities in Hancock County. The contract has been renewed through December 31, 2016. The contract automatically renews on an annual basis if no notice is given to terminate by either party. The Organization has agreed to provide residential ICF services to the individuals residing in two facilities owned by the County, known as the Graf Home and Eibling Home. The Organization has agreed to provide residential waiver and supported living services to the individuals residing in two homes owned by the Hancock Community Housing, Inc. As part of the contract, the Organization is permitted to use certain property (including a building known as Angus Home for office space), equipment and vehicles owned and maintained by the County.

Effective January 1, 2017, the Organization entered into an agreement with the County to lease the three buildings from the County.

During 2016, the Organization and the County executed and submitted to ODM a successor liability agreement as a result of the change in ownership of the licensed beds. The Organization agrees to assume the total actual amount of debt the County will owe to ODM and the Centers for Medicare and Medicaid Services under the Medicaid program pursuant to applicable law beginning January 1, 2017. The County will remain liable for all pre-existing amounts arising from transactions that occurred prior to January 1, 2017.

The Organization was owed \$1,050 from the County at December 31, 2016 for room and board relating to the Medicaid program. The Organization owed the County \$30,438 at December 31, 2016 for certain operating expense paid for by the County.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 25 - COMPONENT UNITS - (Continued)

Retirement plan - ORC provides OPERS statutory authority to set employee and employer contributions. The required contribution rate (as a percentage of covered payroll) for plan members is 14%. These contributions totaled \$92,113 for the year ended December 31, 2016, which were funded by the County. In addition to the required contribution rate, the Organization contributed an additional 10% of covered payroll which totaled \$65,795 for the year ended December 31, 2016.

In-kind contributions - Contributions of donated services and goods that create or enhance non-financial assets or that require specialized skills, provided by the individuals possessing those skills are typically recorded at their estimated fair values in the period received. For the year ended December 31, 2016, the County provided services and the use of certain property and equipment to the Organization at no charge. The County also covered the cost of the annual provider franchise permit fee as required for participation in the Medicaid program. The value of the services and the use of certain property and equipment was \$208,640 for the year ended December 31, 2016, and is recorded as contributions under operating revenues on the statement of activities and changes in net position.

Operating leases - The Organization leases office equipment under a noncancelable operating lease, which expires in June 2018. Future minimum payments of base rent under the non-cancelable operating lease at December 31, 2016 total \$2,725 for years 2017 through 2018 and \$1,362 for 2019.

Effective January 1, 2017, the Organization entered into an agreement to lease three buildings at \$76,913 per year. The agreement is for one year with a three year renewal option.

NOTE 26 - JOINTLY GOVERNED ORGANIZATIONS

A. Joint Board of County Commissioners for the Blanchard River Stream Enhancement Program

The Joint Board of County Commissioners for the Blanchard River Stream Enhancement Project (Board) is a jointly governed organization among six counties. The Board consists of eighteen members; the three county commissioners of each of the six counties. The Board was formed to approve construction and maintenance for clearing the Blanchard River of logjams and debris. Revenues are generated by assessments and a state grant. Hancock County's portion of the assessments was collected in 1996 for construction and maintenance. Separate financial statements may be obtained from the Blanchard River Stream Enhancement Project, 7868 CR 140, Findlay, Ohio 45840.

B. West Central Partnership, Inc.

The West Central Partnership, Inc. (Partnership) is a jointly governed organization among Allen, Auglaize, Hancock, Hardin, Mercer, Paulding, Putnam, and Van Wert counties. The Partnership was formed to administer local loan programs in these counties for the State of Ohio Department of Development using state funds and to raise money for such purposes and to expend, contribute, disburse, or otherwise handle and dispose of the same for such purposes. The Board of Trustees consists of nine members, including a County Commissioner from each of the member counties and the Director of Region 3, West Central SBDC Partnership. Separate financial statements may be obtained from the West Central Partnership, Inc., 915 West Market Street, Lima, Ohio 45805.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 26 - JOINTLY GOVERNED ORGANIZATIONS - (Continued)

C. Metropolitan Housing Authority

The Metropolitan Housing Authority (Authority) is a jointly governed organization between Hancock County and the City of Findlay. The Authority was established under Section 3735.27 of the Ohio Revised Code to monitor housing accommodations to insure safe and sanitary housing is available to the citizens. Two members of the Board of Trustees are appointed by the Probate Court Judge, two members are appointed by the mayor of the City of Findlay, and one member is appointed by the County Commissioners. Separate financial statements may be obtained from the Metropolitan Housing Authority, 1800 North Blanchard Street, Findlay, Ohio, 45840.

D. Blanchard Valley Port Authority

The Blanchard Valley Port Authority (the "Authority") was established in 2007 and is a jointly governed organization between the City of Findlay and the County. The Authority was established pursuant to Ohio Revised Code Section 4582.21. The purpose of the Authority is to better provide for the improvement and development of the County and the City of Findlay into the foreseeable future.

The Authority is governed by a Board consisting of seven appointed members. The City of Findlay and the Board of County Commissioners shall appoint three Board Members each and the seventh appointed Board Member shall be made jointly by the City of Findlay Mayor with the approval of a majority of the members of the Findlay City Council and the Board of County Commissioners of Hancock County.

The Authority may be dissolved at any time upon the enactment of an ordinance by the City of Findlay Council and resolution by the County Board of Commissioners provided that upon dissolution, any real or personal property or combination thereof which has been received from or made available by the City of Findlay or the County shall be returned to the subdivision from which it was received or made available. In the event of the dissolution, after paying all expenses, debts or funds or any remaining real or personal property belonging to the Authority shall be distributed to the City of Findlay and the County equally.

During 2016, the County did not make any contributions to the Authority. Financial information can be obtained from the Blanchard Valley Port Authority 1660 Tiffin Ave., Findlay, Ohio 45840.

NOTE 27 - INSURANCE POOLS

A. Midwest Pool Risk Management Agency, Inc.

The Midwest Pool Risk Management Agency, Inc., (Pool) is an Ohio not-for-profit corporation established by five counties for the purpose of establishing a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverages provided by the Pool. These coverages include comprehensive general liability, automobile liability, certain property insurance, and public officials' errors and omissions liability insurance.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the Pool are managed by an elected Board of not more than five trustees. Only county commissioners of member counties are eligible to serve on the Board. No county may have more than one representative on the Board at any time. Each member county's control over the budgeting and financing of the Pool is limited to its voting authority and any representation it may have on the Board of Trustees.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 27 - INSURANCE POOLS - (Continued)

B. Midwest Employee Benefit Consortium

The County participates in the Midwest Employee Benefit Consortium (MEBC), a public entity shared risk pool consisting of five counties. The County pays premiums to the MEBC for employee medical and life insurance benefits. The MEBC is responsible for the administration of the program and for processing of all claims for each member.

The MEBC is governed by a Board of Trustees consisting of one county commissioner from each participating member. Each participant decides which plans offered by the Board of Trustees will be extended to its employees. Participation in the MEBC is by written application subject to acceptance by the Board of Trustees and payment of the monthly premiums.

NOTE 28 - RELATED ORGANIZATIONS

A. County Park District

The Hancock County Park District (District) is a distinct political subdivision of the State of Ohio. The District is governed by a Board of Trustees appointed by the Hancock County Probate Court Judge. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel, and does not depend on the County for operational subsidies. Although the County serves as the taxing authority, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Hancock County Auditor, 300 South Main Street, Findlay, Ohio 45840-3345.

B. Findlay-Hancock County Public Library

The Findlay-Hancock County Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the County Commissioners. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel, and does not depend on the County for operational subsidies. Although the County serves as the taxing authority, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Findlay-Hancock County Public Library, 206 Broadway Street, Findlay, Ohio 45840.

C. Regional Planning Commission

The Regional Planning Commission (Commission) is statutorily created as a separate and distinct political subdivision of the State. The nineteen members of the Commission consist of ten members appointed by the County Commissioners, including one commissioner, and nine members appointed by the City of Findlay. The County and the City each pay for half of the operating costs of the Commission. The Commission adopts its own budget, authorizes expenditures, hires and fires staff, does not rely on the County to finance deficits and the County cannot impose its will on the Commission; therefore, the County's role is limited to a ministerial function. Financial information can be obtained from the Hancock Regional Planning Commission, City of Findlay Municipal Building, 318 Dorney Plaza Room 304, Findlay, Ohio, 45840.

HANCOCK COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 29 - RELATED PARTY TRANSACTIONS

Blanchard Valley Industries, a discretely presented component unit of Hancock County, received contributions from the County for facilities, certain equipment, transportation, and salaries for administration, implementation, and supervision of its programs. In 2016, these contributions were \$1,024,887.

Blanchard Valley Residential Services Inc., a discretely presented component unit of Hancock County, received in-kind contributions from the County to facilitate uninterrupted ICF-IID services. In 2016, these contributions were \$208,640.

NOTE 30 - CONTINGENT LIABILITIES

The County has received federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the County Commissioners believe such disallowances, if any, will be immaterial.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

NOTE 31 - OTHER REVENUE

For the year ended December 31, 2016, other revenue in the job and family service major special revenue fund consists primarily of reimbursements from the child support enforcement agency and children services nonmajor special revenue funds.

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REQUIRED SUPPLEMENTARY INFORMATION

HANCOCK COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/NET PENSION ASSET OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST THREE YEARS

	2016	2015	2014
<i>Traditional Plan:</i>			
County's proportion of the net pension liability	0.154981%	0.157791%	0.157991%
County's proportionate share of the net pension liability	\$ 25,216,858	\$ 17,995,679	\$ 17,589,217
County's covered-employee payroll	\$ 17,824,808	\$ 18,016,842	\$ 19,342,515
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	141.47%	99.88%	90.94%
Plan fiduciary net position as a percentage of the total pension liability	81.08%	86.45%	86.36%
<i>Combined Plan:</i>			
County's proportion of the net pension asset	0.101560%	0.077086%	0.077086%
County's proportionate share of the net pension asset	\$ 46,424	\$ 28,029	\$ 7,640
County's covered-employee payroll	\$ 272,692	\$ 281,775	\$ 270,554
County's proportionate share of the net pension asset as a percentage of its covered-employee payroll	17.02%	9.95%	2.82%
Plan fiduciary net position as a percentage of the total pension asset	116.90%	114.83%	104.56%
<i>Member Directed Plan:</i>			
County's proportion of the net pension asset	0.086889%	n/a	n/a
County's proportionate share of the net pension asset	\$ 332	n/a	n/a
County's covered-employee payroll	\$ 486,567	n/a	n/a
County's proportionate share of the net pension asset as a percentage of its covered-employee payroll	0.07%	n/a	n/a
Plan fiduciary net position as a percentage of the total pension asset	103.91%	n/a	n/a

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each year were determined as of the County's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

HANCOCK COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST THREE YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability	0.00281416%	0.00305535%	0.00302269%
County's proportionate share of the net pension liability	\$ 941,984	\$ 844,409	\$ 735,223
County's covered-employee payroll	\$ 326,529	\$ 326,529	\$ 333,331
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	288.48%	258.60%	220.57%
Plan fiduciary net position as a percentage of the total pension liability	66.80%	72.10%	74.70%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each year were determined as of the County's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

HANCOCK COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF COUNTY CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 2,142,184	\$ 2,138,977	\$ 2,162,021	\$ 2,514,527
Contributions in relation to the contractually required contribution	<u>(2,142,184)</u>	<u>(2,138,977)</u>	<u>(2,162,021)</u>	<u>(2,514,527)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 17,851,533	\$ 17,824,808	\$ 18,016,842	\$ 19,342,515
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	12.00%	13.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 70,216	\$ 32,723	\$ 33,813	\$ 35,172
Contributions in relation to the contractually required contribution	<u>(70,216)</u>	<u>(32,723)</u>	<u>(33,813)</u>	<u>(35,172)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 585,133	\$ 272,692	\$ 281,775	\$ 270,554
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	12.00%	13.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 58,761	\$ 58,388		
Contributions in relation to the contractually required contribution	<u>(58,761)</u>	<u>(58,388)</u>		
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>		
County's covered-employee payroll	\$ 489,675	\$ 486,567		
Contributions as a percentage of covered-employee payroll	12.00%	12.00%		

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 1,933,679	\$ 1,935,144	\$ 1,731,988	\$ 1,650,762	\$ 1,473,005	\$ 1,654,512
<u>(1,933,679)</u>	<u>(1,935,144)</u>	<u>(1,731,988)</u>	<u>(1,650,762)</u>	<u>(1,473,005)</u>	<u>(1,654,512)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 19,336,790	\$ 19,351,440	\$ 19,424,164	\$ 20,317,071	\$ 21,042,929	\$ 19,814,515
10.00%	10.00%	8.92%	8.13%	7.00%	8.35%
\$ 15,863	\$ 15,546	\$ 25,166	\$ -	\$ -	\$ -
<u>(15,863)</u>	<u>(15,546)</u>	<u>(25,166)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 199,535	\$ 195,547	\$ 259,800	\$ -	\$ -	\$ -
7.95%	7.95%	9.69%	0.00%	0.00%	0.00%

HANCOCK COUNTY, OHIO**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION****SCHEDULE OF COUNTY CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO****LAST TEN YEARS**

	2016	2015	2014	2013
Contractually required contribution	\$ 41,562	\$ 45,714	\$ 43,333	\$ 45,802
Contributions in relation to the contractually required contribution	(41,562)	(45,714)	(43,333)	(45,802)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 296,871	\$ 326,529	\$ 333,331	\$ 352,323
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	13.00%	13.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 66,899	\$ 60,601	\$ 70,406	\$ 94,530	\$ 101,932	\$ 77,919
<u>(66,899)</u>	<u>(60,601)</u>	<u>(70,406)</u>	<u>(94,530)</u>	<u>(101,932)</u>	<u>(77,919)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 514,608	\$ 466,162	\$ 541,585	\$ 727,154	\$ 784,092	\$ 599,377
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

HANCOCK COUNTY, OHIO

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2016**

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014-2016.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. See the notes to the basic financial statements for the methods and assumptions in this calculation.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014-2016.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. See the notes to the basic financial statements for the methods and assumptions in this calculation.

**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

HANCOCK COUNTY, OHIO

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - MAJOR FUNDS

GENERAL FUND

The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Ohio.

Major Special Revenue Funds

Motor Vehicle License and Gas Tax

This fund accounts for revenues derived from motor vehicle licenses and gasoline taxes that are restricted for public works programs.

Alcohol, Drug, and Mental Health

The fund accounts for a County-wide property tax levy and federal and State grants that are restricted for the cost of services provided by local mental health agencies to the public at large.

Job and Family Services

The fund accounts for various federal and State grants that are restricted to provide public assistance to general relief recipients and pay their providers of medical assistance, and for certain public social services.

Board of Developmental Disabilities (DD)

This fund accounts for a county-wide property tax levy and federal and state grants and entitlements that are restricted for operating the Blanchard Valley School, a residential center, and the costs of administering a facility for the developmentally disabled.

Major Capital Projects Fund

Flood Mitigation

This fund accounts for transfers from the County general fund sales tax revenues and contributions from the City of Findlay that are committed and restricted, respectively, for capital improvements intended to reduce the risk of damage to County property due to severe flooding.

Major Enterprise Funds

Sanitary Landfill

This fund accounts for fees collected at the County landfill for dumping waste. This fund also includes the activities for the recycling facility, Litter Landing.

Agricultural service center fund

This fund accounts for the rental of space in the agricultural service center. Rental fees are based on the costs of maintaining the building and annual debt service payments.

BMV one-stop fund

This fund accounts for the rental of space in the Bureau of Motor Vehicles building. Rental fees are based on the costs of maintaining the building and annual debt service payments.

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Property taxes	\$ 2,159,000	\$ 2,234,000	\$ 2,207,862	\$ (26,138)
Sales taxes	12,800,000	13,600,000	14,827,711	1,227,711
Charges for services.	3,315,906	3,686,406	4,103,363	416,957
Licenses and permits	3,600	3,600	4,296	696
Fines and forfeitures	55,500	55,500	65,954	10,454
Intergovernmental	2,093,200	2,183,200	2,275,361	92,161
Investment income	170,000	410,000	450,176	40,176
Rental income	200,000	200,000	310,945	110,945
Other	1,000	1,000	382	(618)
Total revenues	20,798,206	22,373,706	24,246,050	1,872,344
Expenditures:				
Current:				
General government:				
Legislative and executive				
County Commissioners				
Personal services.	216,572	206,474	178,226	28,248
Fringe benefits.	76,455	79,465	60,587	18,878
Materials and supplies	3,000	2,700	345	2,355
Contractual services	2,100	2,540	2,515	25
Other.	9,500	8,277	7,496	781
Total County Commissioners	307,627	299,456	249,169	50,287
Microfilm				
Personal services.	15,500	15,500	11,958	3,542
Fringe benefits	2,520	2,752	2,204	548
Materials and supplies	30,965	24,748	14,821	9,927
Contractual services	126,302	126,241	116,095	10,146
Capital outlay	1,000	1,000	1,000	-
Total Microfilm.	176,287	170,241	146,078	24,163
Auditor				
Personal services.	287,070	275,005	272,548	2,457
Fringe benefits	107,915	93,235	91,076	2,159
Materials and supplies	6,275	5,262	5,104	158
Contractual services	33,000	62,700	55,712	6,988
Capital outlay	2,000	1,000	1,000	-
Other.	11,907	12,924	10,170	2,754
Total Auditor -	448,167	450,126	435,610	14,516

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HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Auditor - Real Property				
Personal services.	\$ 16,900	\$ 16,900	\$ 16,150	\$ 750
Fringe benefits.	11,365	11,696	11,380	316
Materials and supplies.	100	-	-	-
Contractual services.	4,600	4,600	3,328	1,272
Total Auditor - Personal Property	32,965	33,196	30,858	2,338
Treasurer				
Personal services.	107,685	107,685	103,544	4,141
Fringe benefits.	50,126	52,513	49,589	2,924
Materials and supplies.	9,025	8,600	8,600	-
Contractual services.	74,300	61,101	42,774	18,327
Capital outlay	1,391	1,391	901	490
Other.	3,170	3,170	3,170	-
Total Treasurer	245,697	234,460	208,578	25,882
Prosecuting Attorney				
Personal services.	668,303	687,512	671,757	15,755
Fringe benefits.	248,394	256,796	234,747	22,049
Materials and supplies.	5,000	4,819	4,819	-
Contractual services.	65,852	66,370	66,370	-
Other.	1,000	726	726	-
Total Prosecuting Attorney.	988,549	1,016,223	978,419	37,804
Bureau of Inspection				
Contractual services.	69,391	69,391	61,991	7,400
Total Bureau of Inspection	69,391	69,391	61,991	7,400
Budget Commission				
Personal services.	22,500	22,474	22,204	270
Fringe benefits.	10,348	10,660	10,593	67
Materials and supplies.	100	100	80	20
Contractual services.	600	591	467	124
Total Budget Commission	33,548	33,825	33,344	481
Board of Revisions				
Personal services.	18,000	18,000	17,763	237
Fringe benefits.	9,134	9,387	8,538	849
Total Board of Revisions.	27,134	27,387	26,301	1,086

- - Continued

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Data Processing Board				
Personal services.	\$ 254,000	\$ 276,900	\$ 264,663	\$ 12,237
Fringe benefits.	78,100	93,617	80,786	12,831
Materials and supplies.	5,214	5,214	699	4,515
Contractual services.	262,092	238,342	234,212	4,130
Capital outlay.	80,927	78,505	76,670	1,835
Other.	500	500	446	54
Total Data Processing Board.	<u>680,833</u>	<u>693,078</u>	<u>657,476</u>	<u>35,602</u>
Board of Elections				
Personal services.	362,000	389,000	369,351	19,649
Fringe benefits.	68,714	76,323	71,363	4,960
Materials and supplies.	73,945	73,179	58,771	14,408
Contractual services.	58,250	55,601	45,452	10,149
Capital outlay.	35,750	35,531	21,984	13,547
Other.	547	500	401	99
Total Board of Elections.	<u>599,206</u>	<u>630,134</u>	<u>567,322</u>	<u>62,812</u>
Building and Ground Maintenance				
Personal services.	332,300	342,300	339,930	2,370
Fringe benefits.	140,982	147,778	143,933	3,845
Materials and supplies.	113,478	104,962	73,449	31,513
Contractual services.	1,199,578	1,136,627	1,088,107	48,520
Capital outlay.	15,000	13,750	5,267	8,483
Other.	55,260	53,988	25,739	28,249
Total Building and Ground Maintenance.	<u>1,856,598</u>	<u>1,799,405</u>	<u>1,676,425</u>	<u>122,980</u>
Recorder				
Personal services.	136,101	135,472	132,581	2,891
Fringe benefits.	68,676	71,430	70,286	1,144
Contractual services.	-	444	439	5
Other.	3,000	2,008	2,008	-
Total Recorder.	<u>207,777</u>	<u>209,354</u>	<u>205,314</u>	<u>4,040</u>
Insurance				
Fringe benefits.	4,604	8,000	6,210	1,790
Contractual services.	514,650	443,210	440,818	2,392
Total Insurance.	<u>519,254</u>	<u>451,210</u>	<u>447,028</u>	<u>4,182</u>
Personnel - Safety				
Personal services.	32,804	32,804	27,901	4,903
Fringe benefits.	5,725	6,215	5,416	799
Materials and supplies.	700	301	137	164
Contractual services.	5,349	5,930	5,674	256
Capital Outlay.	500	500	-	500
Other.	336	300	250	50
Total Personnel - Safety.	<u>45,414</u>	<u>46,050</u>	<u>39,378</u>	<u>6,672</u>

- - Continued

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Other				
Contractual services	\$ 216,955	\$ 142,229	\$ 139,620	\$ 2,609
Total Other	216,955	142,229	139,620	2,609
 Total general government - legislative and executive	 6,455,402	 6,305,765	 5,902,911	 402,854
 Judicial				
Court of Appeals				
Other.	23,500	23,500	21,292	2,208
Total Court of Appeals.	23,500	23,500	21,292	2,208
 Common Pleas Court				
Personal services.	421,227	379,907	365,297	14,610
Fringe benefits.	128,382	133,803	122,177	11,626
Materials and supplies	9,250	11,643	11,605	38
Contractual services	114,541	123,654	108,253	15,401
Capital outlay	6,449	29,074	29,047	27
Other.	12,419	17,215	16,442	773
Total Common Pleas Court	692,268	695,296	652,821	42,475
 Jury Commission				
Personal services.	400	400	400	-
Materials and supplies	2,567	3,063	3,031	32
Contractual services	150	150	83	67
Other.	500	4	4	-
Total Jury Commission	3,617	3,617	3,518	99
 Adult Probation				
Personal services.	235,930	225,750	218,560	7,190
Fringe benefits.	129,624	117,233	115,298	1,935
Materials and supplies	15,662	19,087	19,085	2
Contractual services	20,113	41,678	41,677	1
Capital outlay	7,084	20,750	19,524	1,226
Other.	27,744	12,957	12,506	451
Total Adult Probation	436,157	437,455	426,650	10,805
 Court Appointed Special Advocate				
Contractual services	29,600	28,300	20,900	7,400
Total Court Appointed Special Advocate	29,600	28,300	20,900	7,400

- - Continued

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Juvenile Court				
Personal services	\$ 296,610	\$ 296,610	\$ 288,530	\$ 8,080
Fringe benefits.	99,935	109,922	109,694	228
Materials and supplies	6,465	3,808	3,808	-
Contractual services	331,810	291,297	289,423	1,874
Other.	21,093	45,396	45,291	105
Total Juvenile Court	<u>755,913</u>	<u>747,033</u>	<u>736,746</u>	<u>10,287</u>
Juvenile Probation				
Personal services.	217,728	217,728	217,714	14
Fringe benefits.	83,711	87,133	86,991	142
Materials and supplies	10,000	9,515	9,514	1
Contractual services	5,100	60	60	-
Other.	500	15	15	-
Total Juvenile Probation	<u>317,039</u>	<u>314,451</u>	<u>314,294</u>	<u>157</u>
Juvenile Court - PEACE				
Personal services	15,486	15,486	14,915	571
Fringe benefits.	5,605	5,743	5,095	648
Total Juvenile Court - PEACE.	<u>21,091</u>	<u>21,229</u>	<u>20,010</u>	<u>1,219</u>
Probate Court				
Personal services.	160,566	164,641	164,272	369
Fringe benefits.	54,750	52,523	49,999	2,524
Materials and supplies	6,580	6,247	6,247	-
Contractual services	2,500	1,500	854	646
Other.	5,263	6,464	6,464	-
Total Probate Court	<u>229,659</u>	<u>231,375</u>	<u>227,836</u>	<u>3,539</u>
Clerk of Courts				
Personal services.	188,214	191,659	191,095	564
Fringe benefits	110,500	109,566	89,779	19,787
Materials and supplies	13,524	12,566	9,952	2,614
Contractual services	4,500	4,500	1,976	2,524
Capital outlay	500	1,000	-	1,000
Other.	2,000	2,000	849	1,151
Total Clerk of Courts	<u>319,238</u>	<u>321,291</u>	<u>293,651</u>	<u>27,640</u>
Municipal Court				
Personal services.	277,134	277,134	261,183	15,951
Contractual services	141,479	151,479	139,085	12,394
Total Municipal Court	<u>418,613</u>	<u>428,613</u>	<u>400,268</u>	<u>28,345</u>
Miscellaneous - Judicial				
Contractual services	142,104	142,104	138,133	3,971
Total Miscellaneous - Judicial.	<u>142,104</u>	<u>142,104</u>	<u>138,133</u>	<u>3,971</u>

