



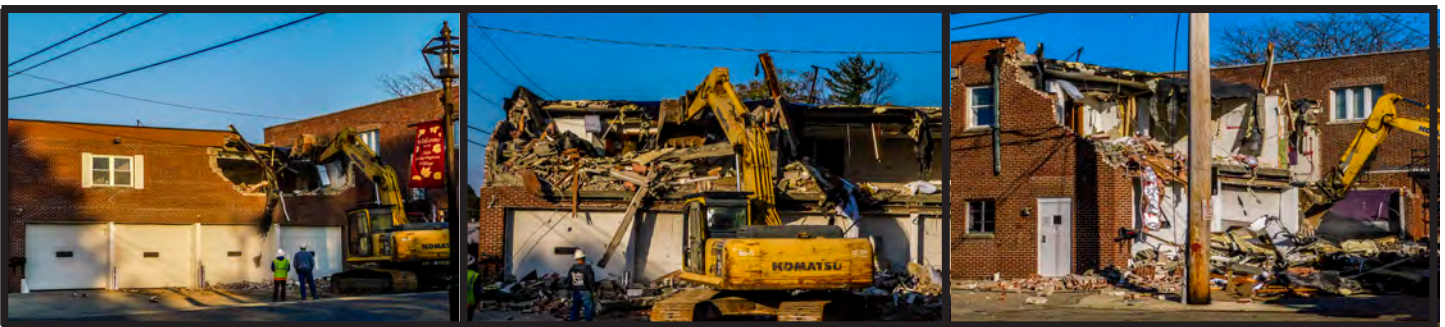
Shoppes at Turnberry

2016
City of Pickerington, Ohio
Comprehensive Annual Financial Report

Zettler Hardware



Lake Forest Subdivision



Violet Township Fire Station 591

For the year ended
December 31, 2016



Dave Yost • Auditor of State

Members of Council and Mayor
City of Pickerington
100 Lockville Road
Pickerington, Ohio 43147

We have reviewed the *Independent Auditor's Report* of the City of Pickerington, Fairfield County, prepared by Julian & Grube, Inc., for the audit period January 1, 2016 through December 31, 2016. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

July 17, 2017

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City of Pickerington, Ohio

*Issued by
Department of Finance
Christopher P. Schornack, Director*

**Comprehensive Annual
Financial Report
For The Year Ended December 31, 2016**



Introductory Section

City of Pickerington, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2016
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CITY OF PICKERINGTON

June 8, 2017

To the Honorable Mayor Gray and Members of City Council,
And Citizens of the City of Pickerington:

The Comprehensive Annual Financial Report (CAFR) of the City of Pickerington, Ohio (the City), for the year ended December 31, 2016 is submitted herewith. State law requires that each general-purpose local government publish within six months of the close of each year a complete set of audited financial statements. This report is published to fulfill that requirement for the year ended December 31, 2016. This report is prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America and audited in accordance with generally accepted auditing standards.

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 and complements this letter of transmittal and should be read in conjunction with it.

The City's Finance Department is responsible for management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control 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.

In developing and revising the City's accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding the safeguarding of assets from loss, theft or misuse, and reliability of financial records for preparing the City's financial statements in conformity with GAAP and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

As management, we believe the data presented is accurate in all material aspects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the City's financial activity have been included.

Profile of the City

The first settlers in the attractive, growing community that is now Pickerington, arrived in the area in 1808. In 1815, Abraham Pickering laid out the original plat of old Pickerington. One hundred fifty years later relatively few people lived in the area and Pickerington slumbered as an agricultural and dairy community, seemingly distant from the County seat, Lancaster, and the state capital, Columbus.

The growth and prosperity since 1965 forever changed Pickerington from an old country village to a major city in northwest Fairfield County. Equidistant between Lancaster and Columbus, today Pickerington is both a Columbus suburban community and a transition zone leading to agricultural and open spaces to the east and southeast.

The City's 2016 population as estimated by the United States Census Bureau was 19,745. The unincorporated Violet Township estimated population (excluding Pickerington) was 20,734. As a result of reaching an official population of over 5,000 persons, Pickerington was certified as a city by the Ohio Secretary of State in 1991. Pickerington was the second city incorporated in Fairfield County and is second in size only to Lancaster.