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HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Public Defenders				
Personal services.	\$ 398,091	\$ 394,591	\$ 391,462	\$ 3,129
Fringe benefits.	165,820	174,740	171,436	3,304
Materials and supplies	5,050	4,729	2,905	1,824
Contractual services	5,029	4,028	1,302	2,726
Capital outlay	5,412	5,412	5,041	371
Other.	7,150	7,071	4,969	2,102
Total Public Defenders.	586,552	590,571	577,115	13,456
Total general government - judicial	3,975,351	3,984,835	3,833,234	151,601
Total general government	10,430,753	10,290,600	9,736,145	554,455
Public safety				
Coroner				
Personal services.	49,423	49,423	49,261	162
Fringe benefits.	21,640	22,390	22,342	48
Contractual services	202,353	171,211	106,211	65,000
Other.	5,500	5,339	5,102	237
Total Coroner.	278,916	248,363	182,916	65,447
Sheriff				
Personal services.	2,725,848	2,693,208	2,681,935	11,273
Fringe benefits.	1,052,938	1,099,294	1,078,320	20,974
Materials and supplies	217,253	177,839	176,251	1,588
Contractual services	234,338	252,914	249,892	3,022
Capital outlay	52,469	88,976	82,310	6,666
Total Sheriff	4,282,846	4,312,231	4,268,708	43,523
Sheriff - Jail				
Personal services.	2,134,809	2,005,487	1,982,780	22,707
Fringe benefits.	722,161	775,964	765,190	10,774
Materials and supplies	44,073	44,038	43,950	88
Contractual services	687,778	923,963	921,072	2,891
Capital outlay	26,219	32,469	31,965	504
Total Sheriff - Jail	3,615,040	3,781,921	3,744,957	36,964
Sheriff - ROC				
Other.	-	175	175	-
Total Sheriff - ROC.	-	175	175	-
Total public safety	8,176,802	8,342,690	8,196,756	145,934
Public works				
Sanitation and Drainage				
Contractual services	8,000	8,000	2,913	5,087
Total Sanitation and Drainage	8,000	8,000	2,913	5,087

- - Continued

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Mapping				
Personal services.	\$ 85,000	\$ 86,295	\$ 86,295	\$ -
Fringe benefits.	37,450	36,816	36,262	554
Materials and supplies	1,593	2,093	2,070	23
Contractual services	6,000	7,650	7,637	13
Capital outlay	25,000	23,350	22,840	510
Total Mapping	<u>155,043</u>	<u>156,204</u>	<u>155,104</u>	<u>1,100</u>
Total public works	<u>163,043</u>	<u>164,204</u>	<u>158,017</u>	<u>6,187</u>
Health				
TB Clinic and Care				
Contractual services	<u>1,940</u>	<u>7,440</u>	<u>6,692</u>	<u>748</u>
Total TB Clinic and Care	<u>1,940</u>	<u>7,440</u>	<u>6,692</u>	<u>748</u>
Registration Vital Statistics				
Contractual services	<u>-</u>	<u>2,256</u>	<u>2,256</u>	<u>-</u>
Total registration vital statistics	<u>-</u>	<u>2,256</u>	<u>2,256</u>	<u>-</u>
Other Health Department				
Contractual services	<u>730,944</u>	<u>700,229</u>	<u>602,428</u>	<u>97,801</u>
Total Other Health Department.	<u>730,944</u>	<u>700,229</u>	<u>602,428</u>	<u>97,801</u>
Total health	<u>732,884</u>	<u>709,925</u>	<u>611,376</u>	<u>98,549</u>
Human services				
Soldier's Relief				
Personal services.	26,400	27,600	27,600	-
Fringe benefits.	25,500	24,500	20,704	3,796
Materials and supplies	6,000	6,600	6,524	76
Contractual services	358,020	353,295	257,841	95,454
Capital outlay	6,000	9,500	9,225	275
Other.	<u>5,000</u>	<u>3,900</u>	<u>3,794</u>	<u>106</u>
Total Soldier's Relief.	<u>426,920</u>	<u>425,395</u>	<u>325,688</u>	<u>99,707</u>
Veteran's Services				
Personal services.	275,000	275,000	244,082	30,918
Fringe benefits.	91,500	95,248	84,127	11,121
Contractual services	44,750	50,000	41,866	8,134
Other.	<u>25,106</u>	<u>12,506</u>	<u>7,806</u>	<u>4,700</u>
Total Veteran's Services	<u>436,356</u>	<u>432,754</u>	<u>377,881</u>	<u>54,873</u>
Job and Family Services				
Contractual services	<u>135,596</u>	<u>141,275</u>	<u>141,275</u>	<u>-</u>
Total Job and Family Services	<u>135,596</u>	<u>141,275</u>	<u>141,275</u>	<u>-</u>
Total human services	<u>998,872</u>	<u>999,424</u>	<u>844,844</u>	<u>154,580</u>

- - Continued

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Conservation and recreation				
Agriculture Department				
Contractual services.	\$ 401,135	\$ 401,135	\$ 401,135	\$ -
Total Agriculture Department	401,135	401,135	401,135	-
 Total conservation and recreation	 401,135	 401,135	 401,135	 -
 Economic development and assistance				
Other.	30,000	30,000	30,000	-
Total Economic development and assistance	30,000	30,000	30,000	-
 Total expenditures	 20,933,489	 20,937,978	 19,978,273	 959,705
 Excess (deficiency) of revenues over (under) expenditures	 (135,283)	 1,435,728	 4,267,777	 2,832,049
Other financing sources (uses):				
Advances in.	-	-	178,516	178,516
Advances out	-	-	(323,678)	(323,678)
Transfer in	90,000	110,000	-	(110,000)
Transfers out	(3,250,000)	(5,049,780)	(4,996,708)	53,072
Total other financing sources (uses)	(3,160,000)	(4,939,780)	(5,141,870)	(202,090)
 Net change in fund balance	 (3,295,283)	 (3,504,052)	 (874,093)	 2,629,959
 Fund balance at beginning of year	 3,170,097	 3,170,097	 3,170,097	 -
Prior year encumbrances appropriated	717,121	717,121	717,121	-
 Fund balance at end of year	 \$ 591,935	 \$ 383,166	 \$ 3,013,125	 \$ 2,629,959

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MOTOR VEHICLE LICENSE AND GAS TAX SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Permissive motor vehicle license tax	\$ 170,000	\$ 170,000	\$ 179,555	\$ 9,555
Charges for services	400,000	400,000	425,750	25,750
Fines and forfeitures	80,000	80,000	91,326	11,326
Intergovernmental	4,428,000	4,428,000	4,458,622	30,622
Investment income	1,000	1,000	12,412	11,412
Total revenues	5,079,000	5,079,000	5,167,665	88,665
Expenditures:				
Current:				
Public works				
Personal services.	1,565,174	1,534,869	1,426,096	108,773
Fringe benefits.	637,500	640,000	579,550	60,450
Materials and supplies	1,263,316	1,200,455	953,485	246,970
Contractual services	1,347,261	1,534,869	1,395,843	139,026
Capital outlay	175,300	175,300	82,908	92,392
Other.	43,488	33,612	23,181	10,431
Total expenditures	5,032,039	5,119,105	4,461,063	658,042
Excess (deficiency) of revenues over (under) expenditures.	46,961	(40,105)	706,602	746,707
Other financing uses:				
Transfers out	(244,000)	(244,000)	(244,000)	-
Total other financing uses	(244,000)	(244,000)	(244,000)	-
Net change in fund balance	(197,039)	(284,105)	462,602	746,707
Fund balance at beginning of year.	928,472	928,472	928,472	-
Prior year encumbrances appropriated.	138,365	138,365	138,365	-
Fund balance at end of year	\$ 869,798	\$ 782,732	\$ 1,529,439	\$ 746,707

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALCOHOL, DRUG, AND MENTAL HEALTH SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property taxes	\$ 1,807,000	\$ 1,807,000	\$ 1,829,660	\$ 22,660
Intergovernmental	1,360,878	1,567,752	1,708,816	141,064
Rental income	154,000	154,000	154,313	313
Other	25,000	25,000	28,113	3,113
Total revenues	<u>3,346,878</u>	<u>3,553,752</u>	<u>3,720,902</u>	<u>167,150</u>
Expenditures:				
Current:				
Health				
Personal services	340,000	349,350	336,446	12,904
Fringe benefits	129,812	131,316	126,617	4,699
Materials and supplies	3,000	1,000	819	181
Contractual services	2,126,626	2,900,815	2,854,615	46,200
Capital outlay	2,132	4,132	3,076	1,056
Other	426,068	507,749	468,590	39,159
Total expenditures	<u>3,027,638</u>	<u>3,894,362</u>	<u>3,790,163</u>	<u>104,199</u>
Excess (deficiency) of revenues over (under) expenditures	<u>319,240</u>	<u>(340,610)</u>	<u>(69,261)</u>	<u>271,349</u>
Other financing uses:				
Transfers out	<u>(26,000)</u>	<u>(26,000)</u>	<u>(25,909)</u>	<u>91</u>
Total other financing uses	<u>(26,000)</u>	<u>(26,000)</u>	<u>(25,909)</u>	<u>91</u>
Net change in fund balance	293,240	(366,610)	(95,170)	271,440
Fund balance at beginning of year	226,889	226,889	226,889	-
Prior year encumbrances appropriated	<u>429,708</u>	<u>429,708</u>	<u>429,708</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 949,837</u></u>	<u><u>\$ 289,987</u></u>	<u><u>\$ 561,427</u></u>	<u><u>\$ 271,440</u></u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
JOB AND FAMILY SERVICES SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 4,279,055	\$ 4,552,940	\$ 3,615,573	\$ (937,367)
Other.	886,761	886,761	768,635	(118,126)
Total revenues.	5,165,816	5,439,701	4,384,208	(1,055,493)
Expenditures:				
Current:				
Other human services				
Contractual services.	675,408	605,408	318,129	287,279
Other	256,550	225,859	116,368	109,491
Total other human services	931,958	831,267	434,497	396,770
Administrative				
Personal services	1,727,225	1,727,225	1,466,555	260,670
Fringe benefits	709,807	733,433	623,850	109,583
Materials and supplies	27,776	37,776	35,348	2,428
Contractual services	412,546	629,516	411,893	217,623
Other	541,855	511,086	443,255	67,831
Total administrative.	3,419,209	3,639,036	2,980,901	658,135
Public assistance				
Personal services	665,000	665,000	608,285	56,715
Fringe benefits	259,722	269,733	250,951	18,782
Materials and supplies	3,038	4,538	4,030	508
Contractual services.	91,092	95,788	95,788	-
Other	24,770	55,537	53,321	2,216
Total public assistance.	1,043,622	1,090,596	1,012,375	78,221
Total human services expenditures	5,394,789	5,560,899	4,427,773	1,133,126
Excess of expenditures over revenues	(228,973)	(121,198)	(43,565)	77,633
Other financing uses:				
Transfers out	(207,039)	(207,039)	(120,947)	86,092
Total other financing uses	(207,039)	(207,039)	(120,947)	86,092
Net change in fund balance	(436,012)	(328,237)	(164,512)	163,725
Fund balance at beginning of year.	236,106	236,106	236,106	-
Prior year encumbrances appropriated	159,411	159,411	159,411	-
Fund balance (deficit) at end of year.	<u>\$ (40,495)</u>	<u>\$ 67,280</u>	<u>\$ 231,005</u>	<u>\$ 163,725</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BOARD OF DEVELOPMENTAL DISABILITIES SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property taxes.	\$ 5,926,000	\$ 5,926,000	\$ 6,000,166	\$ 74,166
Charges for services.	127,000	127,000	120,324	(6,676)
Intergovernmental.	5,540,051	5,540,051	5,318,540	(221,511)
Other	255,000	255,000	220,074	(34,926)
 Total revenues	 11,848,051	 11,848,051	 11,659,104	 (188,947)
Expenditures:				
Current:				
Health				
Personal services.	2,876,000	2,872,000	2,800,681	71,319
Fringe benefits.	1,258,029	1,263,475	1,180,332	83,143
Materials and supplies	374,389	290,704	258,354	32,350
Contractual services	9,547,521	8,824,099	8,656,209	167,890
Capital outlay	164,879	143,528	123,242	20,286
 Total expenditures	 14,220,818	 13,393,806	 13,018,818	 374,988
 Excess of expenditures over revenues	 (2,372,767)	 (1,545,755)	 (1,359,714)	 186,041
Other financing sources (uses):				
Transfers in	175,000	175,000	-	(175,000)
Transfers out	(1,000,000)	(1,400,000)	(1,400,000)	-
 Total other financing sources (uses)	 (825,000)	 (1,225,000)	 (1,400,000)	 (175,000)
 Net change in fund balance	 (3,197,767)	 (2,770,755)	 (2,759,714)	 11,041
Fund balance at beginning of year.	15,327,680	15,327,680	15,327,680	-
Prior year encumbrances appropriated	1,246,318	1,246,318	1,246,318	-
 Fund balance at end of year	 \$ 13,376,231	 \$ 13,803,243	 \$ 13,814,284	 \$ 11,041

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FLOOD MITIGATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 344,762	\$ 344,762	\$ 15,000	\$ (329,762)
Total revenues	344,762	344,762	15,000	(329,762)
Expenditures:				
Personal services.	-	16,000	8,080	7,920
Fringe benefits	3,000	5,390	1,417	3,973
Contractual services	640,399	2,753,589	2,742,004	11,585
Capital outlay.	186,375	624,092	477,536	146,556
Total expenditures	829,774	3,399,071	3,229,037	170,034
Excess of expenditures over revenues	(485,012)	(3,054,309)	(3,214,037)	(159,728)
Other financing sources:				
Transfers in	3,200,000	3,200,000	3,706,927	506,927
Total other financing sources	3,200,000	3,200,000	3,706,927	506,927
Net change in fund balance	2,714,988	145,691	492,890	347,199
Fund balance at beginning of year.	15,700,933	15,700,933	15,700,933	-
Prior year encumbrances appropriated.	176,774	176,774	176,774	-
Fund balance at end of year	<u>\$ 18,592,695</u>	<u>\$ 16,023,398</u>	<u>\$ 16,370,597</u>	<u>\$ 347,199</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SANITARY LANDFILL ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Operating Revenues:				
Charges for services	\$ 4,460,000	\$ 4,460,000	\$ 4,855,135	\$ 395,135
Investment income	100,000	100,000	104,486	4,486
Other	420,000	420,000	723,006	303,006
Total operating revenues	4,980,000	4,980,000	5,682,627	702,627
Operating Expenses:				
Personal services.	921,500	953,800	932,519	21,281
Fringe benefits.	384,100	384,865	334,629	50,236
Materials and supplies	91,705	363,185	321,104	42,081
Contractual services	2,815,079	2,345,812	2,151,647	194,165
Capital outlay	654,925	1,934,810	1,902,650	32,160
Other	35,616	18,472	994	17,478
Total operating expenses	4,902,925	6,000,944	5,643,543	357,401
Operating income (loss).	77,075	(1,020,944)	39,084	1,060,028
Nonoperating expenses:				
Debt service:				
Principal retirement	(402,000)	(402,000)	(401,988)	12
Interest and fiscal charges	(62,000)	(62,000)	(61,675)	325
Total nonoperating expenses	(464,000)	(464,000)	(463,663)	337
Net change in fund equity before transfers	(386,925)	(1,484,944)	(424,579)	1,060,365
Transfers in	110,000	95,000	-	(95,000)
Net change in fund equity	(276,925)	(1,389,944)	(424,579)	965,365
Fund equity at beginning of year	10,778,130	10,778,130	10,778,130	-
Prior year encumbrances appropriated	774,325	774,325	774,325	-
Fund equity at end of year	<u>\$ 11,275,530</u>	<u>\$ 10,162,511</u>	<u>\$ 11,127,876</u>	<u>\$ 965,365</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AGRICULTURAL SERVICE CENTER ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Operating Revenues:				
Charges for services	\$ 236,200	\$ 263,100	\$ 243,091	\$ (20,009)
Other	-	-	4,045	4,045
Total operating revenues.	236,200	263,100	247,136	(15,964)
Operating Expenses:				
Personal services.	12,175	26,286	23,638	2,648
Materials and supplies	3,845	7,034	6,899	135
Contractual services	62,273	174,695	168,777	5,918
Total operating expenses	78,293	208,015	199,314	8,701
Operating income	157,907	55,085	47,822	(7,263)
Nonoperating revenues (expenses):				
Advance in	-	-	26,900	26,900
Debt service:				
Principal retirement	(130,000)	(130,000)	(130,000)	-
Interest and fiscal charges	(26,200)	(27,387)	(27,387)	-
Total nonoperating revenues (expenses)	(156,200)	(157,387)	(130,487)	26,900
Net change in fund equity.	1,707	(102,302)	(82,665)	19,637
Fund equity at beginning of year	130,516	130,516	130,516	-
Prior year encumbrances appropriated	17,293	17,293	17,293	-
Fund equity at end of year	<u>\$ 149,516</u>	<u>\$ 45,507</u>	<u>\$ 65,144</u>	<u>\$ 19,637</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BMV ONE-STOP ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating Revenues:				
Charges for services	\$ 206,000	\$ 206,000	\$ 187,420	\$ (18,580)
Total operating revenues	206,000	206,000	187,420	(18,580)
Operating Expenses:				
Materials and supplies	15,159	15,120	5,274	9,846
Contractual services	43,228	41,954	38,539	3,415
Total operating expenses	58,387	57,074	43,813	13,261
Operating income	147,613	148,926	143,607	(5,319)
Nonoperating expenses:				
Debt service:				
Principal retirement	(120,000)	(120,000)	(120,000)	-
Interest and fiscal charges	(30,800)	(30,800)	(30,794)	6
Total nonoperating expenses	(150,800)	(150,800)	(150,794)	6
Net change in fund equity.	(3,187)	(1,874)	(7,187)	(5,313)
Fund equity at beginning of year	88,980	88,980	88,980	-
Prior year encumbrances appropriated.	3,387	3,387	3,387	-
Fund equity at end of year.	<u>\$ 89,180</u>	<u>\$ 90,493</u>	<u>\$ 85,180</u>	<u>\$ (5,313)</u>

HANCOCK COUNTY, OHIO

**COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS**

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The following are the special revenue funds which the County operates:

Nonmajor Special Revenue Funds

Child Support Enforcement Agency (CSEA)

The fund accounts for poundage fees and earned incentives collected by the Child Support Enforcement Agency. Monies are restricted by State statute to finance the operation of the CSEA. The fund also accounts for Title IV-D grants that reimburse expenditures for support enforcement. The CSEA is managed by the Department of Job and Family Services.

Dog and Kennel

The fund accounts for revenues that are restricted for the dog warden's operations. This fund is financed by fine collections and the sale of dog tags and kennel permits.

Children Services

The fund accounts for monies received from federal and State grants, support collections, and social security that are restricted to children service expenditures. Major expenditures are for foster homes, emergency shelters, medical treatment, school supplies, counseling, and parental training.

Real Estate Assessment

The fund accounts for State mandated County-wide real estate reappraisals that are funded by charges to the political subdivisions located within the County and are restricted for legislative and executive programs.

Community Development Block Grant

The fund accounts for housing rehabilitation, tenant-based rental payment assistance, and home buyer down payment assistance through grants received from the Department of Housing and Urban Development. This fund is restricted for economic and development programs.

Community Corrections

The fund accounts for monies received from the Bureau of Rehabilitation and Correction and used to pay the cost of probation officers to rehabilitate high risk people on probation. Expenditures are restricted to salaries, supplies, and equipment.

Felony Delinquent Juvenile Care and Custody

The fund accounts for monies received from the Department of Youth Services that are restricted for training, treatment, and rehabilitation of juveniles who have committed felonies.

Agency on Aging Levy

The fund accounts for the collection and distribution of real estate taxes that are restricted for senior services provided by the agency on aging.

National Emergency Grant

This fund accounts for grant monies that are restricted for national emergencies.

HANCOCK COUNTY, OHIO

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds - (Continued)

Other Public Safety

The fund accounts for a combination of funds that receive federal, State and local monies that are restricted for public safety purposes. These funds are:

Drug Law Enforcement	Probation Services
Domestic Violence	Criminal Administrative Justice Services
Indigent Drivers Alcohol Treatment	COP-CAR Grant
Sheriff's Commissary	Juvenile Diversion
Enforcement and Education	Sheriff Concealed Handgun License Issuance
Jail Diversion	Law Enforcement Assistance
Metrich Law Enforcement	Law Enforcement Terrorism Prevention
E-911	Indigent Driver Interlock
Emergency Management Agency	

Other

The fund accounts for a combination of funds operated by the County and subsidized in part by federal, State, and local monies that are restricted for various purposes. These funds are:

Ditch Maintenance Assessment	County Tuberculosis
Court Computerization	Common Pleas Court General Special Projects
Law Library	Probate Court Dispute Resolution
Indigent Guardianship	Help Americans Vote Act
Special Projects	OGRIP State Grant
Delinquent Real Estate Tax Assessment Collection	Neighborhood Stabilization
Multi-Mat Recycling Facility	Juvenile Interlock
Victims Assistance	JFS EE-CBG Energy Grant
Water and Sewer Project Maintenance	Brownfield Coalition Grant
Ohio Children's Trust	Treasurer Delinquent Tax Assessment Collection
Federal Emergency Management Agency	Prosecutor Delinquent Tax Assessment Collection
Van Buren Water	Probation Improvement
Recorder's Indexing	Water Pollution Control
Enterprise Zone	Election Redistrict
Veterans Service Trust	Moving Ohio Forward
Substance Abuse	Hazard Mitigation Grant
Peace Grant	Juvenile Court Special Projects
Juvenile Court Probation Supervision	Courts Technology

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

Sheriff Police Revolve

This fund is used to account for monies received from townships in the area that is committed to judicial programs.

County Home Donations

This fund is used to account for monies received that are committed for the Hancock County Home.

Centennial

This fund is used to account for monies committed for the centennial project in the County.

Budget Stabilization

This fund is used to account for monies set aside for budget stabilization in the County.

Certificate of Title

The fund accounts for the collection of fees used by the Clerk of Courts for processing titles.

Severance

This fund is used to account transfers from other funds that are committed to paying sick and vacation leave at separation from the County.

HANCOCK COUNTY, OHIO

**COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS**

DEBT SERVICE FUNDS

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. Following is a description of the County's nonmajor debt service funds:

Nonmajor Debt Service Funds

Special Improvements Bond Retirement

The fund accounts for the retirement of special assessment notes issued that are restricted for the construction or major improvement to various ditches.

Water and Sewer Bond Retirement

The fund accounts for principal and interest payments on special assessment bonds and OWDA loans issued that are restricted to install water and sewer lines.

Job and Family Services Bond Retirement

The fund accounts for principal and interest payments on general obligation bonds issued that are restricted to construct the human services building.

US224/CR 300 Bond Retirement

The fund accounts for the retirement of bond anticipation notes issued that are restricted for infrastructure improvements and construction on US 224 and County Road 300.

I-75/Tall Timbers Connector Bond Retirement

The fund accounts for the retirement of general obligation bonds issued that are restricted for infrastructure construction.

Road Improvement Bond Retirement

The fund accounts for the retirement of special assessment notes issued that are restricted for the construction of roads.

Blanchard Bond Retirement

The fund accounts for special assessments that are restricted to the repayment of principal and interest payments for the Blanchard River reconstruction.

Motor Vehicle and Gas Tax (MVGT) Bond Retirement

The fund accounts for the retirement of bond anticipation notes issued that are assigned for the construction of a salt shed and a maintenance garage.

ADAMHS Bond Retirement

The fund accounts for principal and interest payments on general obligation bonds issued that are assigned for the acquisition of the office building and necessary improvements to the building.

HANCOCK COUNTY, OHIO

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

Nonmajor Debt Service Funds (Continued)

Capital Project Sheriff Bond Retirement

The fund accounts for note proceeds that are restricted to purchase radio equipment and a jail security system.

Energy Savings Gateway Bond Retirement

The fund accounts for principal and interest payments that are assigned to the Guaranteed Energy Savings Performance Contract with Energy Systems Group, LLC.

Distribution Drive Bond Retirement

This fund is used to account for revenues that are restricted to the repayment of the Distribution Drive debt.

CAPITAL PROJECTS FUNDS

Capital project funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. The following is a description of all nonmajor capital project funds:

Nonmajor Capital Projects Funds

Special Improvements

The fund accounts for special assessments that are restricted for the construction or major improvement to various ditches.

Motor Vehicle and Gas Tax

The fund accounts for bond anticipation notes that are restricted to finance a salt shed, a maintenance garage and a vector. There was no budget for this fund in 2016.

Alcohol and Drug Abuse

The fund accounts for revenues that are restricted for capital improvements for the Alcohol, Drug Addiction, and Mental Health Board.

Ohio Public Works Commission

The fund accounts for State grants that are restricted for the construction of county roads.

Federal Highway

The fund accounts for grants from the Federal Highway Administration that are restricted to replace/reconstruct various County bridges.

Courthouse Restoration

The fund accounts for money that is committed for the renovations or major repairs to the courthouse.

Developmental Disabilities

The fund accounts for bond proceeds that are restricted for capital improvements at the Blanchard Valley School.

County Capital Improvements

The fund accounts for transfers that are assigned for the purchase and/or renovation of various improvements for the County.

Sheriff's Office

The fund accounts for note proceeds that are restricted to purchase radio equipment and a jail security system.

Distribution Dr. TIF

The fund accounts for not proceeds that are restricted to a township infrastructure project on Distribution Dr.

HANCOCK COUNTY, OHIO

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

PERMANENT FUND

Permanent funds should be used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting County's programs-that is, for the benefit of the government or its citizenry. Permanent funds do not include private-purpose trusts funds, which should be used to report situations in which the County is required to use the principal or earnings for the benefits of individuals, private organizations, or other governments.

Nonmajor Permanent Fund

Children's Trust

The fund accounts for clothing, medical/dental assistance, and holiday gifts for children in the custody of the County. Expenditures are limited to interest earnings on the original principal contribution.

FUND DESCRIPTIONS - INTERNAL SERVICE FUND

Workers' Comp Reserve

The fund accounts for a self-insurance program for workers' compensation.

HANCOCK COUNTY, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds
Assets:			
Equity in pooled cash and investments	\$ 7,174,360	\$ 1,349,743	\$ 2,480,569
Cash with fiscal and escrow agents	-	-	68,081
Cash and cash equivalents in segregated accounts.	153,682	-	-
Receivables (net of allowance for uncollectibles):			
Real estate and other taxes	886,713	-	-
Accounts	1,100	-	-
Special assessments	256,525	1,016,910	107,636
Accrued interest	148	868	823
Loans	761,162	-	-
Payment in lieu of taxes	-	278,413	-
Due from other funds	3,290	-	-
Due from other governments.	174,317	-	-
Prepayments	62,003	-	-
Total assets	<u>\$ 9,473,300</u>	<u>\$ 2,645,934</u>	<u>\$ 2,657,109</u>
Liabilities:			
Accounts payable	\$ 305,679	\$ -	\$ 9,348
Retainage payable	-	-	68,081
Accrued wages and benefits.	60,811	-	-
Due to other funds.	49,581	-	5,303
Due to other governments.	15,054	-	1,748
Interfund loans payable	171,484	1,430	41,157
Loans from other funds	-	12,613	-
Accrued interest payable	-	-	4,841
Notes payable.	-	-	1,354,000
Total liabilities	<u>602,609</u>	<u>14,043</u>	<u>1,484,478</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year.	860,000	-	-
Delinquent property tax revenue not available.	26,713	-	-
Special assessments revenue not available.	256,673	1,017,778	108,459
Miscellaneous revenue not available.	280	-	-
Intergovernmental revenue not available	78,907	-	-
PILOTs levied for the next fiscal year	-	278,413	-
Total deferred inflows of resources	<u>1,222,573</u>	<u>1,296,191</u>	<u>108,459</u>
Fund Balances:			
Nonspendable	62,003	-	-
Restricted	7,723,370	924,404	855,558
Committed	-	-	500,949
Assigned	-	411,296	898,832
Unassigned (deficit)	<u>(137,255)</u>	<u>-</u>	<u>(1,191,167)</u>
Total fund balances	<u>7,648,118</u>	<u>1,335,700</u>	<u>1,064,172</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 9,473,300</u>	<u>\$ 2,645,934</u>	<u>\$ 2,657,109</u>

Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
\$ 408,206	\$ 11,412,878
-	68,081
-	153,682
-	886,713
-	1,100
-	1,381,071
-	1,839
-	761,162
-	278,413
-	3,290
-	174,317
-	62,003
<u>\$ 408,206</u>	<u>\$ 15,184,549</u>
\$ -	\$ 315,027
-	68,081
-	60,811
-	54,884
-	16,802
-	214,071
-	12,613
-	4,841
-	1,354,000
<u>-</u>	<u>2,101,130</u>
-	860,000
-	26,713
-	1,382,910
-	280
-	78,907
-	278,413
<u>-</u>	<u>2,627,223</u>
247,000	309,003
161,206	9,664,538
-	500,949
-	1,310,128
-	(1,328,422)
<u>408,206</u>	<u>10,456,196</u>
<u>\$ 408,206</u>	<u>\$ 15,184,549</u>

HANCOCK COUNTY, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2016

	Child Support Enforcement Agency	Dog and Kennel	Children Services	Real Estate Assessment
Assets:				
Equity in pooled cash and investments	\$ 315,612	\$ 84,697	\$ 11,809	\$ 2,298,744
Cash and cash equivalents in segregated accounts . . .	-	-	-	-
Receivables (net of allowance for uncollectibles):				
Real estate and other taxes	-	-	-	-
Accounts	-	-	-	-
Special assessments	-	-	-	-
Accrued interest.	-	-	-	-
Loans.	-	-	-	-
Due from other funds.	-	-	3,290	-
Due from other governments.	20,147	-	55,118	-
Prepayments	6,561	341	-	2,898
	<u>342,320</u>	<u>85,038</u>	<u>70,217</u>	<u>2,301,642</u>
Total assets.	<u>\$ 342,320</u>	<u>\$ 85,038</u>	<u>\$ 70,217</u>	<u>\$ 2,301,642</u>
Liabilities:				
Accounts payable.	\$ -	\$ -	\$ 195,385	\$ -
Accrued wages and benefits.	20,810	1,029	-	7,994
Due to other funds.	44,860	-	-	-
Due to other governments.	3,269	162	-	1,270
Interfund loans payable.	-	-	-	-
	<u>68,939</u>	<u>1,191</u>	<u>195,385</u>	<u>9,264</u>
Total liabilities.	<u>68,939</u>	<u>1,191</u>	<u>195,385</u>	<u>9,264</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year. . .	-	-	-	-
Delinquent property tax revenue not available. .	-	-	-	-
Special assessments revenue not available. . . .	-	-	-	-
Miscellaneous revenue not available.	-	-	-	-
Intergovernmental revenue not available	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable	6,561	341	-	2,898
Restricted	266,820	83,506	-	2,289,480
Unassigned (deficit)	-	-	(125,168)	-
	<u>273,381</u>	<u>83,847</u>	<u>(125,168)</u>	<u>2,292,378</u>
Total fund balances	<u>273,381</u>	<u>83,847</u>	<u>(125,168)</u>	<u>2,292,378</u>
Total liabilities, deferred inflows and fund balances . .	<u>\$ 342,320</u>	<u>\$ 85,038</u>	<u>\$ 70,217</u>	<u>\$ 2,301,642</u>

Community Development Block Grant	Community Corrections	Felony Delinquent Juvenile Care and Custody	Agency on Aging Levy	National Emergency Grant
\$ 62,404	\$ 30,035	\$ 229,352	\$ 16,632	\$ 10
131,509	-	-	-	-
-	-	-	886,713	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
761,162	-	-	-	-
-	-	-	-	-
-	-	-	53,133	-
-	647	661	-	-
<u>\$ 955,075</u>	<u>\$ 30,682</u>	<u>\$ 230,013</u>	<u>\$ 956,478</u>	<u>\$ 10</u>
\$ 56,385	\$ 5,251	\$ 3,560	\$ -	\$ -
-	5,353	1,927	-	-
-	-	1,672	-	-
-	850	1,925	-	-
-	-	-	-	-
<u>56,385</u>	<u>11,454</u>	<u>9,084</u>	<u>-</u>	<u>-</u>
-	-	-	860,000	-
-	-	-	26,713	-
-	-	-	-	-
-	-	-	-	-
-	-	-	53,133	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>939,846</u>	<u>-</u>
-	647	661	-	-
898,690	18,581	220,268	16,632	10
-	-	-	-	-
<u>898,690</u>	<u>19,228</u>	<u>220,929</u>	<u>16,632</u>	<u>10</u>
<u>\$ 955,075</u>	<u>\$ 30,682</u>	<u>\$ 230,013</u>	<u>\$ 956,478</u>	<u>\$ 10</u>

- - Continued

HANCOCK COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2016

	Other Public Safety	Other	Total
Assets:			
Equity in pooled cash and investments	\$ 1,219,922	\$ 2,905,143	\$ 7,174,360
Cash and cash equivalents in segregated accounts . . .	22,173	-	153,682
Receivables (net of allowance for uncollectibles):			
Real estate and other taxes	-	-	886,713
Accounts	1,100	-	1,100
Special assessments	-	256,525	256,525
Accrued interest.	-	148	148
Loans.	-	-	761,162
Due from other funds.	-	-	3,290
Due from other governments.	37,389	8,530	174,317
Prepayments	11,875	39,020	62,003
Total assets.	<u>\$ 1,292,459</u>	<u>\$ 3,209,366</u>	<u>\$ 9,473,300</u>
Liabilities:			
Accounts payable	\$ 9,619	\$ 35,479	\$ 305,679
Accrued wages and benefits.	9,068	14,630	60,811
Due to other funds.	2,531	518	49,581
Due to other governments.	5,276	2,302	15,054
Interfund loans payable.	55,121	116,363	171,484
Total liabilities.	<u>81,615</u>	<u>169,292</u>	<u>602,609</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year. . .	-	-	860,000
Delinquent property tax revenue not available. . .	-	-	26,713
Special assessments revenue not available. . . .	-	256,673	256,673
Miscellaneous revenue not available.	280	-	280
Intergovernmental revenue not available	25,774	-	78,907
Total deferred inflows of resources	<u>26,054</u>	<u>256,673</u>	<u>1,222,573</u>
Fund Balances:			
Nonspendable	11,875	39,020	62,003
Restricted.	1,176,056	2,753,327	7,723,370
Unassigned (deficit).	(3,141)	(8,946)	(137,255)
Total fund balances	<u>1,184,790</u>	<u>2,783,401</u>	<u>7,648,118</u>
Total liabilities, deferred inflows and fund balances . .	<u>\$ 1,292,459</u>	<u>\$ 3,209,366</u>	<u>\$ 9,473,300</u>

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HANCOCK COUNTY, OHIO

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2016

	Special Improvements Bond Retirement	Water and Sewer Bond Retirement	Job and Family Services Bond Retirement	US-224/CR 300 Bond Retirement
Assets:				
Equity in pooled cash and investments	\$ 38,865	\$ 227,422	\$ 11,953	\$ 265,235
Receivables (net of allowance for uncollectibles):				
Special assessments	-	1,016,910	-	-
Accrued interest	-	868	-	-
Payment in lieu of taxes	-	-	-	278,413
Total assets	<u>\$ 38,865</u>	<u>\$ 1,245,200</u>	<u>\$ 11,953</u>	<u>\$ 543,648</u>
Liabilities:				
Interfund loan payable.	\$ 1,430	\$ -	\$ -	\$ -
Loans from other funds	<u>12,613</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities.	<u>14,043</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Special assessments revenue not available.	-	1,017,778	-	-
PILOTs levied for the next fiscal year	<u>-</u>	<u>-</u>	<u>-</u>	<u>278,413</u>
Total deferred inflows of resources	<u>-</u>	<u>1,017,778</u>	<u>-</u>	<u>278,413</u>
Fund Balances:				
Restricted	24,822	227,422	11,953	265,235
Assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>24,822</u>	<u>227,422</u>	<u>11,953</u>	<u>265,235</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 38,865</u>	<u>\$ 1,245,200</u>	<u>\$ 11,953</u>	<u>\$ 543,648</u>

I-75/Tall Timbers Connector Bond Retirement	Road Improvement Bond Retirement	Blanchard Bond Retirement	Motor Vehicle and Gas Tax Bond Retirement	ADAMHs Bond Retirement	Capital Projects Sheriff Bond Retirement
\$ 273,952	\$ 24,721	\$ 56,413	\$ 9,072	\$ 69,800	\$ 7,817
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 273,952</u>	<u>\$ 24,721</u>	<u>\$ 56,413</u>	<u>\$ 9,072</u>	<u>\$ 69,800</u>	<u>\$ 7,817</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
273,952	24,721	56,413	-	-	7,817
-	-	-	9,072	69,800	-
273,952	24,721	56,413	9,072	69,800	7,817
<u>\$ 273,952</u>	<u>\$ 24,721</u>	<u>\$ 56,413</u>	<u>\$ 9,072</u>	<u>\$ 69,800</u>	<u>\$ 7,817</u>

- - Continued

HANCOCK COUNTY, OHIO

COMBINING BALANCE SHEET NONMAJOR DEBT SERVICE FUNDS (CONTINUED) DECEMBER 31, 2016

	Energy Savings Gateway Bond Retirement	Distribution Drive Bond Retirement	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 332,424	\$ 32,069	\$ 1,349,743
Receivables (net of allowance for uncollectibles):			
Special assessments	-	-	1,016,910
Accrued interest	-	-	868
Payment in lieu of taxes	-	-	278,413
Total assets	<u>\$ 332,424</u>	<u>\$ 32,069</u>	<u>\$ 2,645,934</u>
Liabilities:			
Interfund loan payable.	\$ -	\$ -	\$ 1,430
Loans from other funds	-	-	12,613
Total liabilities.	<u>-</u>	<u>-</u>	<u>14,043</u>
Deferred inflows of resources:			
Special assessments revenue not available. . . .	-	-	1,017,778
PILOTs levied for the next fiscal year	-	-	278,413
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,296,191</u>
Fund Balances:			
Restricted	-	32,069	924,404
Assigned	332,424	-	411,296
Total fund balances	<u>332,424</u>	<u>32,069</u>	<u>1,335,700</u>
Total liabilities, deferred inflows and fund balances . . .	<u>\$ 332,424</u>	<u>\$ 32,069</u>	<u>\$ 2,645,934</u>

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HANCOCK COUNTY, OHIO

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2016

	Special Improvements	Motor Vehicle and Gas Tax	Alcohol and Drug Abuse	Courthouse Restoration
Assets:				
Equity in pooled cash and investments	\$ 53,716	\$ -	\$ 38,540	\$ 500,949
Cash with escrow agents	7,796	-	-	55,284
Receivables (net of allowance for uncollectibles):				
Special assessments	107,636	-	-	-
Accrued interest	823	-	-	-
Total assets	<u>\$ 169,971</u>	<u>\$ -</u>	<u>\$ 38,540</u>	<u>\$ 556,233</u>
Liabilities:				
Accounts payable.	\$ -	\$ -	\$ -	\$ -
Retainage payable.	7,796	-	-	55,284
Interfund payable	41,157	-	-	-
Due to other governments	1,748	-	-	-
Due to other funds	5,303	-	-	-
Accrued interest payable	343	1,280	-	-
Notes payable	96,000	358,000	-	-
Total liabilities.	<u>152,347</u>	<u>359,280</u>	<u>-</u>	<u>55,284</u>
Deferred inflows of resources:				
Special assessments revenue not available.	108,459	-	-	-
Total deferred inflows of resources	<u>108,459</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted.	-	-	38,540	-
Committed	-	-	-	500,949
Assigned.	-	-	-	-
Unassigned (deficit)	<u>(90,835)</u>	<u>(359,280)</u>	<u>-</u>	<u>-</u>
Total fund balances (deficit).	<u>(90,835)</u>	<u>(359,280)</u>	<u>38,540</u>	<u>500,949</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 169,971</u>	<u>\$ -</u>	<u>\$ 38,540</u>	<u>\$ 556,233</u>

Developmental Disabilities	County Capital Improvements	Sheriff's Office	Distribution Dr. TIF	Total
\$ 815,465	\$ 908,180	\$ 1,553	\$ 162,166	\$ 2,480,569
-	-	-	5,001	68,081
-	-	-	-	107,636
-	-	-	-	823
<u>\$ 815,465</u>	<u>\$ 908,180</u>	<u>\$ 1,553</u>	<u>\$ 167,167</u>	<u>\$ 2,657,109</u>
\$ -	\$ 9,348	\$ -	\$ -	\$ 9,348
-	-	-	5,001	68,081
-	-	-	-	41,157
-	-	-	-	1,748
-	-	-	-	5,303
-	-	-	3,218	4,841
-	-	-	900,000	1,354,000
<u>-</u>	<u>9,348</u>	<u>-</u>	<u>908,219</u>	<u>1,484,478</u>
-	-	-	-	108,459
-	-	-	-	108,459
815,465	-	1,553	-	855,558
-	-	-	-	500,949
-	898,832	-	-	898,832
-	-	-	(741,052)	(1,191,167)
<u>815,465</u>	<u>898,832</u>	<u>1,553</u>	<u>(741,052)</u>	<u>1,064,172</u>
<u>\$ 815,465</u>	<u>\$ 908,180</u>	<u>\$ 1,553</u>	<u>\$ 167,167</u>	<u>\$ 2,657,109</u>

HANCOCK COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds
Revenues:			
Property taxes	\$ 869,846	\$ 106,818	\$ -
Payments in lieu of taxes.	-	383,747	-
Special assessments.	82,860	813,192	137,368
Charges for services	2,056,554	-	-
Licenses and permits	320,376	-	-
Fines and forfeitures	80,969	-	-
Intergovernmental	4,281,267	-	685,503
Investment income	17,948	-	-
Rental income	-	23,939	-
Other	74,375	886	84,918
	<hr/>	<hr/>	<hr/>
Total revenues	7,784,195	1,328,582	907,789
	<hr/>	<hr/>	<hr/>
Expenditures:			
Current:			
General government:			
Legislative and executive	1,195,765	-	-
Judicial	457,976	-	-
Public safety.	1,205,192	-	-
Public works.	27,942	-	-
Health	362,395	-	-
Human services	3,854,596	-	-
Economic development	472,509	-	-
Capital outlay	-	-	2,233,449
Debt service:			
Principal retirement	22,707	2,739,816	-
Interest and fiscal charges	-	255,399	43,632
Bond issuance costs	-	96,635	-
	<hr/>	<hr/>	<hr/>
Total expenditures	7,599,082	3,091,850	2,277,081
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures.	185,113	(1,763,268)	(1,369,292)
	<hr/>	<hr/>	<hr/>
Other financing sources (uses):			
Issuance of bonds	-	2,934,095	-
Payment to refunded bond escrow agent.	-	(2,488,852)	-
Premium on bond issuance	-	347,885	-
Transfers in	125,947	514,909	3,207,894
Transfers out	-	(1,533,008)	-
Issuance of OWDA loans	22,707	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	148,654	(224,971)	3,207,894
	<hr/>	<hr/>	<hr/>
Net change in fund balances.	333,767	(1,988,239)	1,838,602
	<hr/>	<hr/>	<hr/>
Fund balances at beginning of year	7,314,351	3,323,939	(774,430)
	<hr/>	<hr/>	<hr/>
Fund balances at end of year	<u>\$ 7,648,118</u>	<u>\$ 1,335,700</u>	<u>\$ 1,064,172</u>

Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
\$ -	\$ 976,664
-	383,747
-	1,033,420
-	2,056,554
-	320,376
-	80,969
-	4,966,770
1,134	19,082
-	23,939
42,022	202,201
<u>43,156</u>	<u>10,063,722</u>
-	1,195,765
-	457,976
-	1,205,192
-	27,942
-	362,395
-	3,854,596
-	472,509
24,690	2,258,139
-	2,762,523
-	299,031
-	96,635
<u>24,690</u>	<u>12,992,703</u>
<u>18,466</u>	<u>(2,928,981)</u>
-	2,934,095
-	(2,488,852)
-	347,885
-	3,848,750
-	(1,533,008)
-	22,707
<u>-</u>	<u>3,131,577</u>
18,466	202,596
<u>389,740</u>	<u>10,253,600</u>
<u>\$ 408,206</u>	<u>\$ 10,456,196</u>

HANCOCK COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Child Support Enforcement Agency	Dog and Kennel	Children Services	Real Estate Assessment
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Charges for services	224,508	16,585	29,590	984,865
Licenses and permits	-	248,721	-	-
Fines and forfeitures	-	16,935	-	-
Intergovernmental	674,901	-	1,769,945	-
Investment income	-	-	-	-
Contributions and donations	-	-	-	-
Other	7,445	-	29,142	-
Total revenues	<u>906,854</u>	<u>282,241</u>	<u>1,828,677</u>	<u>984,865</u>
Expenditures:				
Current:				
General government:				
Legislative and executive	-	-	-	810,391
Judicial	-	-	-	-
Public safety.	-	-	-	-
Public works.	-	-	-	-
Health	-	293,784	-	-
Human services	1,080,489	-	1,716,707	-
Economic development	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Total expenditures	<u>1,080,489</u>	<u>293,784</u>	<u>1,716,707</u>	<u>810,391</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>(173,635)</u>	<u>(11,543)</u>	<u>111,970</u>	<u>174,474</u>
Other financing sources:				
Transfers in.	91,350	-	29,597	-
Issuance of OWDA loans	-	-	-	-
Total other financing sources	<u>91,350</u>	<u>-</u>	<u>29,597</u>	<u>-</u>
Net change in fund balances	(82,285)	(11,543)	141,567	174,474
Fund balances (deficit) at beginning of year . .	<u>355,666</u>	<u>95,390</u>	<u>(266,735)</u>	<u>2,117,904</u>
Fund balances (deficit) at end of year	<u>\$ 273,381</u>	<u>\$ 83,847</u>	<u>\$ (125,168)</u>	<u>\$ 2,292,378</u>

Community Development Block Grant	Community Corrections	Felony Delinquent Juvenile Care and Custody	Agency on Aging Levy	National Emergency Grant
\$ -	\$ -	\$ -	\$ 869,846	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
428,337	221,988	185,467	-	-
17,926	-	-	-	-
-	-	-	-	-
-	-	3,006	-	-
<u>446,263</u>	<u>221,988</u>	<u>188,473</u>	<u>869,846</u>	<u>-</u>
-	-	-	-	-
-	206,949	206,519	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
430,857	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>430,857</u>	<u>206,949</u>	<u>206,519</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
15,406	15,039	(18,046)	869,846	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
15,406	15,039	(18,046)	869,846	-
883,284	4,189	238,975	26,098	10
<u>\$ 898,690</u>	<u>\$ 19,228</u>	<u>\$ 220,929</u>	<u>\$ 895,944</u>	<u>\$ 10</u>

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HANCOCK COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2016

	Other Public Safety	Other	Total
Revenues:			
Property taxes	\$ -	\$ -	\$ 869,846
Special assessments	-	82,860	82,860
Charges for services	245,455	555,551	2,056,554
Licenses and permits	71,655	-	320,376
Fines and forfeitures	5,166	58,868	80,969
Intergovernmental	380,692	619,937	4,281,267
Investment income	22	-	17,948
Contributions and donations	-	-	-
Other	5,303	29,479	74,375
	<hr/>	<hr/>	<hr/>
Total revenues	708,293	1,346,695	7,784,195
	<hr/>	<hr/>	<hr/>
Expenditures:			
Current:			
General government:			
Legislative and executive	-	385,374	1,195,765
Judicial	776	43,732	457,976
Public safety.	791,724	413,468	1,205,192
Public works.	-	27,942	27,942
Health	-	68,611	362,395
Human services	-	1,057,400	3,854,596
Economic development	-	41,652	472,509
Debt service:			
Principal retirement	-	22,707	22,707
	<hr/>	<hr/>	<hr/>
Total expenditures	792,500	2,060,886	7,599,082
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures.	(84,207)	(714,191)	185,113
	<hr/>	<hr/>	<hr/>
Other financing sources:			
Transfers in.	-	5,000	125,947
Issuance of OWDA loans	-	22,707	22,707
	<hr/>	<hr/>	<hr/>
Total other financing sources	-	27,707	148,654
	<hr/>	<hr/>	<hr/>
Net change in fund balances	(84,207)	(686,484)	333,767
	<hr/>	<hr/>	<hr/>
Fund balances at beginning of year	1,259,783	2,599,787	7,314,351
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Fund balances at end of year	\$ 1,175,576	\$ 1,913,303	\$ 7,648,118
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HANCOCK COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Special Improvements Bond Retirement	Water and Sewer Bond Retirement	Job and Family Services Bond Retirement	US-224/CR 300 Bond Retirement
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Payments in lieu of taxes	-	-	-	279,409
Special assessments.	18,745	198,469	-	-
Rental income	-	-	23,939	-
Other	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	18,745	198,469	23,939	279,409
	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures:				
Debt service:				
Principal retirement	-	224,289	55,000	135,000
Interest and fiscal charges	238	41,911	5,225	40,530
Bond issuance costs	939	-	-	70,869
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	1,177	266,200	60,225	246,399
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	17,568	(67,731)	(36,286)	33,010
	<hr/>	<hr/>	<hr/>	<hr/>
Other financing sources (uses):				
Issuance of bonds	30,000	-	-	2,145,000
Payment to refunded bond escrow agent.	-	-	-	(2,391,497)
Transfers in.	-	-	-	-
Transfers out	(8,578)	-	-	-
Premium on bonds sold.	1,540	-	-	270,681
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	22,962	-	-	24,184
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balance	40,530	(67,731)	(36,286)	57,194
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances (deficit) at beginning of year. .	(15,708)	295,153	48,239	208,041
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at end of year	<u>\$ 24,822</u>	<u>\$ 227,422</u>	<u>\$ 11,953</u>	<u>\$ 265,235</u>

I-75/Tall Timbers Connector Bond Retirement	Road Improvement Bond Retirement	Blanchard Bond Retirement	Motor Vehicle and Gas Tax Bond Retirement	ADAMHS Bond Retirement
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	595,978	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	595,978	-	-
1,925,000	-	-	80,000	15,755
45,875	-	-	63,228	7,138
-	-	-	-	3,840
1,970,875	-	-	143,228	26,733
(1,970,875)	-	595,978	(143,228)	(26,733)
-	-	-	-	94,095
-	-	-	-	(97,355)
-	-	-	244,000	20,909
-	-	(549,894)	(99,930)	-
-	-	-	-	4,763
-	-	(549,894)	144,070	22,412
(1,970,875)	-	46,084	842	(4,321)
2,244,827	24,721	10,329	8,230	74,121
\$ 273,952	\$ 24,721	\$ 56,413	\$ 9,072	\$ 69,800