The Municipal Charter, which was enacted in 1980, became effective January 1, 1981, and was amended in 1990, 2000, 2003, 2005, 2007, and again in 2010. This Charter provides for the Mayor-Council-Manager form of government whereby the legislative powers of the City are vested in a seven member City Council. Three members are elected at large for a four-year term each biennium and the remaining four are elected at large for a four-year term the following biennium. Council appoints the Law Director, Finance Director, City Engineer, City Clerk, and concurs on the Mayor's appointment of the City Manager. Council also makes citizen appointments to several boards and commissions. There are four standing Council Committees that Council appoints: Finance, Rules, Safety, and Service. Council sets the compensation guidelines for City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriations, indebtedness, building permits and licenses, and other municipal purposes.

The City provides the following services: public safety, operation of water, sewer, and stormwater utilities, parks and recreation, and a State Certified Building Department. Fire Department services are provided by Violet Township, of which the City is a part. Sanitation is awarded on a contract basis every three years. In the fall of 2009, the City entered into an agreement with the Franklin County District Board of Health to provide health services to City residents and this contract is renewed annually.

The annual budget serves as the foundation for the City's financial planning and control. The City complies with the requirements of the Ohio Revised Code in the adoption of the budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for requisitions and purchase orders, and through the use of the City's automated financial system. All departments of the City were required to submit requests for appropriations to the Finance Director before September 30th. The Finance Director uses these requests as the starting point for developing a proposed budget. The City adopts a 5-year Capital Improvement Budget that aids in the preparation of the budget. The City also completes a 5-year financial forecast annually, as a tool to assist Council and management in the budgetary decision making process.

The Finance Director presents the proposed budget for the City Manager's review and approval. The City Manager and the Finance Director then present the proposed budget to the City Council for review, 35 days before the end of the current year. Council is required to hold a public hearing on the proposed budget and to adopt the budget by no later than December 31, the close of the City's fiscal year. Failure to do so allows the budget, as presented by the Manager, to become effective.

The legal level of budgetary control is the level passed by Council which is at the object level for all funds. Any budgetary modifications at this level may only be made by ordinance of the City Council. The Finance Director is given the authority to further allocate fund appropriations within all funds. The City Council may pass supplemental appropriations at any time by ordinance. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. The General Fund, Street Major Special Revenue Fund, and Police Major Special Revenue Fund are

presented as part of the basic financial statements beginning on page 24. For other funds, this comparison is presented in the supplementary section of this report, which starts on page 103.

Local Economy

The City of Pickerington is a residential suburban community with only a small portion utilized for commercial and retail activity. The City is not reliant on its own commercial base but on the larger, more diversified regional base in the Columbus metropolitan area, which includes Fairfield and Franklin counties, for its residents' workplaces. Fairfield County's and Franklin County's unemployment rate of 4.2 percent and 3.9 percent respectively, are lower than both the State's average unemployment rate of 5.0 percent, and the national average of 4.7 percent in 2016. This trend has continued for the last two decades.

2016 was a busy year for the City of Pickerington with nearly \$27 million in commercial investment in the community, up nearly 79 percent from the previous year. The following commercial projects began in 2016:

- During the spring, Spectrum Retirement Communities broke ground on their Sycamore Creek Senior Living facility near the corner of Hill and Diley Roads. This facility will house 132 maintenance-free apartments with a variety of floor plans. Sycamore Creek Senior Living facility will begin welcoming guests in November 2017.
- Zettler Hardware began construction in spring 2016 on its nearly 24,000 square foot space located on Postage Drive. Zettler Hardware has been a staple in the Columbus community since 1844, providing the latest advancements in hardware and home improvements. Zettler Hardware opened their facility in January 2017.
- During the summer of 2016, the Violet Township Fire Department demolished the building that housed Fire Station 591 in the Olde Pickerington Village. In its place, a \$5 million state of the art facility will be constructed for the firefighters and the community. The project is expected to be completed in February 2018.
- Renovations began during the summer of 2016 on the former Pickerington Creamery for the City's first brewery and taproom. Combustion Brewery and Taproom produces and serves a wide variety of fresh craft beer. The brewery opened in mid-spring 2017.
- Matthew Siebert broke ground in late fall 2016 on a 6,620 square foot building. This professional office building located on Windmill Drive will be home to MMA Insurance and Siebert and Reynolds CPA's. This project was completed in May 2017.
- During 2016, Northstar Realty acquired the Shoppes at Turnberry and the former Pick-Town Beverage. During the summer of 2016, Northstar Realty invested significantly in the exterior renovation of the Shoppes at Turnberry. Pick-Town Beverage was demolished in the early fall and in its place, the Shoppes at Pickerington will be constructed and will provide 8,858 square feet of retail space. The Shoppes at Pickerington are expected to be complete in the summer of 2017.