- - Continued

HANCOCK COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Capital Projects Sheriff Bond Retirement	Energy Savings Gateway Bond Retirement	Distribution Drive Bond Retirement	Total
Revenues:				
Property taxes	\$ 106,818	\$ -	\$ -	\$ 106,818
Payments in lieu of taxes	-	-	104,338	383,747
Special assessments.	-	-	-	813,192
Rental income	-	-	-	23,939
Other	-	-	886	886
Total revenues	106,818	-	105,224	1,328,582
Expenditures:				
Debt service:				
Principal retirement	80,000	224,772	-	2,739,816
Interest and fiscal charges	26,818	24,436	-	255,399
Bond issuance costs	-	-	20,987	96,635
Total expenditures	106,818	249,208	20,987	3,091,850
Excess (deficiency) of revenues over (under) expenditures	-	(249,208)	84,237	(1,763,268)
Other financing sources (uses):				
Issuance of bonds	-	-	665,000	2,934,095
Payment to refunded bond escrow agent.	-	-	-	(2,488,852)
Transfers in.	-	250,000	-	514,909
Transfers out	-	-	(874,606)	(1,533,008)
Premium on bonds sold.	-	-	70,901	347,885
Total other financing sources (uses)	-	250,000	(138,705)	(224,971)
Net change in fund balance	-	792	(54,468)	(1,988,239)
Fund balances (deficit) at beginning of year. .	7,817	331,632	86,537	3,323,939
Fund balances at end of year	<u>\$ 7,817</u>	<u>\$ 332,424</u>	<u>\$ 32,069</u>	<u>\$ 1,335,700</u>

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HANCOCK COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Special Improvements	Motor Vehicle and Gas Tax	Alcohol and Drug Abuse	Ohio Public Works Commission
Revenues:				
Special assessments.	\$ 137,368	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	340,671
Other	-	-	-	-
Total revenues	<u>137,368</u>	<u>-</u>	<u>-</u>	<u>340,671</u>
Expenditures:				
Capital outlay	265,025	-	-	340,671
Debt service:				
Interest and fiscal charges	<u>8,535</u>	<u>7,556</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>273,560</u>	<u>7,556</u>	<u>-</u>	<u>340,671</u>
Excess of expenditures over revenues	<u>(136,192)</u>	<u>(7,556)</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Transfers in	<u>8,578</u>	<u>99,930</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses).	<u>8,578</u>	<u>99,930</u>	<u>-</u>	<u>-</u>
Net change in fund balance.	(127,614)	92,374	-	-
Fund balances (deficit) at beginning of year .	<u>36,779</u>	<u>(451,654)</u>	<u>38,540</u>	<u>-</u>
Fund balances (deficit) at end of year	<u><u>\$ (90,835)</u></u>	<u><u>\$ (359,280)</u></u>	<u><u>\$ 38,540</u></u>	<u><u>\$ -</u></u>

Courthouse Restoration	Developmental Disabilities	County Capital Improvements	Sheriff's Office	Distribution Dr. TIF	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 137,368
-	217,853	-	-	126,979	685,503
-	-	83,918	-	1,000	84,918
-	217,853	83,918	-	127,979	907,789
8,320	968,299	381,796	-	269,338	2,233,449
-	-	-	-	27,541	43,632
8,320	968,299	381,796	-	296,879	2,277,081
(8,320)	(750,446)	(297,878)	-	(168,900)	(1,369,292)
300,000	1,400,000	524,780	-	874,606	3,207,894
300,000	1,400,000	524,780	-	874,606	3,207,894
291,680	649,554	226,902	-	705,706	1,838,602
209,269	165,911	671,930	1,553	(1,446,758)	(774,430)
<u>\$ 500,949</u>	<u>\$ 815,465</u>	<u>\$ 898,832</u>	<u>\$ 1,553</u>	<u>\$ (741,052)</u>	<u>\$ 1,064,172</u>

Individual Fund Schedules of Revenues, Expenditures/Expenses,
and Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Nonmajor Governmental Funds

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CHILD SUPPORT ENFORCEMENT AGENCY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Charges for services.	\$ 238,604	\$ 238,604	\$ 224,508	\$ (14,096)
Intergovernmental	786,902	786,902	674,901	(112,001)
Other	19,434	19,434	14,470	(4,964)
	<u>1,044,940</u>	<u>1,044,940</u>	<u>913,879</u>	<u>(131,061)</u>
Total revenues				
Expenditures:				
Current:				
Human services				
Personal services.	530,000	530,000	504,681	25,319
Fringe benefits.	217,700	226,485	216,607	9,878
Materials and supplies	5,202	7,059	5,032	2,027
Capital outlay	2,000	2,000	-	2,000
Other.	344,644	318,854	275,631	43,223
	<u>1,099,546</u>	<u>1,084,398</u>	<u>1,001,951</u>	<u>82,447</u>
Total expenditures				
Excess of expenditures over revenues	<u>(54,606)</u>	<u>(39,458)</u>	<u>(88,072)</u>	<u>(48,614)</u>
Other financing sources (uses):				
Transfers in.	54,392	54,392	91,350	36,958
Transfers out.	<u>(50,000)</u>	<u>(65,000)</u>	<u>(56,688)</u>	<u>8,312</u>
	<u>4,392</u>	<u>(10,608)</u>	<u>34,662</u>	<u>45,270</u>
Total other financing sources (uses).				
Net change in fund balance	(50,214)	(50,066)	(53,410)	(3,344)
Fund balance at beginning of year.	351,109	351,109	351,109	-
Prior year encumbrances appropriated	14,846	14,846	14,846	-
	<u>\$ 315,741</u>	<u>\$ 315,889</u>	<u>\$ 312,545</u>	<u>\$ (3,344)</u>
Fund balance at end of year				

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DOG AND KENNEL SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Charges for services	\$ 20,000	\$ 20,000	\$ 16,585	\$ (3,415)
Licenses and permits.	186,000	186,000	248,721	62,721
Fines and forfeitures	10,000	10,000	16,935	6,935
Total revenues	<u>216,000</u>	<u>216,000</u>	<u>282,241</u>	<u>66,241</u>
Expenditures:				
Current:				
Health				
Personal services.	25,000	24,529	23,913	616
Fringe benefits.	14,000	14,470	14,261	209
Materials and supplies	2,800	3,800	3,800	-
Contractual services	255,900	285,900	285,765	135
Capital outlay	1,000	-	-	-
Other.	2,103	2,103	2,103	-
Total expenditures	<u>300,803</u>	<u>330,802</u>	<u>329,842</u>	<u>960</u>
Net change in fund balance	(84,803)	(114,802)	(47,601)	67,201
Fund balance at beginning of year	127,042	127,042	127,042	-
Prior year encumbrances appropriated	603	603	603	-
Fund balance at end of year.	<u>\$ 42,842</u>	<u>\$ 12,843</u>	<u>\$ 80,044</u>	<u>\$ 67,201</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CHILDREN SERVICES SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Charges for services	\$ 37,235	\$ 37,236	\$ 29,590	\$ (7,646)
Intergovernmental	1,503,577	1,795,577	1,762,836	(32,741)
Other	25,219	25,218	22,644	(2,574)
Total revenues	<u>1,566,031</u>	<u>1,858,031</u>	<u>1,815,070</u>	<u>(42,961)</u>
Expenditures:				
Current:				
Human services				
Contractual services	1,125,900	1,471,536	1,468,589	2,947
Other.	<u>563,229</u>	<u>507,529</u>	<u>500,891</u>	<u>6,638</u>
Total expenditures	<u>1,689,129</u>	<u>1,979,065</u>	<u>1,969,480</u>	<u>9,585</u>
Excess of expenditures over revenues	<u>(123,098)</u>	<u>(121,034)</u>	<u>(154,410)</u>	<u>(33,376)</u>
Other financing sources:				
Transfers in	<u>83,299</u>	<u>83,299</u>	<u>29,597</u>	<u>(53,702)</u>
Total other financing sources	<u>83,299</u>	<u>83,299</u>	<u>29,597</u>	<u>(53,702)</u>
Net change in fund balance.	<u>(39,799)</u>	<u>(37,735)</u>	<u>(124,813)</u>	<u>(87,078)</u>
Fund balance at beginning of year	<u>95,287</u>	<u>95,287</u>	<u>95,287</u>	<u>-</u>
Prior year encumbrances appropriated	<u>9,080</u>	<u>9,080</u>	<u>9,080</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 64,568</u>	<u>\$ 66,632</u>	<u>\$ (20,446)</u>	<u>\$ (87,078)</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
REAL ESTATE ASSESSMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Charges for services	\$ 917,000	\$ 917,000	\$ 931,865	\$ 14,865
Total revenues	917,000	917,000	931,865	14,865
Expenditures:				
Current:				
General government - legislative and executive				
Personal services.	225,000	221,973	208,288	13,685
Fringe benefits.	95,613	98,026	90,119	7,907
Materials and supplies	10,711	10,355	4,230	6,125
Contractual services	1,020,007	1,017,980	881,557	136,423
Capital outlay	25,051	25,000	2,569	22,431
Other.	12,250	66,000	56,917	9,083
Total expenditures.	1,388,632	1,439,334	1,243,680	195,654
Net change in fund balance	(471,632)	(522,334)	(311,815)	210,519
Fund balance at beginning of year.	1,479,009	1,479,009	1,479,009	-
Prior year encumbrances appropriated	711,632	711,632	711,632	-
Fund balance at end of year	<u>\$ 1,719,009</u>	<u>\$ 1,668,307</u>	<u>\$ 1,878,826</u>	<u>\$ 210,519</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental.	\$ 460,987	\$ 535,987	\$ 523,712	\$ (12,275)
Other	49,000	49,000	-	(49,000)
Total revenues.	<u>509,987</u>	<u>584,987</u>	<u>523,712</u>	<u>(61,275)</u>
Expenditures:				
Current:				
Economic development				
Contractual services	<u>302,410</u>	<u>609,301</u>	<u>573,685</u>	<u>35,616</u>
Total expenditures	<u>302,410</u>	<u>609,301</u>	<u>573,685</u>	<u>35,616</u>
Net change in fund balance.	207,577	(24,314)	(49,973)	(25,659)
Fund balance (deficit) at beginning of year	(55,648)	(55,648)	(55,648)	-
Prior year encumbrances appropriated	<u>95,850</u>	<u>95,850</u>	<u>95,850</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 247,779</u>	<u>\$ 15,888</u>	<u>\$ (9,771)</u>	<u>\$ (25,659)</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY CORRECTIONS SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 110,994	\$ 221,988	\$ 221,988	\$ -
Total revenues	110,994	221,988	221,988	-
Expenditures:				
Current:				
Public safety				
Personal services	68,342	146,733	139,452	7,281
Fringe benefits.	34,326	51,834	44,302	7,532
Materials and supplies	950	689	600	89
Contractual services	6,775	25,373	12,054	13,319
Capital outlay	-	6,815	6,815	-
Other.	600	600	502	98
Total expenditures	110,993	232,044	203,725	28,319
Net change in fund balance	1	(10,056)	18,263	28,319
Fund balance at beginning of year.	11,172	11,172	11,172	-
Fund balance at end of year.	\$ 11,173	\$ 1,116	\$ 29,435	\$ 28,319

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FELONY DELINQUENT JUVENILE CARE AND CUSTODY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 115,176	\$ 179,893	\$ 185,467	\$ 5,574
Other	1,000	1,000	3,006	2,006
Total revenues	116,176	180,893	188,473	7,580
Expenditures:				
Current:				
Public safety				
Felony delinquent care and custody				
Personal services	47,136	50,107	50,107	-
Fringe benefits.	25,685	26,213	21,625	4,588
Materials and supplies	-	2,984	157	2,827
Contractual services	211,647	240,754	171,675	69,079
Capital outlay	-	8,200	5,807	2,393
Other.	20,190	21,665	950	20,715
Total felony delinquent care and custody	304,658	349,923	250,321	99,602
Total expenditures.	304,658	349,923	250,321	99,602
Net change in fund balance	(188,482)	(169,030)	(61,848)	107,182
Fund balance at beginning of year	204,650	204,650	204,650	-
Prior year encumbrances appropriated	61,897	61,897	61,897	-
Fund balance at end of year	<u>\$ 78,065</u>	<u>\$ 97,517</u>	<u>\$ 204,699</u>	<u>\$ 107,182</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AGENCY ON AGING LEVY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property taxes	\$ 863,500	\$ 879,857	\$ 869,846	\$ (10,011)
Intergovernmental	117,534	117,589	117,589	-
Total revenues	<u>981,034</u>	<u>997,446</u>	<u>987,435</u>	<u>(10,011)</u>
Expenditures:				
Current:				
Human services:				
Contractual services	<u>981,034</u>	<u>997,446</u>	<u>997,446</u>	<u>-</u>
Total expenditures	<u>981,034</u>	<u>997,446</u>	<u>997,446</u>	<u>-</u>
Net change in fund balance	-	-	(10,011)	(10,011)
Fund balance at beginning of year	<u>26,643</u>	<u>26,643</u>	<u>26,643</u>	<u>-</u>
Fund balance at end of year	<u>\$ 26,643</u>	<u>\$ 26,643</u>	<u>\$ 16,632</u>	<u>\$ (10,011)</u>

HANCOCK COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NATIONAL EMERGENCY GRANT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Fund balance at beginning of year.	\$ 10	\$ 10	\$ 10	\$ -
Fund balance at end of year	\$ 10	\$ 10	\$ 10	\$ -

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OTHER PUBLIC SAFETY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Charges for services	\$ 212,825	\$ 212,825	\$ 227,258	\$ 14,433
Licenses and permits	40,000	40,000	71,655	31,655
Fines and forfeitures	4,800	4,825	4,593	(232)
Intergovernmental	300,991	417,236	382,235	(35,001)
Investment income	-	-	22	22
Other	29,000	29,000	10,023	(18,977)
Total revenues	<u>587,616</u>	<u>703,886</u>	<u>695,786</u>	<u>(8,100)</u>
Expenditures:				
Current:				
Public safety				
Personal services	181,816	258,739	205,233	53,506
Fringe benefits.	83,872	98,388	72,801	25,587
Materials and supplies.	123,845	134,654	121,288	13,366
Contractual services	422,236	437,433	333,760	103,673
Capital outlay	412,958	416,195	154,229	261,966
Other.	153,280	138,951	57,389	81,562
Total expenditures	<u>1,378,007</u>	<u>1,484,360</u>	<u>944,700</u>	<u>539,660</u>
Excess expenditures over revenues	<u>(790,391)</u>	<u>(780,474)</u>	<u>(248,914)</u>	<u>531,560</u>
Other financing sources (uses):				
Advances in	-	-	55,120	55,120
Advances out.	-	-	(63,429)	(63,429)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(8,309)</u>	<u>(8,309)</u>
Net change in fund balance	<u>(790,391)</u>	<u>(780,474)</u>	<u>(257,223)</u>	<u>523,251</u>
Fund balance at beginning of year	<u>1,012,486</u>	<u>1,012,486</u>	<u>1,012,486</u>	<u>-</u>
Prior year encumbrances appropriated	<u>273,992</u>	<u>273,992</u>	<u>273,992</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 496,087</u>	<u>\$ 506,004</u>	<u>\$ 1,029,255</u>	<u>\$ 523,251</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OTHER SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Special assessments	\$ 48,930	\$ 149,562	\$ 82,860	\$ (66,702)
Charges for services	590,700	610,700	573,748	(36,952)
Fines and forfeitures	30,000	30,000	58,818	28,818
Intergovernmental	491,764	757,060	495,893	(261,167)
Other	8,000	9,000	27,382	18,382
Total revenues.	<u>1,169,394</u>	<u>1,556,322</u>	<u>1,238,701</u>	<u>(317,621)</u>
Expenditures:				
Current:				
General government - legislative and executive				
Personal services	198,906	204,497	160,403	44,094
Fringe benefits	69,689	73,557	50,171	23,386
Materials and supplies	4,048	3,036	2,847	189
Contractual services.	128,920	151,959	136,036	15,923
Capital outlay.	64,030	613,698	172,437	441,261
Other	74,998	49,762	18,701	31,061
Total general government - legislative and executive	<u>540,591</u>	<u>1,096,509</u>	<u>540,595</u>	<u>555,914</u>
General government - judicial				
Personal services.	94,300	251,937	157,522	94,415
Fringe benefits.	19,525	72,941	53,768	19,173
Materials and supplies	10,400	11,650	1,993	9,657
Contractual services	96,278	87,000	51,076	35,924
Capital outlay	190,912	198,782	166,625	32,157
Other.	48,297	121,537	79,309	42,228
Total general government - judicial	<u>459,712</u>	<u>743,847</u>	<u>510,293</u>	<u>233,554</u>
Public works				
Contractual services	27,950	27,950	27,942	8
Total public works	<u>27,950</u>	<u>27,950</u>	<u>27,942</u>	<u>8</u>
Health				
Personal services.	-	2,150	1,650	500
Fringe benefits.	-	457	306	151
Contractual services	44,749	87,595	74,364	13,231
Total health.	<u>44,749</u>	<u>90,202</u>	<u>76,320</u>	<u>13,882</u>

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HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OTHER SPECIAL REVENUE FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Human services				
Personal services.	\$ 28,010	\$ 38,010	\$ 30,785	\$ 7,225
Fringe benefits.	-	2,960	2,960	-
Materials and supplies	1,386	2,561	1,386	1,175
Contractual services	24,000	24,399	23,891	508
Other.	1,000	1,324	824	500
Total human services	54,396	69,254	59,846	9,408
Economic development and assistance				
Contractual services	44,253	44,253	41,652	2,601
Total economic development and assistance	44,253	44,253	41,652	2,601
Total expenditures	1,171,651	2,072,015	1,256,648	815,367
Excess of expenditures over revenues	(2,257)	(515,693)	(17,947)	497,746
Other financing sources (uses):				
Advances in	-	-	139,069	139,069
Advances out	-	-	(53,636)	(53,636)
Transfers in	5,000	5,000	5,000	-
Total other financing sources (uses).	5,000	5,000	90,433	85,433
Net change in fund balance.	2,743	(510,693)	72,486	583,179
Fund balance at beginning of year	2,558,881	2,558,881	2,558,881	-
Prior year encumbrances appropriated	150,060	150,060	150,060	-
Fund balance at end of year	<u>\$ 2,711,684</u>	<u>\$ 2,198,248</u>	<u>\$ 2,781,427</u>	<u>\$ 583,179</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SHERIFF POLICE REVOLVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Charges for services	\$ 188,500	\$ 188,500	\$ 197,917	\$ 9,417
Total revenues	188,500	188,500	197,917	9,417
Expenditures:				
Current:				
Public safety				
Personal services.	107,767	107,767	97,797	9,970
Fringe benefits.	47,165	47,165	41,820	5,345
Total expenditures.	154,932	154,932	139,617	15,315
Net change in fund balance	33,568	33,568	58,300	24,732
Fund balance at beginning of year.	<u>33,858</u>	<u>33,858</u>	<u>33,858</u>	<u>-</u>
Fund balance at end of year	<u>\$ 67,426</u>	<u>\$ 67,426</u>	<u>\$ 92,158</u>	<u>\$ 24,732</u>

HANCOCK COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COUNTY HOME DONATIONS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Fund balance at beginning of year.	\$ 4,816	\$ 4,816	\$ 4,816	\$ -
Fund balance at end of year	\$ 4,816	\$ 4,816	\$ 4,816	\$ -

HANCOCK COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CENTENNIAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year.	<u>\$ 172</u>	<u>\$ 172</u>	<u>\$ 172</u>	<u>\$ -</u>
Fund balance at end of year	<u>\$ 172</u>	<u>\$ 172</u>	<u>\$ 172</u>	<u>\$ -</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BUDGET STABILIZATION GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Other financing sources:				
Transfers in	\$ -	\$ -	\$ 100,000	\$ 100,000
Total other financing sources	-	-	100,000	100,000
Net change in fund balance	-	-	100,000	100,000
Fund balance at beginning of year.	<u>1,100,000</u>	<u>1,100,000</u>	<u>1,100,000</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 1,100,000</u></u>	<u><u>\$ 1,100,000</u></u>	<u><u>\$ 1,200,000</u></u>	<u><u>\$ 100,000</u></u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CERTIFICATE OF TITLE GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Charges for services	\$ 500,000	\$ 500,000	\$ 586,919	\$ 86,919
Total revenues	500,000	500,000	586,919	86,919
Expenditures:				
Current:				
General government - judicial				
Personal services	155,000	155,000	138,394	16,606
Fringe benefits	90,250	92,328	78,102	14,226
Materials and supplies	13,177	13,159	10,894	2,265
Contractual services	67,300	65,631	59,990	5,641
Capital outlay.	3,000	3,000	275	2,725
Other	27,974	26,917	22,553	4,364
Total expenditures	356,701	356,035	310,208	45,827
Excess of revenues over expenditures	143,299	143,965	276,711	132,746
Other financing uses:				
Transfers out	(100,000)	(99,565)	-	99,565
Total other financing uses	(100,000)	(99,565)	-	99,565
Net change in fund balance.	43,299	44,400	276,711	232,311
Fund balance at beginning of year	944,024	944,024	944,024	-
Prior year encumbrances appropriated	4,201	4,201	4,201	-
Fund balance at end of year	<u>\$ 991,524</u>	<u>\$ 992,625</u>	<u>\$ 1,224,936</u>	<u>\$ 232,311</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEVERANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Expenditures:				
Current:				
General government - legislative and executive				
Personal services	\$ -	\$ 46,760	\$ 46,760	\$ -
Fringe benefits	-	8,590	8,590	-
Total general government - legislative and executive	<u>-</u>	<u>55,350</u>	<u>55,350</u>	<u>-</u>
General government - judicial				
Personal services	-	23,463	23,462	1
Fringe benefits	-	1,534	1,533	1
Total general government - judicial	<u>-</u>	<u>24,997</u>	<u>24,995</u>	<u>2</u>
Public safety				
Personal services	-	40,270	39,432	838
Fringe benefits	-	1,540	654	886
Total public safety	<u>-</u>	<u>41,810</u>	<u>40,086</u>	<u>1,724</u>
Total expenditures	<u>-</u>	<u>122,157</u>	<u>120,431</u>	<u>1,726</u>
Excess of expenditures over revenues	<u>-</u>	<u>(122,157)</u>	<u>(120,431)</u>	<u>1,726</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>15,000</u>	<u>115,000</u>	<u>100,000</u>
Total other financing sources	<u>-</u>	<u>15,000</u>	<u>115,000</u>	<u>100,000</u>
Net change in fund balance.	-	(107,157)	(5,431)	101,726
Fund balance at beginning of year	<u>113,089</u>	<u>113,089</u>	<u>113,089</u>	<u>-</u>
Fund balance at end of year	<u>\$ 113,089</u>	<u>\$ 5,932</u>	<u>\$ 107,658</u>	<u>\$ 101,726</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL IMPROVEMENTS BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Special assessments	\$ 82,300	\$ 82,300	\$ 18,745	\$ (63,555)
Other	20,400	20,400	-	(20,400)
Total revenues	102,700	102,700	18,745	(83,955)
Expenditures:				
Debt service:				
Principal retirement	739,650	739,650	604,435	135,215
Interest and fiscal charges	21,173	21,173	11,987	9,186
Total expenditures	760,823	760,823	616,422	144,401
Excess of expenditures over revenues	(658,123)	(658,123)	(597,677)	60,446
Other financing sources (uses):				
Issuance of notes	665,000	665,000	123,340	(541,660)
Premium on note issuance	-	-	3,354	3,354
Transfers in	2,500	2,500	493,077	490,577
Advances in	-	-	1,430	1,430
Advances out.	-	-	(1,450)	(1,450)
Total other financing sources (uses).	667,500	667,500	619,751	(47,749)
Net change in fund balance.	9,377	9,377	22,074	12,697
Fund balance at beginning of year	<u>16,791</u>	<u>16,791</u>	<u>16,791</u>	<u>-</u>
Fund balance at end of year	<u>\$ 26,168</u>	<u>\$ 26,168</u>	<u>\$ 38,865</u>	<u>\$ 12,697</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER AND SEWER BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Special assessments	\$ 301,955	\$ 301,955	\$ 197,837	\$ (104,118)
Total revenues.	301,955	301,955	197,837	(104,118)
Expenditures:				
Debt service:				
Principal retirement.	224,299	233,669	233,660	9
Interest and fiscal charges	44,317	37,192	32,540	4,652
Total expenditures	268,616	270,861	266,200	4,661
Excess (deficiency) of revenues over (under) expenditures	33,339	31,094	(68,363)	(99,457)
Other financing sources:				
Premium on bond issuance	-	-	632	632
Total other financing sources	-	-	632	632
Net change in fund balance	33,339	31,094	(67,731)	(98,825)
Fund balance at beginning of year	<u>295,153</u>	<u>295,153</u>	<u>295,153</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 328,492</u>	<u>\$ 326,247</u>	<u>\$ 227,422</u>	<u>\$ (98,825)</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
JOB AND FAMILY SERVICES BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Rental income	\$ 80,000	\$ 80,000	\$ 23,939	\$ (56,061)
Total revenues	80,000	80,000	23,939	(56,061)
Expenditures:				
Debt service:				
Principal retirement	55,000	55,000	55,000	-
Interest and fiscal charges	5,250	5,250	5,225	25
Total expenditures	60,250	60,250	60,225	25
Net change in fund balance	19,750	19,750	(36,286)	(56,036)
Fund balance at beginning of year.	<u>48,239</u>	<u>48,239</u>	<u>48,239</u>	<u>-</u>
Fund balance at end of year	<u>\$ 67,989</u>	<u>\$ 67,989</u>	<u>\$ 11,953</u>	<u>\$ (56,036)</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
US-224/CR 300 BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Payments in lieu of taxes	\$ 226,500	\$ 226,500	\$ 279,409	\$ 52,909
Total revenues	226,500	226,500	279,409	52,909
Expenditures:				
Debt service:				
Principal retirement.	135,000	163,113	163,112	1
Interest and fiscal charges	91,500	63,387	61,105	2,282
Total expenditures	226,500	226,500	224,217	2,283
Excess (deficiency) of revenues over (under) expenditures	-	-	55,192	55,192
Other financing sources:				
Premium on note issuance	-	-	2,002	2,002
Total other financing sources	-	-	2,002	2,002
Net change in fund balance	-	-	57,194	57,194
Fund balance at beginning of year.	208,041	208,041	208,041	-
Fund balance at end of year	<u>\$ 208,041</u>	<u>\$ 208,041</u>	<u>\$ 265,235</u>	<u>\$ 57,194</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
I-75/TALL TIMBERS CONNECTOR BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Expenditures:				
Debt service:				
Principal retirement.	\$ 450,000	\$ 1,925,000	\$ 1,925,000	\$ -
Interest and fiscal charges	91,750	91,750	45,875	45,875
Total expenditures	541,750	2,016,750	1,970,875	45,875
Net change in fund balance	(541,750)	(2,016,750)	(1,970,875)	45,875
Fund balance at beginning of year.	<u>2,244,827</u>	<u>2,244,827</u>	<u>2,244,827</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,703,077</u>	<u>\$ 228,077</u>	<u>\$ 273,952</u>	<u>\$ 45,875</u>

HANCOCK COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ROAD IMPROVEMENT BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	<u>\$ 24,721</u>	<u>\$ 24,721</u>	<u>\$ 24,721</u>	<u>\$ -</u>
Fund balance at end of year	<u>\$ 24,721</u>	<u>\$ 24,721</u>	<u>\$ 24,721</u>	<u>\$ -</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BLANCHARD BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Special assessments	\$ -	\$ -	\$ 595,566	\$ 595,566
Total revenues	-	-	595,566	595,566
Expenditures:				
Debt service:				
Principal retirement	950,000	950,000	950,000	-
Interest and fiscal charges	24,000	24,000	18,894	5,106
Total expenditures	974,000	974,000	968,894	5,106
Excess of expenditures over revenues	(974,000)	(974,000)	(373,328)	600,672
Other financing sources:				
Issuance of notes	974,000	974,000	418,894	(555,106)
Premium on note issuance	-	-	518	518
Total other financing sources	974,000	974,000	419,412	(554,588)
Net change in fund balance.	-	-	46,084	46,084
Fund balance at beginning of year.	<u>10,329</u>	<u>10,329</u>	<u>10,329</u>	<u>-</u>
Fund balance at end of year	<u>\$ 10,329</u>	<u>\$ 10,329</u>	<u>\$ 56,413</u>	<u>\$ 46,084</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MVGT BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Expenditures:				
Debt service:				
Principal retirement	\$ 540,000	\$ 540,000	\$ 529,000	\$ 11,000
Interest and fiscal charges	77,800	77,800	72,510	5,290
Total expenditures	617,800	617,800	601,510	16,290
Excess of expenditures over revenues	(617,800)	(617,800)	(601,510)	16,290
Other financing sources:				
Issuance of notes	400,000	400,000	357,930	(42,070)
Premium on bond issuance	-	-	422	422
Transfers in	244,000	244,000	244,000	-
Total other financing sources	644,000	644,000	602,352	(41,648)
Net change in fund balance.	26,200	26,200	842	(25,358)
Fund balance at beginning of year.	<u>8,230</u>	<u>8,230</u>	<u>8,230</u>	<u>-</u>
Fund balance at end of year	<u>\$ 34,430</u>	<u>\$ 34,430</u>	<u>\$ 9,072</u>	<u>\$ (25,358)</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ADAMHS BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Expenditures:				
Debt service:				
Principal retirement	\$ 15,760	\$ 16,558	\$ 16,558	\$ -
Interest and fiscal charges	10,970	10,271	9,023	1,248
Total expenditures	26,730	26,829	25,581	1,248
Excess of expenditures over revenues	(26,730)	(26,829)	(25,581)	1,248
Other financing sources:				
Issuance of notes	-	-	351	351
Transfers in	20,909	20,909	20,909	-
Total other financing sources	20,909	20,909	21,260	351
Net change in fund balance.	(5,821)	(5,920)	(4,321)	1,599
Fund balance at beginning of year.	<u>74,121</u>	<u>74,121</u>	<u>74,121</u>	<u>-</u>
Fund balance at end of year	<u>\$ 68,300</u>	<u>\$ 68,201</u>	<u>\$ 69,800</u>	<u>\$ 1,599</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECT SHERIFF BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property taxes	\$ 106,870	\$ 106,870	\$ 106,818	\$ (52)
Total revenues	106,870	106,870	106,818	(52)
Expenditures:				
Debt service:				
Principal retirement.	80,000	80,000	80,000	-
Interest and fiscal charges	26,825	26,825	26,818	7
Total expenditures	106,825	106,825	106,818	7
Net change in fund balance	45	45	-	(45)
Fund balance at beginning of year.	<u>7,817</u>	<u>7,817</u>	<u>7,817</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 7,862</u>	<u>\$ 7,862</u>	<u>\$ 7,817</u>	<u>\$ (45)</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENERGY SAVINGS GATEWAY BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Expenditures:				
Debt service:				
Principal retirement	\$ 224,775	\$ 224,775	\$ 224,771	\$ 4
Interest and fiscal charges	24,450	24,450	24,437	13
Total expenditures	249,225	249,225	249,208	17
Excess of expenditures over revenues.	(249,225)	(249,225)	(249,208)	17
Other financing sources:				
Transfers in	250,000	250,000	250,000	-
Total other financing sources	250,000	250,000	250,000	-
Net change in fund balance	775	775	792	17
Fund balance at beginning of year.	<u>331,632</u>	<u>331,632</u>	<u>331,632</u>	<u>-</u>
Fund balance at end of year	<u>\$ 332,407</u>	<u>\$ 332,407</u>	<u>\$ 332,424</u>	<u>\$ 17</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DISTRIBUTION DRIVE BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Payment in lieu of taxes	\$ -	\$ -	\$ 104,338	\$ 104,338
Total revenues	-	-	104,338	104,338
Expenditures:				
Debt service:				
Principal retirement	1,738,110	1,740,000	1,740,000	-
Interest and fiscal charges	47,270	45,380	34,606	10,774
Total expenditures	1,785,380	1,785,380	1,774,606	10,774
Excess of expenditures over revenues.	(1,785,380)	(1,785,380)	(1,670,268)	115,112
Other financing sources:				
Issuance of notes	1,791,500	1,791,500	1,614,607	(176,893)
Premium on bond issuance	-	-	1,193	1,193
Total other financing sources	1,791,500	1,791,500	1,615,800	(175,700)
Net change in fund balance	6,120	6,120	(54,468)	(60,588)
Fund balance at beginning of year.	<u>86,537</u>	<u>86,537</u>	<u>86,537</u>	<u>-</u>
Fund balance at end of year	<u>\$ 92,657</u>	<u>\$ 92,657</u>	<u>\$ 32,069</u>	<u>\$ (60,588)</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL IMPROVEMENTS CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Special assessments	\$ -	\$ 175,137	\$ 137,368	\$ (37,769)
Total revenues	-	175,137	137,368	(37,769)
Expenditures:				
Capital outlay.	-	308,301	257,974	50,327
Total expenditures	-	308,301	257,974	50,327
Excess of expenditures over expenditures	-	(133,164)	(120,606)	12,558
Other financing sources (uses):				
Advances in.	-	-	41,157	41,157
Transfers out	-	(493,077)	(493,077)	-
Total other financing sources (uses)	-	(493,077)	(451,920)	41,157
Net change in fund balance	-	(626,241)	(572,526)	53,715
Fund balance at beginning of year	<u>626,242</u>	<u>626,242</u>	<u>626,242</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 626,242</u>	<u>\$ 1</u>	<u>\$ 53,716</u>	<u>\$ 53,715</u>

HANCOCK COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALCOHOL AND DRUG ABUSE CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Fund balance at beginning of year	\$ 38,540	\$ 38,540	\$ 38,540	\$ -
Fund balance at end of year	\$ 38,540	\$ 38,540	\$ 38,540	\$ -

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OHIO PUBLIC WORKS COMMISSION CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 581,500	\$ 581,500	\$ 340,671	\$ (240,829)
Total revenues	581,500	581,500	340,671	(240,829)
Expenditures:				
Capital outlay.	581,500	581,500	340,671	240,829
Total expenditures	581,500	581,500	340,671	240,829
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEDERAL HIGHWAY CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 49,050	\$ 49,050	\$ -	\$ (49,050)
Total revenues	49,050	49,050	-	(49,050)
Expenditures:				
Current:				
Capital outlay.	49,050	49,050	-	49,050
Total expenditures	49,050	49,050	-	49,050
Net change in fund balance.	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURTHOUSE RESTORATION CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Expenditures:				
Capital outlay.	\$ 11,642	\$ 109,327	\$ 15,427	\$ 93,900
Total expenditures	11,642	109,327	15,427	93,900
Excess of expenditures over revenues	(11,642)	(109,327)	(15,427)	93,900
Other financing sources:				
Transfers in	-	-	300,000	300,000
Total other financing sources	-	-	300,000	300,000
Net change in fund balance.	(11,642)	(109,327)	284,573	393,900
Fund balance at beginning of year	198,302	198,302	198,302	-
Prior year encumbrances appropriated.	11,642	11,642	11,642	-
Fund balance at end of year	<u>\$ 198,302</u>	<u>\$ 100,617</u>	<u>\$ 494,517</u>	<u>\$ 393,900</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEVELOPMENTAL DISABILITIES CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 217,853	\$ 217,853
Total revenues	-	-	217,853	217,853
Expenditures:				
Capital outlay.	858,112	1,489,299	1,405,749	\$ 83,550
Total expenditures	858,112	1,489,299	1,405,749	83,550
Excess of expenditures over revenues.	(858,112)	(1,489,299)	(1,187,896)	301,403
Other financing sources:				
Transfers in	825,000	2,225,000	1,400,000	(825,000)
Total other financing sources	825,000	2,225,000	1,400,000	(825,000)
Net change in fund balance	(33,112)	735,701	212,104	(523,597)
Fund balance at beginning of year	156,126	156,126	156,126	-
Prior year encumbrances appropriated.	33,112	33,112	33,112	-
Fund balance at end of year	<u>\$ 156,126</u>	<u>\$ 924,939</u>	<u>\$ 401,342</u>	<u>\$ (523,597)</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COUNTY CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Other	\$ -	\$ 24,780	\$ 83,918	\$ 59,138
Total revenues.	-	24,780	83,918	59,138
Expenditures:				
Current:				
Project:				
Financial package	64,684	64,684	64,684	-
Agency elevator	-	900	900	-
Information technologies upgrade	-	125,000	-	125,000
Buildings and grounds	3,831	74,980	74,963	17
Sheriff.	208,055	379,547	378,305	1,242
Total expenditures	276,570	645,111	518,852	126,259
Excess of expenditures over revenues	(276,570)	(620,331)	(434,934)	185,397
Other financing sources:				
Transfers in	-	-	524,780	524,780
Total other financing sources	-	-	524,780	524,780
Net change in fund balance.	(276,570)	(620,331)	89,846	710,177
Fund balance at beginning of year	603,818	603,818	603,818	-
Prior year encumbrances appropriated.	71,570	71,570	71,570	-
Fund balance at end of year	<u>\$ 398,818</u>	<u>\$ 55,057</u>	<u>\$ 765,234</u>	<u>\$ 710,177</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SHERIFF'S OFFICE CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Expenditures:				
Current:				
Other.	\$ 1,533	\$ 1,533	\$ -	\$ 1,533
Total expenditures	1,533	1,533	-	1,533
Net change in fund balance.	(1,533)	(1,533)	-	1,533
Fund balance at beginning of year.	<u>1,553</u>	<u>1,553</u>	<u>1,553</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 20</u>	<u>\$ 20</u>	<u>\$ 1,553</u>	<u>\$ 1,533</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DISTRIBUTION DR. TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ -	\$ 126,979	\$ 126,979	\$ -
Other.	-	-	1,000	1,000
Total revenues	-	126,979	127,979	1,000
Expenditures:				
Capital outlay.	294,131	353,432	315,080	38,352
Total expenditures	294,131	353,432	315,080	38,352
Net change in fund balance	(294,131)	(226,453)	(187,101)	39,352
Fund balance at beginning of year	55,136	55,136	55,136	-
Prior year encumbrances appropriated	294,131	294,131	294,131	-
Fund balance at end of year	<u>\$ 55,136</u>	<u>\$ 122,814</u>	<u>\$ 162,166</u>	<u>\$ 39,352</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CHILDREN'S TRUST PERMANENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Investment income	\$ 275	\$ 275	\$ 1,134	\$ 859
Other	16,000	16,000	42,022	26,022
Total revenues	16,275	16,275	43,156	26,881
Expenditures:				
Current:				
Human services				
Contractual services.	22,016	30,000	24,690	5,310
Total expenditures	22,016	30,000	24,690	5,310
Net change in fund balance.	(5,741)	(13,725)	18,466	32,191
Fund balance at beginning of year.	388,724	388,724	388,724	-
Prior year encumbrances appropriated	1,016	1,016	1,016	-
Fund balance at end of year	<u>\$ 383,999</u>	<u>\$ 376,015</u>	<u>\$ 408,206</u>	<u>\$ 32,191</u>

HANCOCK COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WORKERS' COMP RESERVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Charges for services	\$ 100,000	\$ 100,000	\$ 69,052	\$ (30,948)
Total revenues	100,000	100,000	69,052	(30,948)
Expenses:				
Claims expense.	110,000	110,000	54,461	55,539
Total expenses	110,000	110,000	54,461	55,539
Operating income (loss).	(10,000)	(10,000)	14,591	24,591
Fund equity at beginning of year	16,588	16,588	16,588	-
Fund equity at end of year	<u>\$ 6,588</u>	<u>\$ 6,588</u>	<u>\$ 31,179</u>	<u>\$ 24,591</u>

HANCOCK COUNTY, OHIO
COMBINING STATEMENTS
FUND DESCRIPTIONS - FIDUCIARY FUNDS

The agency funds are used to account for assets held by the County in a trustee capacity, or as an agent for individuals, private organizations, and/or other governments. The following are the County's fiduciary funds:

Investment Trust Fund

External Investment Pool

To account for the funds and subfunds of the Hancock County Park District. This fund is not included in the entity for which the appropriated budget is adopted; therefore, no budgetary statement is presented.

Agency Funds

Agency funds are purely custodial (assets equal liabilities) and therefore do not involve the measurement of results of operation. The following are the County's agency funds:

Subdivision

The fund accounts for the flow of property taxes and State-levied shared revenues that are allocated to the various political subdivisions of the County.

Payroll

The fund accounts for payroll withholdings that are distributed to other governmental units and private organizations.

Real Estate Taxes

The fund accounts for the collection and distribution of real estate taxes and special assessments to local governments in the County.

Personal Taxes

The fund accounts for the collection and distribution of tangible personal property taxes to local governments in the County.

Library/Local Government Support

The fund accounts for shared revenues from the State that represent a portion of State income taxes returned to the County for use by district libraries and park districts. These moneys are apportioned on a monthly basis.

Local Government

The fund accounts for shared revenues from the State that represent a portion of State income taxes, State sales taxes, and corporate franchise taxes. These moneys are apportioned to local governments on a monthly basis.

County Court

The fund accounts for money received and distributed by the Court for the following court activities:

1. Clerk of Courts auto title fees, and legal (court related) receipts and dispositions;
2. Probate Court related receipts and disbursements; and
3. Juvenile Court related receipts and disbursements.

Other Agency Funds

Board of Health	Blanchard River Construction
Undivided Tax	Hancock County Election Commission
Manufactured Home Tax	Sheriff Agency
Estate Tax	Housing Trust
Municipal Permissive Motor Vehicle Tax	Indigent Defense Fee
Soil and Water	Hancock County Family First Council
Hotel/Motel Tax	Arson Offender Registration
Local Emergency Planning Commission	

HANCOCK COUNTY, OHIO

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

	<u>Balance 12/31/15</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/16</u>
Subdivision				
Assets:				
Equity in pooled cash and investments	\$ -	\$ 66,317,404	\$ 66,317,404	\$ -
Due from other governments	954,422	891,507	954,422	891,507
Total assets.	<u>\$ 954,422</u>	<u>\$ 67,208,911</u>	<u>\$ 67,271,826</u>	<u>\$ 891,507</u>
Liabilities:				
Due to other governments.	\$ 954,422	\$ 891,507	\$ 954,422	\$ 891,507
Total liabilities.	<u>\$ 954,422</u>	<u>\$ 891,507</u>	<u>\$ 954,422</u>	<u>\$ 891,507</u>
Payroll				
Assets:				
Equity in pooled cash and investments	\$ 250,260	\$ 250,223	\$ 181,320	\$ 319,163
Total assets.	<u>\$ 250,260</u>	<u>\$ 250,223</u>	<u>\$ 181,320</u>	<u>\$ 319,163</u>
Liabilities:				
Payroll withholdings	\$ 250,260	\$ 250,223	\$ 181,320	\$ 319,163
Total liabilities.	<u>\$ 250,260</u>	<u>\$ 250,223</u>	<u>\$ 181,320</u>	<u>\$ 319,163</u>
Real Estate Taxes				
Assets:				
Equity in pooled cash and investments	\$ 1,674,487	\$ 76,803,071	\$ 77,048,410	\$ 1,429,148
Real estate and other taxes receivable	119,847,077	130,573,147	119,847,077	130,573,147
Special assessments receivable	854,547	1,375,536	854,547	1,375,536
Total assets.	<u>\$ 122,376,111</u>	<u>\$ 208,751,754</u>	<u>\$ 197,750,034</u>	<u>\$ 133,377,831</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governments.	122,376,111	208,751,754	197,750,034	133,377,831
Total liabilities.	<u>\$ 122,376,111</u>	<u>\$ 208,751,754</u>	<u>\$ 197,750,034</u>	<u>\$ 133,377,831</u>
Personal Taxes				
Assets:				
Equity in pooled cash and investments	\$ -	\$ 701,436	\$ 701,436	\$ -
Real estate and other taxes receivable	663,474	663,477	663,474	663,477
Total assets.	<u>\$ 663,474</u>	<u>\$ 1,364,913</u>	<u>\$ 1,364,910</u>	<u>\$ 663,477</u>
Liabilities:				
Due to other governments.	\$ 663,474	\$ 1,364,913	\$ 1,364,910	\$ 663,477
Total liabilities.	<u>\$ 663,474</u>	<u>\$ 1,364,913</u>	<u>\$ 1,364,910</u>	<u>\$ 663,477</u>
Library/Local Government Support				
Assets:				
Equity in pooled cash and investments	\$ -	\$ 2,453,674	\$ 2,453,674	\$ -
Due from other governments	1,225,066	1,202,727	1,225,066	1,202,727
Total assets.	<u>\$ 1,225,066</u>	<u>\$ 3,656,401</u>	<u>\$ 3,678,740</u>	<u>\$ 1,202,727</u>
Liabilities:				
Due to other governments.	\$ 1,225,066	\$ 3,656,401	\$ 3,678,740	\$ 1,202,727
Total liabilities.	<u>\$ 1,225,066</u>	<u>\$ 3,656,401</u>	<u>\$ 3,678,740</u>	<u>\$ 1,202,727</u>

- - Continued

HANCOCK COUNTY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Balance</u> <u>12/31/15</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/16</u>
Local Government				
Assets:				
Equity in pooled cash and investments	\$ -	\$ 2,388,344	\$ 2,388,344	\$ -
Total assets.	<u>\$ -</u>	<u>\$ 2,388,344</u>	<u>\$ 2,388,344</u>	<u>\$ -</u>
Liabilities:				
Due to other governments.	\$ -	\$ 2,388,344	\$ 2,388,344	\$ -
Total liabilities.	<u>\$ -</u>	<u>\$ 2,388,344</u>	<u>\$ 2,388,344</u>	<u>\$ -</u>
County Court				
Assets:				
Cash and cash equivalents in segregated accounts .	\$ 843,027	\$ 1,747,578	\$ 1,812,892	\$ 777,713
Accounts receivable.	368,821	413,513	368,821	413,513
Total assets.	<u>\$ 1,211,848</u>	<u>\$ 2,161,091</u>	<u>\$ 2,181,713</u>	<u>\$ 1,191,226</u>
Liabilities:				
Deposits held and due to others	\$ 368,821	\$ 413,513	\$ 368,821	\$ 413,513
Undistributed assets	843,027	1,747,578	1,812,892	777,713
Total liabilities.	<u>\$ 1,211,848</u>	<u>\$ 2,161,091</u>	<u>\$ 2,181,713</u>	<u>\$ 1,191,226</u>
Board of Health				
Assets:				
Equity in pooled cash and investments	\$ 556,473	\$ 3,094,737	\$ 2,573,962	\$ 1,077,248
Due from external parties.	14,524	14,791	14,524	14,791
Total assets.	<u>\$ 570,997</u>	<u>\$ 3,109,528</u>	<u>\$ 2,588,486</u>	<u>\$ 1,092,039</u>
Liabilities:				
Accounts payable.	\$ 2,267	\$ 18,524	\$ 2,267	\$ 18,524
Due to other governments.	544,953	1,073,515	544,953	1,073,515
Due to external parties.	23,777	-	23,777	-
Total liabilities.	<u>\$ 570,997</u>	<u>\$ 1,092,039</u>	<u>\$ 570,997</u>	<u>\$ 1,092,039</u>
Undivided Tax				
Assets:				
Equity in pooled cash and investments	\$ -	\$ 2,843,134	\$ 2,843,134	\$ -
Due from other governments	723,445	729,661	723,445	729,661
Total assets.	<u>\$ 723,445</u>	<u>\$ 3,572,795</u>	<u>\$ 3,566,579</u>	<u>\$ 729,661</u>
Liabilities:				
Due to other governments.	\$ 723,445	\$ 3,572,795	\$ 3,566,579	\$ 729,661
Total liabilities.	<u>\$ 723,445</u>	<u>\$ 3,572,795</u>	<u>\$ 3,566,579</u>	<u>\$ 729,661</u>
Manufactured Home Tax				
Assets:				
Equity in pooled cash and investments	\$ 33,619	\$ 382,913	\$ 391,346	\$ 25,186
Total assets.	<u>\$ 33,619</u>	<u>\$ 382,913</u>	<u>\$ 391,346</u>	<u>\$ 25,186</u>
Liabilities:				
Due to other governments	\$ 33,619	\$ 382,913	\$ 391,346	\$ 25,186
Total liabilities.	<u>\$ 33,619</u>	<u>\$ 382,913</u>	<u>\$ 391,346</u>	<u>\$ 25,186</u>

- - Continued

HANCOCK COUNTY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Balance</u> <u>12/31/15</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/16</u>
Estate Tax				
Assets:				
Equity in pooled cash and investments	\$ 13,267	\$ 50,863	\$ 43,599	\$ 20,531
Total assets.	<u>\$ 13,267</u>	<u>\$ 50,863</u>	<u>\$ 43,599</u>	<u>\$ 20,531</u>
Liabilities:				
Due to other governments	\$ 13,267	\$ 50,863	\$ 43,599	\$ 20,531
Total liabilities.	<u>\$ 13,267</u>	<u>\$ 50,863</u>	<u>\$ 43,599</u>	<u>\$ 20,531</u>
Municipal Permissive Motor Vehicle Tax				
Assets:				
Equity in pooled cash and investments	\$ 657,866	\$ 264,228	\$ 172,141	\$ 749,953
Due from other governments	22,165	134,901	22,165	134,901
Total assets.	<u>\$ 680,031</u>	<u>\$ 399,129</u>	<u>\$ 194,306</u>	<u>\$ 884,854</u>
Liabilities:				
Due to other governments	\$ 680,031	\$ 399,129	\$ 194,306	\$ 884,854
Total liabilities.	<u>\$ 680,031</u>	<u>\$ 399,129</u>	<u>\$ 194,306</u>	<u>\$ 884,854</u>
Soil and Water				
Assets:				
Equity in pooled cash and investments	\$ 142,455	\$ 212,695	\$ 259,645	\$ 95,505
Total assets.	<u>\$ 142,455</u>	<u>\$ 212,695</u>	<u>\$ 259,645</u>	<u>\$ 95,505</u>
Liabilities:				
Due to external parties	\$ 41	\$ 39	\$ 41	\$ 39
Undistributed assets	142,414	212,656	259,604	95,466
Total liabilities.	<u>\$ 142,455</u>	<u>\$ 212,695</u>	<u>\$ 259,645</u>	<u>\$ 95,505</u>
Hotel/Motel Tax				
Assets:				
Equity in pooled cash and investments	\$ 719	\$ 1,255,725	\$ 1,256,444	\$ -
Real estate and other taxes receivable	240,552	315,250	240,552	315,250
Total assets.	<u>\$ 241,271</u>	<u>\$ 1,570,975</u>	<u>\$ 1,496,996</u>	<u>\$ 315,250</u>
Liabilities:				
Due to other governments	\$ 241,271	\$ 1,570,975	\$ 1,496,996	\$ 315,250
Total liabilities.	<u>\$ 241,271</u>	<u>\$ 1,570,975</u>	<u>\$ 1,496,996</u>	<u>\$ 315,250</u>
Local Emergency Planning Commission				
Assets:				
Equity in pooled cash and investments	\$ 69,309	\$ 22,295	\$ 16,197	\$ 75,407
Total assets.	<u>\$ 69,309</u>	<u>\$ 22,295</u>	<u>\$ 16,197</u>	<u>\$ 75,407</u>
Liabilities:				
Undistributed assets	\$ 69,309	\$ 22,295	\$ 16,197	\$ 75,407
Total liabilities.	<u>\$ 69,309</u>	<u>\$ 22,295</u>	<u>\$ 16,197</u>	<u>\$ 75,407</u>