Median household incomes within the City of Pickerington are significantly higher than for the State as a whole. According to the 2015 U.S. Census estimates, the City's median family income was \$82,569, the County's was \$60,567, while the State's was \$49,429.

During 2016, the Building Department issued a total of 620 permits, which included 85 single family homes, 213 commercial and 322 for home improvement projects. Building Department permits and municipal impact fees totaled over \$1.3 million in 2016.

Major Initiatives

During 2016, construction improvements continued on State Route (SR) 256 from I-70 to Diley Road. The SR 256 paving project added a third southbound lane to SR 256 between SR 204 and Refugee Road, a third northbound lane to SR 256 at SR 204, upgraded nine traffic signals to include mast arms, signal back plates, large street name signs, and additional lighting. The SR 256 paving project is being funded through a \$5 million Ohio Department of Transportation (ODOT) Safety Grant. The federally funded grant award covers 90 percent of the project and the remaining 10 percent will be covered with local matching funds.

In 2014, the City received confirmation of \$3.5 million in grant funding from the Ohio Department of Transportation Safety Program for improvements to the intersection of State Route 256 and Refugee Road. The City also applied for an additional \$5.75 million in grant funding from the Mid- Ohio Regional Planning Commission (MORPC) for corridor improvements to Refugee Road. The City was awarded the \$5.75 million in grant funding in May 2015. In the summer of 2016, the City provided an updated grant request to MORPC for additional project funding and is expected to receive an additional \$1.3 million in grant funding for the project. The total grant funding in the amount of \$10.5 million along with \$4.4 million in tax increment financing revenues will allow the City to widen the intersection at State Route 256 and Refugee Road, widen Refugee Road in front of the Ohio Health property, and widen Refugee Road west of Ohio Health. Design work began in 2015, and the project is currently working with impacted property owners to acquire necessary rights of way. Private utility relocations are expected to begin in late 2017 and early 2018, with construction expected to begin in late summer 2018.

In 2017, the City will begin studying the Windmill Dam for repairs or removal. The dam, which is an Ohio Department of Natural Resources (ODNR) regulated structure, was recently overtopped during a significant rain event. While the overtopping did not cause any significant damage, it did generate the need for some minor maintenance on the structure resulting in the City reviewing the dam to determine if it is to remain or be removed and the stream channel restored.

Also in 2017, the City is expecting to undertake repairs to the Zeller-Smith Covered Bridge located within Sycamore Creek Park. The bridge was relocated to the park in the 1980's for preservation purposes, and a recent inspection revealed some structural concerns. The work is expected to be completed in 2017.

Long-Term Financial Planning and Relevant Financial Policies

Providing first-class municipal services to a community such as Pickerington, which has a small commercial and office tax base, creates numerous challenges, which is the reason the Mayor, City Council, and staff work consistently on the long-term financial health of the City. The City has sought various alternative means to assist in the City funding mechanisms including the use of Tax Increment Financing (TIF) areas. On February 15, 2014, the City entered into a Tax Increment Financing Agreement with Ohio Health Corporation for the purpose of constructing a two-story, approximately 47,300 square foot medical office building with an ambulatory surgical center and adjacent parking with approximately 189 parking spaces. The TIF revenues associated with this agreement will be used to help absorb the costs incurred with the Refugee Road widening project.

On April 15, 2014, the City passed several ordinances establishing three Tax Increment Financing areas along State Route 256 (Hill Road). The TIF revenues derived from these parcels will be used for future infrastructure improvements along State Route 256 (Hill Road) and Diley Road (an arterial of SR 256).

On October 18, 2016, the City passed several ordinances establishing three Tax Increment Financing areas along State Route 256 (Hill Road), Diley/Windmill/Refugee Roads, and Yarmouth/Winderly Lane/Hill Road areas. The TIF revenues derived from these parcels will be used for future infrastructure improvements within these areas.

On November 1, 2016, the City passed an ordinance establishing a Tax Increment Financing area along Courtright Drive. The TIF revenues derived from these parcels will be used for future infrastructure improvements including the extension of Courtright Drive.