- - Continued

HANCOCK COUNTY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Balance</u> <u>12/31/15</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/16</u>
Blanchard River Construction				
Assets:				
Equity in pooled cash and investments	\$ 1,077,568	\$ 40,601	\$ 1,025,301	\$ 92,868
Total assets.	<u>\$ 1,077,568</u>	<u>\$ 40,601</u>	<u>\$ 1,025,301</u>	<u>\$ 92,868</u>
Liabilities:				
Accounts payable.	\$ 35,759	\$ 21,815	\$ 35,759	\$ 21,815
Undistributed assets	1,041,809	18,786	989,542	71,053
Total liabilities.	<u>\$ 1,077,568</u>	<u>\$ 40,601</u>	<u>\$ 1,025,301</u>	<u>\$ 92,868</u>
Hancock County Election Commission				
Assets:				
Equity in pooled cash and investments	\$ 230	\$ 50	\$ 280	\$ -
Total assets.	<u>\$ 230</u>	<u>\$ 50</u>	<u>\$ 280</u>	<u>\$ -</u>
Liabilities:				
Undistributed assets	\$ 230	\$ 50	\$ 280	\$ -
Total liabilities.	<u>\$ 230</u>	<u>\$ 50</u>	<u>\$ 280</u>	<u>\$ -</u>
Sheriff Agency				
Assets:				
Cash in segregated accounts	\$ 45,425	\$ 2,227,017	\$ 2,151,514	\$ 120,928
Total assets.	<u>\$ 45,425</u>	<u>\$ 2,227,017</u>	<u>\$ 2,151,514</u>	<u>\$ 120,928</u>
Liabilities:				
Undistributed assets	\$ 45,425	\$ 2,227,017	\$ 2,151,514	\$ 120,928
Total liabilities.	<u>\$ 45,425</u>	<u>\$ 2,227,017</u>	<u>\$ 2,151,514</u>	<u>\$ 120,928</u>
Housing Trust				
Assets:				
Equity in pooled cash and investments	\$ 76,666	\$ 304,216	\$ 301,953	\$ 78,929
Total assets.	<u>\$ 76,666</u>	<u>\$ 304,216</u>	<u>\$ 301,953</u>	<u>\$ 78,929</u>
Liabilities:				
Due to other governments.	\$ 76,666	\$ 304,216	\$ 301,953	\$ 78,929
Total liabilities	<u>\$ 76,666</u>	<u>\$ 304,216</u>	<u>\$ 301,953</u>	<u>\$ 78,929</u>

- - Continued

HANCOCK COUNTY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Balance</u> <u>12/31/15</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/16</u>
Indigent Defense Fee				
Assets:				
Equity in pooled cash and investments	\$ 2,826	\$ 22,313	\$ 22,550	\$ 2,589
Total assets.	<u>\$ 2,826</u>	<u>\$ 22,313</u>	<u>\$ 22,550</u>	<u>\$ 2,589</u>
Liabilities:				
Undistributed assets.	\$ 2,826	\$ 22,313	\$ 22,550	\$ 2,589
Total liabilities	<u>\$ 2,826</u>	<u>\$ 22,313</u>	<u>\$ 22,550</u>	<u>\$ 2,589</u>
Family First Council				
Assets:				
Equity in pooled cash and investments	\$ 48,944	\$ 275,411	\$ 249,805	\$ 74,550
Total assets.	<u>\$ 48,944</u>	<u>\$ 275,411</u>	<u>\$ 249,805</u>	<u>\$ 74,550</u>
Liabilities:				
Due to other governments	\$ 48,944	\$ 275,411	\$ 249,805	\$ 74,550
Total liabilities	<u>\$ 48,944</u>	<u>\$ 275,411</u>	<u>\$ 249,805</u>	<u>\$ 74,550</u>
Arson Offender Registration				
Assets:				
Equity in pooled cash and investments	\$ -	\$ 25	\$ 25	\$ -
Total assets.	<u>\$ -</u>	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ -</u>
Liabilities:				
Undistributed assets.	\$ -	\$ 25	\$ 25	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ -</u>
<i>All Agency Funds</i>				
Assets				
Equity in pooled cash and investments	\$ 4,604,689	\$ 157,683,358	\$ 158,246,970	\$ 4,041,077
Cash and cash equivalents in segregated accounts	888,452	3,974,595	3,964,406	898,641
Real estate and other taxes receivable	120,751,103	131,551,874	120,751,103	131,551,874
Accounts receivable.	368,821	413,513	368,821	413,513
Special assessments receivable	854,547	1,375,536	854,547	1,375,536
Due from other governments	2,925,098	2,958,796	2,925,098	2,958,796
Due from external parties.	14,524	14,791	14,524	14,791
Total assets.	<u>\$ 130,407,234</u>	<u>\$ 297,972,463</u>	<u>\$ 287,125,469</u>	<u>\$ 141,254,228</u>
Liabilities				
Accounts payable	\$ 38,026	\$ 40,339	\$ 38,026	\$ 40,339
Payroll withholdings.	250,260	250,223	181,320	319,163
Due to other governments.	127,581,269	224,682,736	212,925,987	139,338,018
Deposits held and due to others	368,821	413,513	368,821	413,513
Undistributed assets	2,145,040	4,250,720	5,252,604	1,143,156
Due to external parties.	23,818	39	23,818	39
Total liabilities.	<u>\$ 130,407,234</u>	<u>\$ 229,637,570</u>	<u>\$ 218,790,576</u>	<u>\$ 141,254,228</u>

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STATISTICAL SECTION

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HANCOCK COUNTY, OHIO

STATISTICAL SECTION DESCRIPTION

This part of Hancock County'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 County's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	216
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	228
These schedules contain information to help the reader assess the County's most significant local revenue sources, the property tax and the sales tax.	
Debt Capacity	242
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
Demographic and Economic Information	252
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	255
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	
Sources:	Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

HANCOCK COUNTY, OHIO

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

	<u>2016</u>	<u>2015</u>	<u>2014 (1)</u>	<u>2013</u>
Governmental activities:				
Net investment in capital assets	\$ 103,205,827	\$ 103,463,437	\$ 98,764,974	\$ 94,798,441
Restricted	26,437,202	26,121,562	28,866,723	36,079,271
Unrestricted	<u>16,448,767</u>	<u>15,102,548</u>	<u>9,775,069</u>	<u>18,321,815</u>
Total governmental activities net position	<u>146,091,796</u>	<u>144,687,547</u>	<u>137,406,766</u>	<u>149,199,527</u>
Business-type activities:				
Net investment in capital assets	6,577,309	6,359,771	5,725,600	5,211,402
Restricted	2,860,168	2,827,900	2,796,793	2,763,441
Unrestricted	<u>2,908,599</u>	<u>2,240,356</u>	<u>2,488,953</u>	<u>2,317,296</u>
Total business-type activities net position	<u>12,346,076</u>	<u>11,428,027</u>	<u>11,011,346</u>	<u>10,292,139</u>
Primary government:				
Net investment in capital assets	109,783,136	109,823,208	104,490,574	100,009,843
Restricted	29,297,370	28,949,462	31,663,516	38,842,712
Unrestricted	<u>19,357,366</u>	<u>17,342,904</u>	<u>12,264,022</u>	<u>20,639,111</u>
Total primary government net position	<u>\$ 158,437,872</u>	<u>\$ 156,115,574</u>	<u>\$ 148,418,112</u>	<u>\$ 159,491,666</u>

Source: County financial records.

(1) Amounts have been restated from those reported in the original CAFR to reflect changes in accounting principle and/or prior period restatements.

2012	2011 (1)	2010	2009	2008	2007
\$ 94,389,841	\$ 92,923,553	\$ 89,079,826	\$ 85,606,598	\$ 81,924,696	\$ 81,761,707
34,862,850	30,814,414	35,002,666	32,145,475	26,533,938	19,182,757
15,543,054	12,785,902	3,841,373	2,979,396	2,016,854	4,301,795
144,795,745	136,523,869	127,923,865	120,731,469	110,475,488	105,246,259
5,058,899	4,595,937	5,250,924	4,056,179	3,601,564	2,563,360
2,769,632	2,821,391	2,981,621	2,850,305	2,736,155	2,668,538
1,581,753	1,874,286	2,332,537	1,690,932	610,683	1,410,975
9,410,284	9,291,614	10,565,082	8,597,416	6,948,402	6,642,873
99,448,740	97,519,490	94,330,750	89,662,777	85,526,260	84,325,067
37,632,482	33,635,805	37,984,287	34,995,780	29,270,093	21,851,295
17,124,807	14,660,188	6,173,910	4,670,328	2,627,537	5,712,770
<u>\$ 154,206,029</u>	<u>\$ 145,815,483</u>	<u>\$ 138,488,947</u>	<u>\$ 129,328,885</u>	<u>\$ 117,423,890</u>	<u>\$ 111,889,132</u>

HANCOCK COUNTY, OHIO

**CHANGE IN NET POSITION
LAST TEN YEARS
(FULL ACCRUAL BASIS OF ACCOUNTING)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Expenses				
Governmental activities				
General government				
Legislative and executive	\$ 7,394,995	\$ 6,220,443	\$ 6,884,895	\$ 7,238,640
Intergovernmental	-	-	-	-
Judicial	4,422,980	4,555,160	4,041,880	4,083,279
Public safety	10,171,828	8,609,661	9,255,291	8,538,180
Public works	7,938,936	7,076,722	7,004,833	6,524,864
Health	15,759,703	16,104,699	17,957,354	16,781,860
Human services	8,577,667	10,457,791	9,944,012	9,534,837
Conservation and recreation	2,792,549	396,577	522,175	881,099
Intergovernmental	-	-	-	-
Economic development	502,509	676,154	1,239,554	602,358
Other	-	-	-	-
Interest and fiscal charges	489,536	455,763	508,990	619,328
Total governmental activities expenses	<u>58,050,703</u>	<u>54,552,970</u>	<u>57,358,984</u>	<u>54,804,445</u>
Business-type activities				
Sanitary landfill	4,949,029	4,061,372	4,437,448	4,121,102
Agricultural service center	168,394	124,570	140,876	115,827
BMV one-stop	113,594	130,684	119,876	160,479
Total business-type activities expenses	<u>5,231,017</u>	<u>4,316,626</u>	<u>4,698,200</u>	<u>4,397,408</u>
Total primary government expenses	<u>63,281,720</u>	<u>58,869,596</u>	<u>62,057,184</u>	<u>59,201,853</u>
Program revenues				
Governmental activities				
Charges for services				
General government				
Legislative and executive	3,777,660	3,362,429	3,243,365	3,215,548
Judicial	1,878,604	1,481,331	1,464,820	1,435,144
Public safety	1,249,078	1,486,381	1,266,212	1,191,594
Public works	1,022,775	1,262,229	1,202,440	990,801
Health	564,691	614,570	604,731	674,907
Human services	271,688	409,860	354,346	291,440
Economic development	596,478	118,000	289,085	275
Operating grants, contributions, and interest	20,391,236	22,382,940	22,944,357	24,356,653
Capital grants and contributions	785,421	1,945,398	2,371,041	1,131,489
Total governmental activities program revenues	<u>30,537,631</u>	<u>33,063,138</u>	<u>33,740,397</u>	<u>33,287,851</u>

2012	2011	2010	2009	2008	2007
\$ 6,841,591	\$ 6,459,734	\$ 6,640,009	\$ 6,063,596	\$ 6,678,699	\$ 7,278,060
-	-	-	-	-	3,674,280
3,893,158	3,597,729	3,645,316	3,334,419	3,505,006	3,463,496
8,249,571	7,858,955	7,467,419	9,021,486	7,876,051	7,659,978
6,402,505	6,266,746	7,865,066	5,854,928	6,589,711	7,021,520
17,473,464	18,013,828	17,320,605	17,057,091	18,522,667	18,363,670
8,703,980	8,768,914	10,474,145	11,516,761	10,803,065	11,245,647
492,030	408,057	1,007,216	1,045,778	489,238	-
-	-	-	-	426,056	426,057
408,032	154,948	171,049	212,671	114,517	291,615
63,205	-	-	-	-	-
531,206	613,666	671,081	790,331	769,871	774,508
53,058,742	52,142,577	55,261,906	54,897,061	55,774,881	60,198,831
5,184,417	6,450,640	3,363,849	2,984,277	4,531,002	4,304,009
134,701	244,522	140,007	152,376	167,968	187,457
183,050	176,292	173,959	155,338	192,116	194,087
5,502,168	6,871,454	3,677,815	3,291,991	4,891,086	4,685,553
58,560,910	59,014,031	58,939,721	58,189,052	60,665,967	64,884,384
3,501,880	3,024,127	2,765,574	2,894,153	2,974,888	3,145,295
1,315,269	1,486,756	1,461,683	1,196,639	976,051	1,094,343
1,159,519	1,056,014	1,358,975	1,318,597	1,760,237	1,544,750
1,232,234	1,136,935	1,029,244	1,458,717	1,701,853	922,895
655,414	676,603	649,703	549,622	463,466	440,860
356,522	321,072	335,571	482,695	727,553	708,388
127,500	-	18,928	-	-	1,450
25,075,069	25,453,629	25,176,187	28,464,714	27,752,431	26,008,422
2,470,485	833,784	3,083,158	2,251,590	2,936,390	15,018,469
35,893,892	33,988,920	35,879,023	38,616,727	39,292,869	48,884,872

(Continued)

HANCOCK COUNTY, OHIO

CHANGE IN NET POSITION (CONTINUED)
LAST TEN YEARS
(FULL ACCRUAL BASIS OF ACCOUNTING)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Business-type activities				
Charges for services				
Sanitary landfill	\$ 4,816,453	\$ 4,570,941	\$ 4,522,827	\$ 4,411,991
Agricultural service center	243,091	237,639	243,645	236,960
BMV one-stop	187,420	225,051	221,536	193,704
Total business-type activities program revenues	<u>5,246,964</u>	<u>5,033,631</u>	<u>4,988,008</u>	<u>4,842,655</u>
Total primary government program revenues	<u>35,784,595</u>	<u>38,096,769</u>	<u>38,728,405</u>	<u>38,130,506</u>
Net (expense)/revenue				
Governmental activities	\$ (27,513,072)	\$ (21,489,832)	\$ (23,618,587)	\$ (21,516,594)
Business-type activities	15,947	717,005	289,808	445,247
Total primary government net expense	<u>\$ (27,497,125)</u>	<u>\$ (20,772,827)</u>	<u>\$ (23,328,779)</u>	<u>\$ (21,071,347)</u>
General revenues and other changes in net position				
Governmental activities				
Property taxes levied for				
General operating	2,205,157	2,167,183	2,213,763	1,983,282
Health - Alcohol, Drug, and Mental Health	1,831,198	1,801,133	1,784,687	1,756,958
Health - Board of Developmental Disabilities	6,010,390	5,882,716	5,849,583	5,756,828
Human services - Agency on Aging	869,894	856,561	848,705	835,930
County capital improvements	106,818	109,179	111,219	113,219
Payment in lieu of taxes	383,747	281,980	232,017	264,141
Sales tax imposed for				
General operating	14,908,400	14,604,344	13,314,511	12,565,916
Intergovernmental not restricted to a particular purpose	2,229,120	2,620,056	2,697,690	2,321,831
Interest	372,597	337,190	142,738	194,459
Other	-	110,271	35,435	127,812
Transfers	-	-	-	-
Extraordinary item	-	-	-	-
Total governmental activities	<u>28,917,321</u>	<u>28,770,613</u>	<u>27,230,348</u>	<u>25,920,376</u>
Business-type activities				
Interest	154,953	145,090	40,247	42,099
Other	747,149	377,456	389,152	394,509
Transfers	-	-	-	-
Total business-type activities	<u>902,102</u>	<u>522,546</u>	<u>429,399</u>	<u>436,608</u>
Total primary government	<u>29,819,423</u>	<u>29,293,159</u>	<u>27,659,747</u>	<u>26,356,984</u>
Change in net position				
Governmental activities	1,404,249	7,280,781	3,611,761	4,403,782
Business-type activities	918,049	1,239,551	719,207	881,855
Total primary government change in net position	<u>\$ 2,322,298</u>	<u>\$ 8,520,332</u>	<u>\$ 4,330,968</u>	<u>\$ 5,285,637</u>

Source: County financial records.

2012	2011	2010	2009	2008	2007
\$ 4,663,577	\$ 4,998,184	\$ 4,763,358	\$ 4,050,258	\$ 4,478,459	\$ 4,257,908
234,413	232,599	182,823	270,191	218,670	231,037
200,580	217,640	213,625	214,077	200,107	224,669
5,098,570	5,448,423	5,159,806	4,534,526	4,897,236	4,713,614
40,992,462	39,437,343	41,038,829	43,151,253	44,190,105	53,598,486
\$ (17,164,850)	\$ (18,153,657)	\$ (19,382,883)	\$ (16,280,334)	\$ (16,482,012)	\$ (11,313,959)
(403,598)	(1,423,031)	1,481,991	1,242,535	6,150	28,061
\$ (17,568,448)	\$ (19,576,688)	\$ (17,900,892)	\$ (15,037,799)	\$ (16,475,862)	\$ (11,285,898)
1,815,717	1,748,203	1,778,667	1,727,735	1,687,824	1,682,101
1,755,907	1,701,001	1,693,002	1,660,472	1,765,489	1,341,282
5,756,026	5,568,835	5,529,055	5,406,028	5,778,651	6,023,683
798,381	785,078	781,384	766,371	814,842	549,270
276,119	273,244	282,822	299,739	446,525	442,575
262,583	281,109	1,814,383	1,555,719	1,533,901	1,422,744
11,961,333	13,052,962	11,033,040	11,218,864	5,365,591	5,619,402
2,338,942	2,540,206	2,882,342	2,828,422	2,642,903	2,820,530
329,234	394,368	492,360	744,484	1,297,056	1,626,851
142,484	573,689	288,224	328,481	333,459	1,072,061
-	-	-	-	45,000	(40,000)
-	-	-	-	-	(1,145,161)
25,436,726	26,918,695	26,575,279	26,536,315	21,711,241	21,415,338
4,440	221,147	150,173	210,582	319,661	281,250
517,828	382,815	335,502	195,897	24,718	38,692
-	-	-	-	(45,000)	40,000
522,268	603,962	485,675	406,479	299,379	359,942
25,958,994	27,522,657	27,060,954	26,942,794	22,010,620	21,775,280
8,271,876	8,765,038	7,192,396	10,255,981	5,229,229	10,101,379
118,670	(819,069)	1,967,666	1,649,014	305,529	388,003
\$ 8,390,546	\$ 7,945,969	\$ 9,160,062	\$ 11,904,995	\$ 5,534,758	\$ 10,489,382

HANCOCK COUNTY, OHIO

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

	2016	2015	2014	2013
General fund:				
Nonspendable	\$ 666,541	\$ 496,631	\$ 438,887	\$ 370,443
Committed	169,077	88,589	110,432	123,389
Assigned	2,113,609	3,075,673	2,681,127	2,426,434
Unassigned	4,804,145	3,683,294	3,297,304	2,593,120
Reserved	-	-	-	-
Designated	-	-	-	-
Unreserved	-	-	-	-
Total general fund	<u>7,753,372</u>	<u>7,344,187</u>	<u>6,527,750</u>	<u>5,513,386</u>
All other governmental funds:				
Nonspendable	961,621	750,893	621,701	797,081
Restricted	28,040,776	29,096,916	29,144,866	30,698,825
Committed	17,244,808	15,087,599	12,858,480	10,499,660
Assigned	1,310,128	1,085,913	1,129,902	1,386,159
Unassigned (deficit)	(1,328,422)	(2,195,086)	(1,656,862)	(321,158)
Reserved	-	-	-	-
Designated in special revenue funds	-	-	-	-
Unreserved, undesignated, reported in				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital projects funds (deficit)	-	-	-	-
Permanent fund	-	-	-	-
Total all other governmental funds	<u>46,228,911</u>	<u>43,826,235</u>	<u>42,098,087</u>	<u>43,060,567</u>
Total all governmental funds	<u>\$ 53,982,283</u>	<u>\$ 51,170,422</u>	<u>\$ 48,625,837</u>	<u>\$ 48,573,953</u>

Source: County financial records.

(1) Amounts have been restated from those reported in the original CAFR to reflect changes in accounting principle and/or prior period restatements.

Note: The County implemented GASB 54 in 2011.

2012	2011	2010 (1)	2009	2008	2007
\$ 400,908	\$ 213,404	\$ -	\$ -	\$ -	\$ -
84,812	232,384	-	-	-	-
2,642,014	2,630,334	-	-	-	-
3,166,506	3,828,998	-	-	-	-
-	-	492,930	574,279	740,168	779,722
-	-	800,000	-	-	-
-	-	4,563,405	3,140,012	1,939,582	3,622,576
<u>6,294,240</u>	<u>6,905,120</u>	<u>5,856,335</u>	<u>3,714,291</u>	<u>2,679,750</u>	<u>4,402,298</u>
885,304	871,859	-	-	-	-
31,486,974	24,220,819	-	-	-	-
7,460,373	4,196,308	-	-	-	-
1,179,880	1,322,154	-	-	-	-
(322,003)	(375,543)	-	-	-	-
-	-	3,195,531	4,812,201	6,030,204	2,817,588
-	-	177,101	71,350	178,219	78,453
-	-	13,967,960	12,508,845	8,976,573	9,182,230
-	-	5,744,997	4,595,969	3,506,741	2,711,101
-	-	5,632,730	3,341,592	(557,826)	(1,261,062)
-	-	144,208	141,652	126,091	133,397
<u>40,690,528</u>	<u>30,235,597</u>	<u>28,862,527</u>	<u>25,471,609</u>	<u>18,260,002</u>	<u>13,661,707</u>
<u>\$ 46,984,768</u>	<u>\$ 37,140,717</u>	<u>\$ 34,718,862</u>	<u>\$ 29,185,900</u>	<u>\$ 20,939,752</u>	<u>\$ 18,064,005</u>

HANCOCK COUNTY, OHIO

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

	2016	2015	2014	2013
Revenues:				
Property taxes	\$ 11,014,352	\$ 10,868,379	\$ 10,907,591	\$ 10,413,336
Payments in lieu of taxes	383,747	281,980	232,017	264,141
Permissive motor vehicle license tax	180,604	177,452	177,444	156,982
Sales taxes	14,954,907	14,127,399	13,147,137	12,459,400
Special assessments	1,033,420	741,839	735,150	477,094
Charges for services	7,510,822	6,890,727	7,236,057	6,182,030
Licenses and permits	324,672	322,862	308,482	360,903
Fines and forfeitures	337,230	320,217	319,743	303,085
Intergovernmental	22,336,639	25,561,769	26,495,413	25,778,009
Investment income	400,726	342,848	172,573	240,857
Rental income	489,044	531,988	440,860	432,105
Contributions and donations	-	16,629	4,688	20,981
Other	1,128,985	1,749,870	1,629,958	2,212,917
Total revenues	<u>60,095,148</u>	<u>61,933,959</u>	<u>61,807,113</u>	<u>59,301,840</u>
Expenditures:				
Current:				
General government:				
Legislative and executive	7,164,396	6,579,555	6,497,999	6,182,160
Judicial	4,167,905	4,575,954	3,796,706	4,027,320
Public safety	9,511,210	8,599,451	8,637,558	8,249,933
Public works	4,378,755	4,554,198	5,759,222	4,755,501
Health	15,295,962	15,916,096	17,195,941	16,548,929
Human services	8,854,730	10,403,014	9,580,163	9,475,067
Conservation and recreation	401,135	396,577	522,175	881,099
Economic development	502,509	676,154	1,239,554	602,358
Intergovernmental	-	-	-	-
Other	-	-	-	-
Capital outlay	4,649,553	6,027,485	6,850,777	5,340,264
Debt service:				
Principal retirement	2,762,523	1,224,215	1,200,537	3,764,507
Interest and fiscal charges	313,808	436,676	491,077	576,469
Issuance costs	96,635	-	-	23,592
Total expenditures	<u>58,099,121</u>	<u>59,389,375</u>	<u>61,771,709</u>	<u>60,427,199</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,996,027</u>	<u>\$ 2,544,584</u>	<u>\$ 35,404</u>	<u>\$ (1,125,359)</u>

2012	2011	2010	2009	2008	2007
\$ 10,337,702	\$ 10,171,635	\$ 10,128,456	\$ 9,779,230	\$ 10,231,525	\$ 10,028,931
262,583	281,109	1,814,383	1,555,719	1,533,901	1,422,744
173,897	170,315	171,664	161,958	149,955	160,075
12,157,958	11,587,215	11,211,027	10,530,644	5,479,560	5,547,061
493,903	478,763	659,198	515,229	516,362	519,352
6,984,148	6,461,598	6,315,593	6,292,332	7,474,497	6,996,511
256,409	263,226	227,624	207,278	193,071	189,217
322,662	325,801	575,954	325,570	238,309	212,102
28,865,108	25,801,828	30,808,886	33,251,737	32,161,636	29,330,138
373,555	424,789	541,452	926,969	1,512,578	1,629,856
425,541	469,368	362,827	323,617	195,970	229,241
25,823	25,438	29,121	19,001	211,502	35,832
1,584,186	2,373,098	1,679,147	1,883,733	1,240,420	988,568
62,263,475	58,834,183	64,525,332	65,773,017	61,139,286	57,289,628
6,587,178	6,273,123	6,522,068	5,838,308	6,660,698	6,916,837
3,933,092	3,537,108	3,567,055	3,276,165	3,355,626	3,354,376
7,935,953	7,548,928	7,056,803	8,627,236	7,625,131	7,417,823
5,759,973	4,877,023	5,578,673	5,631,918	6,204,082	5,052,443
17,095,028	17,670,767	16,994,090	16,809,287	17,883,946	18,076,247
8,629,669	8,787,212	10,319,360	11,395,760	10,651,723	11,297,212
492,030	408,057	1,007,216	1,045,778	489,238	-
408,032	154,948	171,049	212,671	114,517	291,615
-	-	-	-	426,056	426,057
63,205	-	-	-	-	-
2,333,303	5,161,871	5,545,429	3,500,551	5,573,518	3,573,661
1,251,804	1,429,955	1,594,843	1,900,175	1,311,551	1,191,248
506,969	563,336	615,784	731,059	707,126	698,505
-	-	-	31,749	9,295	100,026
54,996,236	56,412,328	58,972,370	59,000,657	61,012,507	58,396,050
\$ 7,267,239	\$ 2,421,855	\$ 5,552,962	\$ 6,772,360	\$ 126,779	\$ (1,106,422)

(Continued)

HANCOCK COUNTY, OHIO

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Other financing sources (uses):				
Loans issued	\$ 22,707	\$ -	\$ 16,480	\$ 90,186
Bonds issued	2,934,095	-	-	3,290,000
Notes issued	-	-	-	-
Premium on bonds issued	347,885	-	-	17,500
Premium on notes issued	-	-	-	-
Discount on bonds issued	-	-	-	-
Payment to refunded bond escrow agent	(2,488,852)	-	-	(683,142)
Inception of GES performance contract	-	-	-	-
Transfers in	8,105,571	5,821,799	4,984,492	8,506,300
Transfers out	(8,105,571)	(5,821,799)	(4,984,492)	(8,506,300)
Total other financing sources (uses)	<u>815,835</u>	<u>-</u>	<u>16,480</u>	<u>2,714,544</u>
Changes in fund balances	<u>\$ 2,811,862</u>	<u>\$ 2,544,584</u>	<u>\$ 51,884</u>	<u>\$ 1,589,185</u>
Debt service as a percentage of noncapital expenditures	5.67%	3.19%	3.06%	8.01%
Capital Outlay	3,806,458	7,333,723	6,525,130	6,204,097

Source: County financial records.

2012	2011	2010	2009	2008	2007
\$ 76,812	\$ -	\$ -	\$ -	\$ 679,950	\$ 40,047
-	-	-	1,375,000	-	3,805,000
2,500,000	-	-	100,000	-	-
-	-	-	1,972	-	107,743
-	-	-	-	12,518	-
-	-	-	(3,184)	-	-
-	-	-	-	-	-
-	-	-	-	2,011,500	-
4,287,675	3,642,917	4,607,267	3,876,974	2,471,892	1,598,920
(4,287,675)	(3,642,917)	(4,627,267)	(3,876,974)	(2,426,892)	(1,638,920)
<u>2,576,812</u>	<u>-</u>	<u>(20,000)</u>	<u>1,473,788</u>	<u>2,748,968</u>	<u>3,912,790</u>
<u>\$ 9,844,051</u>	<u>\$ 2,421,855</u>	<u>\$ 5,532,962</u>	<u>\$ 8,246,148</u>	<u>\$ 2,875,747</u>	<u>\$ 2,806,368</u>
3.46%	3.95%	4.12%	4.90%	3.72%	4.57%
4,140,130	5,941,988	5,334,957	5,285,918	6,713,583	17,066,342

HANCOCK COUNTY, OHIO

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN YEARS

Tax Year/ Collection Year	Real Property			Public Utility Personal Property	
	Assessed Value		Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial/ Public Utility			
2015/2016	\$ 1,349,839,180	\$ 325,933,690	\$ 4,787,922,486	\$ 96,767,120	\$ 109,962,636
2014/2015	1,336,711,500	321,357,480	4,737,339,943	76,637,570	87,088,148
2013/2014	1,326,537,000	320,393,600	4,705,516,000	74,802,880	85,003,273
2012/2013	1,209,459,990	321,546,020	4,374,302,886	66,595,890	75,677,148
2011/2012	1,205,288,920	326,011,840	4,375,145,029	60,824,010	69,118,193
2010/2011	1,200,918,810	320,627,210	4,347,274,343	58,865,590	66,892,716
2009/2010	1,200,696,460	304,500,070	4,300,561,514	56,962,270	64,729,852
2008/2009	1,173,962,710	300,527,970	4,212,830,514	52,267,820	59,395,250
2007/2008	1,097,729,680	282,151,120	3,942,516,571	59,749,310	67,896,943
2006/2007	1,072,479,910	272,917,930	3,843,993,829	58,898,310	66,929,898

Source: Hancock County Auditor.

Notes:

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

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of actual value of railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent of actual value for machinery and equipment and 23 percent for inventory. The general business tangible personal property tax is being phased out beginning in 2006. The percentage is 18.75 percent for 2006, 12.5 percent for 2007, and 6.25 percent for 2008. For 2009, tangible personal property tax is assessed at 0.00% of property value, including inventory, except for telephone tangible personal property, which is assessed at 10.0%.

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

Tangible Personal Property		Total			
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Weighted Average Tax Rate	
\$ -	\$ -	\$ 1,772,539,990	\$ 4,897,885,122	\$ 7.11	
-	-	1,734,706,550	4,824,428,091	7.11	
-	-	1,721,733,480	4,790,519,273	7.11	
-	-	1,597,601,900	4,449,980,034	7.49	
-	-	1,592,124,770	4,444,263,222	7.47	
1,528,895	15,288,950	1,581,940,505	4,429,456,009	7.46	
2,738,190	27,381,900	1,564,896,990	4,392,673,266	7.00	
61,776,580	617,765,800	1,588,535,080	4,889,991,564	7.34	
126,303,335	2,020,853,360	1,565,933,445	6,031,266,874	7.07	
188,512,441	1,508,099,528	1,592,808,591	5,419,023,255	7.09	

HANCOCK COUNTY, OHIO

PROPERTY TAX RATES (COLLECTION YEAR)
DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 ASSESSED VALUE)
LAST TEN YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Unvoted millage					
General fund					
Effective millage rates	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
Voted millage					
Board of					
Developmental Disabilities					
Residential/agricultural	3.47	3.70	3.70	3.70	4.04
Commercial/industrial	4.31	4.38	4.40	4.40	4.40
Tangible/public utility personal	4.40	4.40	4.40	4.40	4.40
ADAMHS					
Residential/agricultural	1.07	1.14	1.15	1.14	1.25
Commercial/industrial	1.27	1.30	1.30	1.30	1.30
Tangible/public utility personal	1.30	1.30	1.30	1.30	1.30
Agency on Aging					
Residential/agricultural	0.52	0.55	0.55	0.55	0.60
Commercial/industrial	0.59	0.60	0.60	0.60	0.60
Tangible/public utility personal	0.60	0.60	0.60	0.60	0.60
Total effective voted millage by type of property					
Residential/agricultural	5.06	5.39	5.40	5.39	5.89
Commercial/industrial	6.17	6.28	6.30	6.30	6.30
Tangible/public utility personal	6.30	6.30	6.30	6.30	6.30
Total county direct rate					
Residential/agricultural	6.56	6.90	6.90	6.90	7.39
Commercial/industrial	7.67	7.80	7.80	7.80	7.80
Tangible/public utility personal	7.80	7.80	7.80	7.80	7.80
Total county weighted average tax rate	7.11	7.11	7.11	7.11	7.49
In county school districts					
Arcadia LSD	29.77	30.15	30.22	31.67	32.35
Arlington LSD	31.40	31.40	32.31	32.75	32.81
Cory-Rawson LSD	36.21	36.50	38.76	38.60	38.79
Findlay CSD	64.94	64.95	64.95	64.95	64.95
Liberty-Benton LSD	41.35	41.73	41.97	42.98	43.40
McComb LSD	33.52	33.54	34.19	34.68	34.70
Van Buren LSD	39.29	39.44	39.68	41.14	40.84
Vanlue LSD	41.44	41.53	41.75	44.02	44.21
Out of county school districts					
Ada EVSD	46.70	46.70	47.44	47.30	47.00
Bluffton EVSD	42.53	42.79	41.04	40.02	40.91
Elmwood LSD	36.90	36.90	37.30	37.45	37.40
Fostoria CSD	59.57	59.76	63.51	60.00	58.58
Hardin Northern LSD	41.15	41.15	42.49	42.25	42.25
North Baltimore LSD	55.30	55.15	56.95	56.30	59.10
Riverdale LSD	28.26	34.51	34.64	36.16	36.30

2011	2010	2009	2008	2007
\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
4.03	4.03	4.00	4.00	4.20
4.40	4.38	4.15	4.14	4.35
4.40	4.40	4.00	4.40	4.40
1.25	1.25	1.24	1.25	0.92
1.30	1.30	1.25	1.24	0.98
1.30	1.30	1.30	1.30	1.00
0.58	0.57	0.57	0.56	0.37
0.60	0.60	0.57	0.39	0.39
0.60	0.60	0.60	0.60	0.40
5.86	5.85	5.81	5.81	5.49
6.30	6.28	5.97	5.77	5.72
6.30	6.30	5.90	6.30	5.80
7.36	7.35	7.31	7.31	6.99
7.80	7.78	7.47	7.27	7.22
7.80	7.80	7.40	7.80	7.30
7.47	7.46	7.00	7.34	7.07
32.35	32.03	32.81	32.91 - 43.42	32.60 - 43.11
32.81	32.91	33.26	22.00 - 33.40	22.26 - 33.66
38.79	38.76	39.50	21.63 - 34.00	22.13 - 34.50
64.95	64.99	64.18	32.58 - 60.75	32.58 - 60.75
43.40	43.23	43.54	28.15 - 38.95	28.27 - 39.07
34.70	35.93	33.68	27.27 - 35.18	27.39 - 35.30
40.84	41.10	37.20-41.33	30.71 - 40.58	30.47 - 40.34
44.21	44.22	45.53	33.76 - 45.83	34.82 - 46.89
47.00	47.00	47.00	29.36 - 47.20	29.26 - 47.10
40.91	39.36	40.85	29.56 - 42.74	29.56 - 42.74
37.40	37.70	37.70	21.93 - 36.80	22.73 - 37.60
58.58	58.31	57.69	42.00 - 60.56	42.00 - 60.56
42.25	43.25	43.25	29.62 - 44.15	22.82 - 37.35
59.10	57.10	55.70	34.04 - 51.60	34.04 - 51.60
36.30	36.60	37.20	29.08 - 37.70	29.08 - 37.70
				(Continued)

HANCOCK COUNTY, OHIO

PROPERTY TAX RATES (COLLECTION YEAR) - (CONTINUED)
 DIRECT AND OVERLAPPING GOVERNMENTS
 (PER \$1,000 ASSESSED VALUE)
 LAST TEN YEARS

	2016	2015	2014	2013	2012
Joint vocational school districts					
Apollo JVS	\$3.00	\$3.34	\$3.20	\$2.20	\$2.20
Penta County JVS	3.20	3.20	3.20	3.20	3.20
Vanguard JVS	1.60	1.60	1.60	1.60	1.60
Cities					
Findlay	3.20	3.20	3.20	3.20	3.20
Fostoria	3.40	3.40	3.40	3.40	3.40
Villages					
Arcadia	4.70	4.70	4.70	4.70	4.70
Arlington	6.20	5.20	5.20	5.20	5.20
Benton-Ridge	1.90	1.90	1.90	1.90	1.90
Bluffton	1.80	1.80	1.80	1.80	1.80
Jenera	5.60	5.60	5.60	5.60	5.60
McComb	2.60	2.60	2.60	2.60	2.60
Mount Blanchard	9.70	9.70	9.70	7.70	7.70
Mount Cory	2.50	2.50	2.50	2.50	2.50
Rawson	2.50	2.50	2.50	2.50	2.50
Van Buren	5.30	5.30	5.30	5.30	3.20
Vanlue	6.30	6.30	6.30	6.30	1.30
Townships					
Allen	1.80-4.10	1.80-4.10	1.80-4.10	1.80-4.10	1.80-4.10
Amanda	2.70-4.00	2.70-4.10	2.70-4.10	2.70-4.00	2.70-4.00
Biglick	2.50	2.50	2.50	2.50	2.50
Blanchard	1.30-3.10	1.30-3.10	1.30-3.10	1.30-3.10	1.30-3.10
Cass	3.20	3.20	3.20	3.20	3.20
Delaware	3.30-4.70	3.30-4.70	3.30-4.10	3.30-4.70	3.30-4.70
Eagle	2.10	2.10	2.10	2.10	2.10
Jackson	2.50	2.50	2.50	2.50	2.50
Liberty	3.20	3.20	3.20	3.20	3.20
Madison	0.40-2.10	.40-2.10	.40-2.10	.4-2.10	.4-2.10
Marion	3.50	2.50	2.50	2.50	2.50
Orange	1.30-3.60	1.30-3.60	1.30-3.60	1.30-3.60	1.30-3.60
Pleasant	1.30-2.90	1.30-2.90	1.30-2.90	1.30-2.90	1.30-2.90
Portage	3.20	3.20	3.20	3.20	3.20
Union	2.10-4.60	2.10-4.60	2.60-5.10	2.60-5.10	2.60-5.10
Van Buren	3.50-5.10	3.50-5.10	3.50-5.10	3.50-5.10	1.50-3.10
Washington	2.00-3.40	2.00-3.40	2.00-3.40	1.00-2.40	1.00-2.40

2011	2010	2009	2008	2007
\$2.20	\$2.20	\$2.20	\$2.06 - \$2.20	\$2.04 - \$2.20
3.20	3.20	3.20	2.89 - 3.20	2.89 - 3.20
1.60	1.60	1.60	1.60	1.60
3.20	3.20	3.20	3.20	3.20
3.40	3.40	3.40	3.40	3.40
4.70	4.70	4.70	4.43 - 4.70	4.43 - 4.70
5.20	5.20	5.20	5.20	5.20
1.90	1.90	1.90	1.90	1.90
1.80	1.80	1.80	1.80	1.80
5.60	5.60	5.60	5.60	5.60
2.60	2.60	2.60	4.18	4.14
7.70	7.70	7.70	8.09 - 8.20	7.95 - 8.20
2.50	2.50	2.50	2.50	2.50
2.50	2.50	2.50	2.50	2.50
3.20	5.30	5.30	4.94 - 5.30	5.25 - 5.30
1.30	1.30	1.30	1.30	1.30
1.80-4.10	4.1	4.1	4.09 - 4.10	4.08 - 4.10
2.70-4.00	2.70-4.00	2.70-4.00	3.65 - 4.00	3.64 - 4.00
2.50	2.50	2.50	2.50	2.50
1.30-3.10	1.30-3.10	3.10	3.10	3.10
3.20	3.20	3.20	3.20	3.20
3.30-4.70	2.50-3.90	2.50-3.90	2.80	3.88 - 3.90
2.10	2.10	2.10	2.10	2.10
2.50	2.50	2.50	2.50	2.50
3.20	3.20	3.20	2.20	3.20
.40-2.10	.40-2.10	2.10	2.10	2.10
2.50	2.50	2.50	2.50	2.50
1.30-3.60	1.30-3.60	1.30-3.60	3.27 - 3.60	3.60
1.30-2.90	1.30-2.90	2.20-3.80	2.90	3.80
3.20	3.20	4.10	3.20	4.10
2.60-5.10	2.60-5.10	2.60-5.10	5.09 - 5.10	5.09 - 5.10
1.50-3.10	1.50-3.10	3.10	3.10	3.10
1.00-2.40	1.00-2.40	2.40	2.40	2.40

(Continued)

HANCOCK COUNTY, OHIO

PROPERTY TAX RATES (COLLECTION YEAR) - (CONTINUED)
DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 ASSESSED VALUE)
LAST TEN YEARS

	2016	2015	2014	2013	2012
Other units					
Appleseed Joint Ambulance District	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20
Bluffton Library	1.00	1.00	1.00	1.00	1.00
Hancock County Park District	0.80	0.80	0.80	0.80	0.80
PMP Joint Ambulance District	4.40	4.40	4.40	4.40	4.40
Seneca County Health District	0.30	0.30	0.30	0.30	0.30

Source: Ohio Department of Taxation.

Notes:

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each appraisal.

Overlapping rates are those of local governments that apply to property owners within Hancock County. Not all overlapping rates apply to all County property owners. Property tax rates for all overlapping governments are based on the original voted levy.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

2011	2010	2009	2008	2007
\$1.20	\$1.20	\$1.20	\$1.20	\$1.20
1.00	1.00	1.00	0.42 - 0.60	0.42 - 0.60
0.80	0.80	0.80	0.70 - 0.80	0.70 - 0.82
4.40	4.40	4	3.83 - 4.00	3.90 - 4.00
0.30	0.30	0.30	0.27 - 0.30	0.28 - 0.30

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HANCOCK COUNTY, OHIO

**PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Collection Year 2016			Collection Year 2007		
	Total Assessed Valuation	Rank	Percent of Total County Assessed Valuation	Total Assessed Value	Rank	Percent of Total County Assessed Valuation
Ohio Power	\$ 54,445,320	1	3.07%	\$ 34,410,460	1	2.16%
AEP Ohio Transmission Co	15,073,080	2	0.85%			
Wells Fargo Bank	12,312,380	3	0.69%			
Hancock-Wood Electric	11,456,700	4	0.65%			
BB Findlay Limited Partnership	10,236,440	5	0.58%	8,915,900	6	0.56%
Marthon Petroleum Company LP	9,594,810	6	0.54%	14,924,970	4	0.94%
Marathon Pipeline LLC	7,373,080	7	0.42%			
Blanchard Valley Port Authority	7,357,760	8	0.42%			
Columbia Gas of Ohio Inc.	5,829,290	9	0.33%			
Grob Systems Inc.	5,472,500	10	0.31%			
Cooper Tire & Rubber Company				25,332,180	2	1.59%
Whirlpool Corporation				18,472,500	3	1.16%
Ball Metal Beverage				9,714,890	5	0.61%
Nissan Brakes (dba Findlex Corp)				7,466,210	7	0.47%
Consolidated Biscuit				7,318,470	8	0.46%
Kohl's Distribution/Department				7,047,000	9	0.44%
Lowes Home Centers, Inc.				7,187,600	10	0.45%
Total principal taxpayers	<u>\$ 139,151,360</u>		<u>7.86%</u>	<u>\$ 140,790,180</u>		<u>8.84%</u>
All other taxpayers	<u>1,633,388,630</u>		<u>92.14%</u>	<u>1,452,018,411</u>		<u>91.16%</u>
Total county assessed value	<u><u>\$ 1,772,539,990</u></u>		<u><u>100.00%</u></u>	<u><u>\$ 1,592,808,591</u></u>		<u><u>100.00%</u></u>

Source: Hancock County Auditor

HANCOCK COUNTY, OHIO

PROPERTY TAX LEVIES AND COLLECTIONS
REAL AND PUBLIC UTILITY REAL PROPERTY TAXES
LAST TEN YEARS

Collection Year	Current Tax Levy	Collected within the Year of the Levy		Percent Collected	Delinquent Tax Collections (2)
		Current Year Tax Collections (1)			
2016	\$ 13,988,356	\$ 14,000,927		100.09	\$ 322,452
2015	13,688,449	13,729,991		100.30	385,787
2014	13,577,652	13,641,537		100.47	406,599
2013	13,312,023	12,845,079		96.49	311,296
2012	13,210,065	12,741,947		96.46	325,759
2011	13,085,486	12,684,668		96.94	323,880
2010	12,800,944	12,399,731		96.87	389,027
2009	12,653,899	12,146,153		95.99	308,948
2008	12,345,721	11,875,790		96.19	356,785
2007	11,715,214	11,025,605		94.11	(3)

Source: Hancock County Auditor.

Notes:

- (1) The amounts shown as collected include the collection of current taxes and the state reimbursement (rollback and homestead) amounts.
- (2) The tax system utilized by the County is unable to identify delinquent tax collections by tax year. Therefore, the County is only able to provide a total of delinquent tax collections by year. The County will need more time to make appropriate tax system changes to track delinquent tax collections by tax year.
- (3) In tax year 2007 and prior, the County was unable to separate current tax levy collections from delinquent tax collections. Therefore, all amounts are included in the current year tax collections column.

Total Collections by Year		Current Delinquencies	Prior Delinquencies	Total Outstanding Delinquencies	Current Delinquencies as a Percentage of Current Tax Levy	Outstanding Delinquencies to Total Tax Collections
Total Collections (2)	Percent Collected (2)					
\$ 14,323,379	102.40	\$ 24,194	\$ 9,977	\$ 34,171	0.17%	0.24%
14,115,778	103.12	47,386	26,660	74,046	0.35%	0.52%
14,048,136	103.47	115,092	82,419	197,511	0.85%	1.41%
13,156,375	98.83	259,545	161,955	421,500	1.95%	3.20%
13,067,706	98.92	279,832	143,389	423,221	2.12%	3.24%
13,008,548	99.41	254,806	172,492	427,298	1.95%	3.28%
12,788,758	99.90	277,420	177,667	455,087	2.17%	3.56%
12,455,101	98.43	289,515	172,452	461,967	2.29%	3.71%
12,232,575	99.08	469,931	165,255	635,186	3.81%	5.19%
11,025,602	94.11	34,343	137,434	171,777	0.29%	1.56%

HANCOCK COUNTY, OHIO

**TAXABLE SALES BY TYPE
LAST TEN YEARS**

	2016	2015	2014	2013	2012
Sales tax payments	\$ 2,259,065	\$ 2,132,232	\$ 2,533,100	\$ 2,994,233	\$ 2,933,421
Direct pay tax return payments	2,306,473	2,102,359	1,641,929	1,658,278	1,291,812
Seller's use tax return payments	1,595,425	1,565,473	1,208,063	966,132	1,123,268
Consumer's use tax return payments	518,298	384,074	399,780	297,197	274,749
Motor vehicle tax payments	1,585,901	1,561,799	1,492,875	1,482,137	1,343,107
Non-resi motor vehicle tax payments	36,948	46,133	31,020	n/a	n/a
Watercraft and outboard motors	25,552	19,015	15,373	14,561	15,255
Non-resi watercraft and outboard motors	301	297	244	n/a	n/a
Department of liquor control	41,038	36,201	32,453	29,995	28,331
Sales tax on motor vehicle fuel refunds	1,306	1,523	1,497	1,120	1,065
Sales/use tax voluntary payments	48,791	32,432	30,760	32,710	11,867
Statewide master numbers	5,442,882	5,281,718	5,151,541	5,096,466	5,130,208
Sales/use tax assessment payments	32,362	73,266	47,025	49,205	52,207
Streamlined sales tax payments	-	-	5,442	9,566	7,306
Streamlined sales - intrastate	107	7,991	n/a	n/a	n/a
Streamlined sales - interstate	8,225	9,075	462	n/a	n/a
Use Tax Amnesty Payments	5	11	1,967	9,477	11,230
Managed audit sales tax payments	81,903	57,860	19,618	n/a	n/a
Transient sales	1,057,328	1,035,199	500,317	n/a	n/a
Certified assessments	42,102	48,461	2,463	n/a	n/a
Adjustments to Prior Allocations	(275)	(1,007)	(3,638)	(1,960)	(761)
Administrative rotary fund fee	(149,775)	(143,547)	(130,121)	(125,870)	(121,983)
Sales/use tax refunds approved	(109,259)	(39,401)	(100,197)	(52,146)	(24,777)
Total	\$ 14,824,703	\$ 14,211,164	\$ 12,881,973	\$ 12,461,101	\$ 12,076,305
Sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%

Source: Ohio Department of Taxation.

Notes:

(1) The sales tax rate increase to 1.25 percent in January 2009 due to an imposed increase of .75 percent to the .50 percent sales tax rate.

(2) The sales tax rate decreased to 1 percent for 2010. The previously imposed increase of .75 percent expired in December 2009. However, voters approved a 10-year increase in sales tax of .50 percent effective January 2010.

Sales tax is remitted to the Ohio Department of Taxation. The portion pertaining to the County is remitted on a monthly basis approximately two months after collection at the source.

Information for the principal taxpayers is not provided to the County by the Ohio Department of Taxation.

2011	2010	2009	2008	2007
\$ 2,909,384	\$ 3,142,008	\$ 2,906,926	\$ 1,559,710	\$ 1,626,182
1,163,138	792,532	292,714	208,123	214,032
1,055,411	1,119,098	857,102	546,962	506,301
381,555	324,338	336,487	171,461	195,762
1,322,402	1,199,638	1,160,157	604,721	645,211
n/a	n/a	n/a	n/a	n/a
16,212	15,552	18,696	8,484	14,042
n/a	n/a	n/a	n/a	n/a
26,639	26,505	24,300	11,325	10,363
746	759	931	516	509
6,038	11,835	4,062	2,733	31,006
4,786,852	4,818,794	4,473,717	2,364,936	2,444,931
42,721	38,519	42,699	16,648	4,776
5,763	3,492	2,721	2,281	1,371
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
169	-	-	-	-
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
(325)	-	-	-	-
(116,481)	(115,138)	(100,240)	(54,201)	(57,578)
(68,589)	(46,260)	(120,205)	(78,108)	(17,506)
<u>\$ 11,531,635</u>	<u>\$ 11,331,672</u>	<u>\$ 9,900,067</u>	<u>\$ 5,365,591</u>	<u>\$ 5,619,402</u>
1.00%	(2)	(1)	0.50%	0.50%

HANCOCK COUNTY, OHIO

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

Year	Governmental Activities				
	Special Assessment Notes	General Obligation Bonds	Special Assessment Bonds	OWDA Loans	Other Loans/Notes
2016	\$ -	\$ 6,348,474	\$ 618,680	\$ 74,595	\$ 543,853
2015	-	7,383,542	1,230,213	108,885	774,380
2014	-	8,190,952	1,408,264	141,317	996,163
2013	-	8,968,362	1,586,315	171,992	1,209,545
2012	-	7,154,705	1,677,932	201,334	1,414,855
2011	-	7,968,156	1,829,614	280,350	1,612,407
2010	-	8,820,000	2,014,999	269,867	1,810,938
2009	78,900	9,980,000	2,219,999	308,799	2,001,849
2008	106,000	9,259,341	2,413,811	345,392	2,715,430
2007	681,000	10,302,166	2,601,622	379,789	31,134

Source: Hancock County Auditor.

Note: See page 252 for information on population and personal income.

Business-type Activities					
General Obligation Bonds	OWPC Loans	Total Primary Government	Per Capita	Percentage of Personal Income	
\$ 3,472,674	\$ 254,825	\$ 11,313,101	\$149	0.31%	
4,105,442	271,813	13,874,275	186	0.43%	
4,712,828	288,801	15,738,325	208	0.48%	
5,305,215	305,789	17,547,218	232	0.56%	
4,572,962	322,777	15,344,565	204	0.52%	
5,018,041	339,765	17,048,333	228	0.62%	
5,300,000	-	18,215,804	244	0.68%	
5,705,000	-	20,294,547	272	0.76%	
3,431,101	-	18,271,075	246	0.72%	
3,637,797	-	17,633,508	238	0.72%	

HANCOCK COUNTY, OHIO

LEGAL DEBT MARGIN
LAST TEN YEARS

	2016	2015	2014	2013
Assessed value of County	\$ 1,772,539,990	\$ 1,734,706,550	\$ 1,721,733,480	\$ 1,597,601,900
Voted debt limitation (1)	\$ 42,813,500	\$ 41,867,664	\$ 41,543,337	\$38,440,048
Total outstanding debt:				
Governmental activities bond anticipation notes	1,771,000	3,725,000	2,925,415	2,481,000
Governmental activities special assessment notes	-	-	-	-
Business-type activities bond anticipation notes	-	-	-	-
Governmental activities general obligation bonds:				
Tiffin Avenue	-	-	-	-
I-75/Tall Timbers connector	-	-	-	-
I-75/Tall Timbers connector refunding	-	1,925,000	2,360,000	2,775,000
Courthouse renovation refunding	-	-	-	-
Justice center refunding	-	-	-	-
Library improvement refunding	-	-	-	-
Job and Family Services refunding	55,000	110,000	170,000	225,000
ADAMHMS building	-	105,000	115,000	125,000
US 224/CR 300 construction	145,000	2,100,000	2,230,000	2,355,000
Engineers garage	2,255,000	2,335,000	2,495,000	2,495,000
Jail security system	385,000	440,000	495,000	550,000
Sheriff department radio	260,000	285,000	310,000	335,000
ADMHS Building - 2016 refunding	94,095	-	-	-
US 224/CR 95 - 2016 refunding	2,145,000	-	-	-
Distribution Dr. - 2016 refunding	665,000	-	-	-
Governmental activities special assessment bonds:				
US 224 water refunding	-	18,780	37,561	56,342
CR 88/SR 12 sewer refunding	-	42,588	85,176	127,764
SR 12 West water refunding	-	8,631	17,262	25,893
Beechwood water and sewer refunding	-	-	-	-
Griffith Heights	-	-	-	6,342
CR 200 sanitary sewer/Van Buren	-	-	-	28,658
US 224 W/Trenton Avenue sewer	-	-	-	16,327
McKinley Street waterline	-	-	-	3,673
Road improvement-East Melrose	-	-	-	-
CR 95/CR 18 sewer	45,000	505,000	570,000	610,000
Series 2013 Refunding SA Bonds	530,000	630,000	670,000	680,000
Beach Joint Ditch - 2016 refunding	30,000	-	-	-
OWDA loans	74,595	108,885	141,317	171,992
Loans payable	-	-	-	-
Voice recorder system - loans payable	-	-	-	-
Guaranteed energy savings performance contract - loans payable	475,670	700,442	916,930	1,125,440
ADAMH - loans payable	-	-	-	-
ADAMH - notes payable	68,183	73,938	79,233	84,105
Business-type activities general obligation bonds				
Trash compactor	-	-	-	-
Landfill improvements	680,000	890,000	1,095,000	1,295,000
Landfill equipment (compactor)	170,000	225,000	275,000	325,000
Landfill - Leachate 2013	255,000	270,000	280,000	290,000
Landfill - Land Acquisition 2013	490,000	510,000	530,000	545,000
Landfill - Equipment 2013	85,000	170,000	250,000	330,000
Agricultural service center	-	-	-	-
Agricultural service center refunding	-	550,000	670,000	785,000
BMV one-stop	-	-	-	-
BMV one-stop refunding	1,330,000	1,450,000	1,565,000	1,680,000
Agricultural service center - 2016 refunding	415,905	-	-	-
Business-type OPWC loans	254,825	271,813	288,801	305,789
Total outstanding debt	\$ 12,679,273	\$ 17,450,077	\$ 18,571,695	\$ 19,833,325

2012	2011	2010	2009	2008	2007
\$ 1,592,124,770	\$ 1,581,940,505	\$ 1,564,896,990	\$ 1,588,535,080	\$ 1,565,933,445	\$ 1,592,808,591
\$ 38,303,119	\$ 38,048,513	\$ 37,622,425	\$ 38,213,377	\$ 37,648,336	\$ 38,320,215
5,517,000	361,000	-	-	1,611,000	1,944,000
-	-	-	78,900	106,000	681,000
1,265,000	1,500,000	-	-	1,932,000	480,000
-	-	-	15,000	30,000	45,000
-	-	-	230,000	440,000	630,000
3,175,000	3,560,000	3,920,000	4,035,000	4,155,000	4,270,000
-	160,000	310,000	460,000	600,000	740,000
-	-	-	-	-	270,000
-	-	220,000	435,000	640,000	835,000
285,000	340,000	400,000	460,000	525,000	585,000
135,000	145,000	155,000	165,000	170,000	175,000
2,475,000	2,590,000	2,700,000	2,805,000	2,905,000	2,995,000
-	-	-	185,000	-	-
605,000	655,000	705,000	755,000	-	-
360,000	385,000	410,000	435,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
73,781	89,879	104,636	120,734	135,491	150,248
167,310	203,814	237,276	273,780	307,242	340,704
33,907	41,305	48,087	55,485	62,267	69,048
-	-	55,000	110,000	160,000	210,000
96,042	102,384	107,820	113,256	118,692	124,128
433,958	462,616	487,180	511,744	536,308	560,872
171,427	187,754	204,081	216,326	228,571	240,816
38,573	42,246	45,919	48,674	51,429	54,184
-	-	10,000	20,000	30,000	40,000
645,000	680,000	715,000	750,000	780,000	810,000
-	-	-	-	-	-
-	-	-	-	-	-
201,004	-	269,867	308,799	345,392	379,789
-	-	-	-	-	31,134
-	-	8,437	16,422	23,980	-
1,326,267	1,519,694	1,705,993	1,885,427	2,011,500	-
-	-	-	-	679,950	-
88,588	92,713	96,508	100,000	-	-
-	-	-	-	45,000	90,000
1,490,000	1,680,000	1,865,000	2,045,000	-	-
375,000	425,000	470,000	515,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	90,000	175,000	255,000
895,000	1,005,000	1,110,000	1,120,000	1,130,000	1,140,000
1,690,000	1,775,000	1,855,000	1,935,000	2,010,000	2,080,000
-	-	-	-	-	-
-	-	-	-	-	-
\$ 21,542,857	\$ 18,003,405	\$ 18,215,804	\$ 20,294,547	\$ 21,944,822	\$ 20,225,923

(Continued)

HANCOCK COUNTY, OHIO

LEGAL DEBT MARGIN (CONTINUED)
LAST TEN YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Exemptions:				
Governmental activities bond anticipation notes	\$ 1,771,000	\$ 3,725,000	\$ 2,925,415	\$ 2,481,000
Governmental activities special assessment notes	-	-	-	-
Business-type activities bond anticipation notes	-	-	-	-
Governmental activities general obligation bonds				
County Road 140	-	-	-	-
Tiffin Avenue	-	-	-	-
I-75/Tall Timbers connector	-	-	-	-
I-75/Tall Timbers connector refunding	-	1,925,000	2,360,000	2,775,000
Justice center refunding	-	-	-	-
Library improvement refunding	-	-	-	-
Job and Family Services refunding	55,000	110,000	170,000	225,000
ADAMHMS building	-	105,000	115,000	125,000
US 224/CR 300 construction	145,000	2,100,000	2,230,000	2,355,000
Engineers garage	2,255,000	2,335,000	2,495,000	2,495,000
ADMHS Building - 2016 refunding	94,095	-	-	-
US 224/CR 95 - 2016 refunding	2,145,000	-	-	-
Distribution Dr. - 2016 refunding	665,000	-	-	-
Governmental activities special assessment bonds				
US 224 water refunding	-	18,780	37,561	56,342
CR 88/SR 12 sewer refunding	-	42,588	85,176	127,764
SR 12 West water refunding	-	8,631	17,262	25,893
Beechwood water and sewer refunding	-	-	-	-
Griffith Heights	-	-	-	6,342
CR 200 sanitary sewer/Van Buren	-	-	-	28,658
US 224 W/Trenton Avenue sewer	-	-	-	16,327
McKinley Street waterline	-	-	-	3,673
Road improvement-East Melrose	-	-	-	-
CR 95/CR 18 sewer	45,000	505,000	570,000	610,000
Series 2013 Refunding SA Bonds	530,000	630,000	670,000	680,000
Beach Joint Ditch - 2016 refunding	30,000	-	-	-
OWDA loans	74,595	108,885	141,317	171,992
Guaranteed energy savings performance contract - loans payable	475,670	700,442	916,930	1,125,440
ADAMH - loans payable	-	-	-	-
ADAMH - notes payable	68,183	73,938	79,233	84,105
Business-type activities general obligation bonds				
Trash compactor	-	-	-	-
Landfill improvements	680,000	890,000	1,095,000	1,295,000
Landfill equipment (compactor)	170,000	225,000	275,000	325,000
Landfill - Leachate 2013	255,000	270,000	280,000	290,000
Landfill - Land Acquisition 2013	490,000	510,000	530,000	545,000
Landfill - Equipment 2013	85,000	170,000	250,000	330,000
Agricultural service center	-	-	-	-
Agricultural service center refunding	-	550,000	670,000	785,000
BMV one-stop	-	-	-	-
BMV one-stop refunding	1,330,000	1,450,000	1,565,000	1,680,000
Agricultural service center - 2016 refunding	415,905	-	-	-
Business-type OPWC loans	254,825	271,813	288,801	305,789
Total exemptions	<u>\$ 12,034,273</u>	<u>\$ 16,725,077</u>	<u>\$ 17,766,695</u>	<u>\$ 18,948,325</u>

2012	2011	2010	2009	2008	2007
\$ 5,517,000	\$ 361,000	\$ -	\$ -	\$ -	\$ -
-	-	-	78,900	106,000	681,000
1,265,000	1,500,000	-	-	1,932,000	480,000
-	-	-	-	-	-
-	-	-	15,000	30,000	45,000
-	-	-	230,000	440,000	630,000
3,175,000	3,560,000	3,920,000	4,035,000	4,155,000	4,270,000
-	-	-	-	-	270,000
-	-	220,000	435,000	640,000	835,000
285,000	340,000	400,000	460,000	525,000	585,000
135,000	145,000	155,000	165,000	170,000	175,000
2,475,000	2,590,000	2,700,000	2,805,000	2,905,000	2,995,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
73,781	89,879	104,636	120,734	135,491	150,248
167,310	203,814	237,276	273,780	307,242	340,704
33,907	41,305	48,087	55,485	62,267	69,048
-	-	55,000	110,000	160,000	210,000
96,042	102,384	107,820	113,256	118,692	124,128
433,958	462,616	487,180	511,744	536,308	560,872
171,427	187,754	204,081	216,326	228,571	240,816
38,573	42,246	45,919	48,674	51,429	54,184
-	-	10,000	20,000	30,000	40,000
645,000	680,000	715,000	750,000	780,000	810,000
-	-	-	-	-	-
-	-	-	-	-	-
201,004	-	269,867	308,799	345,392	379,789
1,326,267	1,519,694	1,705,993	1,885,427	2,011,500	-
-	-	-	-	679,950	-
88,588	92,713	96,508	100,000	-	-
-	-	-	-	45,000	90,000
1,490,000	1,680,000	1,865,000	2,045,000	-	-
375,000	425,000	470,000	515,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	90,000	175,000	255,000
895,000	1,005,000	1,110,000	1,120,000	1,130,000	1,140,000
1,690,000	1,775,000	1,855,000	1,935,000	2,010,000	2,080,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 20,577,857	\$ 16,803,405	\$ 16,782,367	\$ 18,443,125	\$ 19,709,842	\$ 17,510,789

(Continued)

HANCOCK COUNTY, OHIO

LEGAL DEBT MARGIN (CONTINUED)
LAST TEN YEARS

	2016	2015	2014	2013
Total net debt applicable to debt limit	<u>\$ 645,000</u>	<u>\$ 725,000</u>	<u>\$ 805,000</u>	<u>\$ 885,000</u>
Total voted legal debt margin (Debt limitation minus net debt)	<u><u>\$ 42,168,500</u></u>	<u><u>\$ 41,142,664</u></u>	<u><u>\$ 40,738,337</u></u>	<u><u>\$ 37,555,048</u></u>
Legal debt margin as a percentage of the debt limit (voted)	98.49%	98.27%	98.06%	97.70%
Unvoted debt limitation	<u>\$ 17,725,400</u>	<u>\$ 17,347,066</u>	<u>\$ 17,217,335</u>	<u>\$ 15,976,019</u>
Total unvoted legal debt margin	<u><u>\$ 17,080,400</u></u>	<u><u>\$ 16,622,066</u></u>	<u><u>\$ 16,412,335</u></u>	<u><u>\$ 15,091,019</u></u>
Legal debt margin as a percentage of the debt limit (unvoted)	96.36%	95.82%	95.32%	94.46%

Source: Hancock County Auditor.

(1) The debt limitation is calculated as follows:

Three percent of first \$100,000,000 of assessed value.

1 1/2 percent of next \$200,000,000 of assessed value.

2 1/2 percent of amount of assessed value in excess of \$300,000,000.

Note: The amount of debt presented as subject to the limit are balances used to compute the margin as specified by statute (i.e., the gross balances) not amounts that are net of premiums or discounts. On deep discount or capital appreciation bonds, this is the original issue amount.

2012	2011	2010	2009	2008	2007
\$ 965,000	\$ 1,200,000	\$ 1,433,437	\$ 1,851,422	\$ 2,234,980	\$ 2,715,134
<u>\$ 37,338,119</u>	<u>\$ 36,848,513</u>	<u>\$ 36,188,988</u>	<u>\$ 36,361,955</u>	<u>\$ 35,413,356</u>	<u>\$ 35,605,081</u>
97.48%	96.85%	96.19%	95.16%	94.06%	92.91%
\$ 15,921,248	\$ 15,819,405	\$ 15,648,970	\$ 15,885,351	\$ 15,659,334	\$ 15,928,086
<u>\$ 14,956,248</u>	<u>\$ 14,619,405</u>	<u>\$ 14,215,533</u>	<u>\$ 14,033,929</u>	<u>\$ 13,424,354</u>	<u>\$ 13,212,952</u>
93.94%	92.41%	90.84%	88.35%	85.73%	82.95%

HANCOCK COUNTY, OHIO

**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS**

Year	General Bonded Debt Outstanding	Less: Resources that are Restricted to Debt Service	Net General Bonded Debt Outstanding	Percentage of Estimated Actual Value of Property	Per Capita
2016	\$ 9,821,148	\$ 924,404	\$ 8,896,744	0.18%	\$ 117.26
2015	11,488,984	4,125,520	7,363,464	0.15%	98.47
2014	12,903,780	3,336,325	9,567,455	0.20%	126.26
2013	14,273,577	3,781,750	10,491,827	0.24%	138.65
2012	11,727,667	4,324,564	7,403,103	0.17%	98.63
2011	12,986,197	4,901,575	8,084,622	0.18%	108.19
2010	14,120,000	5,744,997	8,375,003	0.19%	111.99
2009	15,685,000	4,595,969	11,089,031	0.23%	148.77
2008	12,690,442	3,506,741	9,183,701	0.15%	123.65
2007	13,939,963	2,711,101	11,228,862	0.21%	151.32

Source: Hancock County Auditor.

Notes:

See pages 228 & 229 for information on estimated actual taxable value.

See page 252 for information on population.

HANCOCK COUNTY, OHIO

**PLEDGED REVENUE COVERAGE - GOVERNMENTAL ACTIVITIES
LAST TEN YEARS**

Year	Gross Revenues (1)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2016	\$ 198,469	\$ 243,996	\$ 42,274	\$ 286,270	0.69
2015	254,906	207,432	51,814	259,246	0.98
2014	295,705	222,155	63,035	285,190	1.04
2013	290,204	289,197	94,908	384,105	0.76
2012	251,919	254,252	92,866	347,118	0.73
2011	332,294	246,424	103,823	350,247	0.95
2010	321,458	243,932	114,371	358,303	0.90
2009	348,882	226,594	124,013	350,607	1.00
2008	357,026	224,397	140,163	364,560	0.98
2007	287,493	172,335	127,071	299,406	0.96

Source: Hancock County Auditor.

Notes:

(1) Water and Sewer Bond Retirement Fund and Road Improvement Bond Retirement Fund.

HANCOCK COUNTY, OHIO

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS**

Year	Population (estimated)	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2016	75,872	\$3,695,239	\$48,704	3.6%
2015	74,782	3,262,289	43,624	3.7%
2014	75,773	3,261,748	43,046	4.6%
2013	75,671	3,137,384	41,461	5.7%
2012	75,056	2,966,459	39,523	8.4%
2011	74,724	2,768,710	37,052	8.3%
2010	74,782	2,664,930	35,636	9.7%
2009	74,538	2,683,234	35,998	10.3%
2008	74,273	2,534,706	34,127	5.8%
2007	74,204	2,457,723	33,121	4.5%

Sources: Bureau of Labor Statistics.
Bureau of Economic Analysis.
US Census Bureau.

HANCOCK COUNTY, OHIO

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	2016			2007		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Blanchard Valley Health Association	2,700	1	6.85%	1,560	4	3.95%
Whirlpool Corporation	2,400	2	6.09%	1,900	2	4.81%
Marathon Petroleum Company LLC	2,200	3	5.58%	1,626	3	4.12%
Cooper Tire & Rubber Company	2,000	4	5.08%	2,023	1	5.12%
Hearthside Foods (fka Consolidated Biscuit)	1,466	5	3.72%			
Nissin Brakes (dba Findlex Corporation)	1,020	6	2.59%	800	8	2.03%
Findlay City School District	873	7	2.22%	877	6	2.22%
Lowes Home Centers, Inc.	750	8	1.90%	800	7	2.03%
The University of Findlay	728	9	1.85%			
Kohl's Distribution Center	508	10	1.29%			
Consolidated Biscuit				1,100	5	2.78%
Findlay Industries				750	9	1.90%
Bridgestone APM Company				700	10	1.77%
Total principal employers	<u>14,645</u>		<u>37.17%</u>	<u>12,136</u>		<u>30.73%</u>
Total County employed	<u>39,400</u>			<u>39,500</u>		

Source: Labor Market Information Website.

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HANCOCK COUNTY, OHIO

**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General government										
Legislative and executive	70	63	63	63	65	63	63	69	74	71
Judicial	50	50	48	48	47	48	45	47	47	47
Public safety										
Enforcement	58	54	57	58	58	57	56	56	61	60
Jail operation	43	42	42	41	39	40	38	41	47	44
Other public safety	8	9	5	6	4	4	4	4	6	2
Public works	43	46	47	43	45	47	47	48	51	51
Health										
Mental Retardation and Developmental Disabilities	50	42	86	124	152	152	154	175	179	161
Other health	25	12	15	13	9	9	13	7	16	16
Human services										
Child Support Enforcement Agency	13	13	13	13	13	13	13	13	21	16
Job and Family Services	58	59	59	56	56	62	58	62	67	67
Other human services	15	13	12	7	7	6	6	6	6	5
Economic development and assistance	7	6	6	3	6	6	6	6	7	7
Other	36	34	39	53	40	37	50	48	20	16
Total	476	443	492	528	541	544	553	582	602	563

Source: Hancock County Auditor.

Method: The formula to calculate the full time equivalent was the total hours worked by department divided by the standard annual hours for that department.

HANCOCK COUNTY, OHIO

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2016	2015	2014	2013	2012	2011	2010
Legislative/executive							
Auditor							
Number of non-exempt conveyances	1,693	1,722	1,640	1,644	1,669	1,426	1,636
Number of exempt conveyances	1,162	1,310	1,285	1,311	1,193	1,075	990
Number of real estate transfers	2,855	3,032	2,925	2,955	2,862	2,501	2,626
Number of auditor's warrants issued	16,559	16,067	16,716	16,038	17,690	17,060	18,128
Number of electronic fund transfers (ETFs)	4,845	4,649	5,026	n/a	n/a	n/a	n/a
Board of elections							
Number of registered voters	50,540	48,714	50,296	49,518	54,671	55,224	54,834
Number of voters last general election	36,571	22,888	20,108	7,554	35,944	25,201	24,904
Percent of registered voters voting	72.36%	46.98%	39.98%	15.26%	65.75%	45.63%	45.42%
Recorder							
Number of deeds filed	3,314	3,471	3,327	3,335	3,233	2,828	2,914
Number of mortgages filed	3,363	3,257	2,990	4,126	4,504	4,016	4,294
Judicial							
Common pleas court							
Number of civil cases filed	457	533	631	652	708	730	925
Number of criminal cases filed	355	351	308	291	307	328	267
Number of domestic cases filed	406	413	428	448	490	756	767
Juvenile court							
Number of civil cases filed	595	628	685	785	753	905	848
Number of criminal cases filed	692	809	732	706	863	923	969
Number of adjudged delinquent cases filed	243	266	270	267	353	360	429
Number of days in Wood County detention facility	2,631	2,558	1,894	1,797	2,111	1,364	1,298
Public safety							
Jail operation							
Justice center							
Average daily count	101	101	91	92	92	92	95
Prisoners booked	2,315	2,356	2,199	2,148	2,327	2,410	2,430
Prisoners released	2,325	2,339	2,203	2,146	2,274	2,392	2,440
Out-of-County bed days used	2,225	162	0	0	0	0	0
Rehabilitation opportunity center							
Average daily count	0	0	0	0	0	0	0
Enforcement							
Accidents reported	886	868	876	878	852	906	862
Incidents reported	3,644	2,927	2,852	3,466	3,529	3,582	3,366
Citations issued	2,174	1,964	1,935	2,259	2,248	2,004	1,998
Papers served	1,455	1,437	1,704	1,826	2,020	2,371	2,017
Telephone calls	n/a	n/a	194,753	214,363	208,759	194,726	183,523
Transport hours	839	788	717	804	896	827	1,069
Court security hours	2,732	2,829	2,657	2,588	2,633	2,671	2,649
Public works							
Engineer							
Roads resurfaced	15	20	14	8	17	8	7
Bridges replaced/rehabbed	3	1	3	3	3	4	9
Culverts built	0	1	1	0	0	0	0

2009	2008	2007
1,480	1,579	1,890
1,147	1,309	1,156
2,627	2,888	3,046
19,790	18,538	22,545
n/a	n/a	n/a
53,917	53,965	50,837
26,298	37,055	14,655
48.77%	68.66%	28.83%
2,350	2,703	2,874
3,977	3,462	4,363
1,094	984	887
277	310	293
503	790	445
955	888	738
1,149	1,261	1,304
510	580	560
1,187	1,539	1,629
94	96	100
2,606	2,577	2,649
2,594	2,588	2,673
0	0	708
0	22	27
880	1,184	1,096
4,013	4,336	5,184
1,655	1,327	1,664
2,243	2,321	2,307
211,660	167,963	195,000
2,058	2,013	1,883
3,157	3,127	3,968
8	14	13
9	7	8
1	2	8

(Continued)

HANCOCK COUNTY, OHIO

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

Function/Program	2016	2015	2014	2013	2012	2011	2010
Health							
Dog and kennel							
Number of dog licenses sold	11,641	12,618	12,213	13,432	13,615	13,573	13,749
Number of kennel licenses sold	11	24	28	36	33	36	31
Board of Developmental Disabilities							
Students enrolled at Blanchard Valley School							
Early intervention program	170	169	113	119	77	95	111
Preschool	40	38	45	47	32	33	46
School age	22	21	22	26	22	22	34
Consumers employed at Blanchard Valley Industries	110	143	141	135	162	110	169
Business-type activity							
Landfill							
Tonage per year							
In County	105,296	104,316	100,784	95,178	96,837	101,232	87,433
Out of County	26,894	23,515	21,791	24,147	27,062	34,411	49,286

Sources: Various County Departments.

Notes:

(1) Does not include number of warrants served, civil papers only.

N/A indicates the information was not available.

<u>2009</u>	<u>2008</u>	<u>2007</u>
13,292	12,764	12,433
27	30	41
48	127	116
37	42	46
32	35	36
168	163	155
83,380	96,695	89,944
37,299	40,244	45,435

HANCOCK COUNTY, OHIO**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Public safety										
Sheriff										
Number of vehicles	45	61	55	52	45	38	34	47	44	46
Public works										
Engineer										
Roads (miles)	362	363	363	363	363	363	363	363	363	363
Bridges	375	380	380	380	380	380	380	381	381	381
Culverts	985	980	980	980	980	980	980	980	950	950

Source: Hancock County Engineer's Annual Report.