On December 6, 2016, the City passed two separate ordinances establishing two Tax Increment Financing areas along Commerce Drive/State Route 256 (Hill Road) and along Refugee Road. The TIF revenues derived from these parcels will be used for the future infrastructure improvements within these areas including the widening of Refugee Road.

The City of Pickerington continues to grow and outpace activity in other area cities, but the rising cost of providing critical City services to our citizens remains a concern. The cost of fuel, road salt, vehicles, police protection, and other supplies and materials is increasing faster than revenues. These increases, coupled with State-mandated collective bargaining which adds to the labor and health care costs, has led City Council to undertake a comprehensive review of all aspects of the General Fund budget. As a result, consideration is being given to contracting for some City services to reduce cost, overall reducing expenses.

In an effort to provide more cost efficient services to its residents, the City has been promoting regionalism with the local Township, County, and surrounding communities. The City has initiated discussions with several communities for cooperative road salt bidding, street paving projects, land use plans and the sharing of specialized employees. The City's goal to remain competitive in the future is to continue to focus on the development process and to complete all projects in a timely manner.

To ensure that debt capacity is available during unforeseen and extraordinary events that may require an immediate infusion of capital into the City's infrastructure, facilities, equipment and appurtenances, the City shall make every effort to preserve unvoted general obligation debt capacity of at least \$300 per capita.

Annually, the fee schedule for the City is evaluated to make certain current costs that should be recovered for various activities are being covered by the fees being charged. The City also periodically surveys other similar cities to ensure those fees and costs are comparable.

The City has adopted several policies that are reviewed and updated on an as needed basis. These policies include an investment policy, debt policy, fund balance reserve policy, and purchasing policy.

The fund balance reserve policy designates the minimum unrestricted General fund balance be twenty-five percent (three months) of the annual operating expenditures and other financing uses (transfers) otherwise known as the annual operating budget. Replenishment should take place in a prompt manner and the government should develop a strategy and timeline for replenishing fund balance.

The Finance Department once again completed a five-year financial forecast in 2016. This forecast was reviewed by Council as a tool for assisting with future decisions regarding the finances of the City. The forecast has been instrumental for successfully renewing the annual street resurfacing program.

Awards and Recognitions

The Finance Director received the Dave Yost, Auditor of State's "Award with Distinction" for outstanding commitment to the highest standards of financial reporting for the years 2005, 2006, and 2008 through 2015 due to the filing of the Comprehensive Annual Financial Report (CAFR) and having no audit citations.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pickerington for its CAFR for the year ended December 31, 2015. This was the twelfth year the City had filed a CAFR and received this reward. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Additionally, the City received the Award for Outstanding Achievement in Popular Annual Financial Reporting from GFOA for the City's 2015 Citizen's Report, a condensed, more user-friendly financial report intended to provide highlights of the City's financial condition. 2015 was the fifth year the City completed the Popular Annual Financial Report and received this prestigious award.

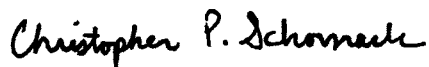
The City received its 24th Tree City USA Award for the year ended December 31, 2016. This prestigious award recognized the City for its annual program of planting new trees and maintaining and removing old trees.

I would like to thank the Mayor, Members of Council, and the City Manager for their support in striving for excellence in financial reporting and disclosure. I would also like to thank Deputy Finance Director, Stephanie Spencer, and the staff from the Local Government Service Section of the Auditor of State for their assistance in preparing and reviewing the CAFR respectively.

The preparation of this comprehensive annual report was made possible by the dedicated service of the executive staff and department heads of the City Manager. I would like to express my appreciation to all staff members who have contributed or assisted in its preparation.

In closing, I would like to thank the residents and taxpayers of the City of Pickerington for entrusting us with the fiscal accountability of the community.

Respectfully submitted,



Christopher P. Schornack
Finance Director

**City of Pickerington, Ohio
List of City Officials
December 31, 2016**

City Council

Mayor	Lee Gray
President Pro Tempore	Cristie Hammond
Vice President Pro Tempore	Brandon Ogden
Council Member	Tony Barletta
Council Member	Jerry Dailey
Council Member	Jeff Fix
Council Member	Michael Sabatino
Council Member	Melissa Wilde

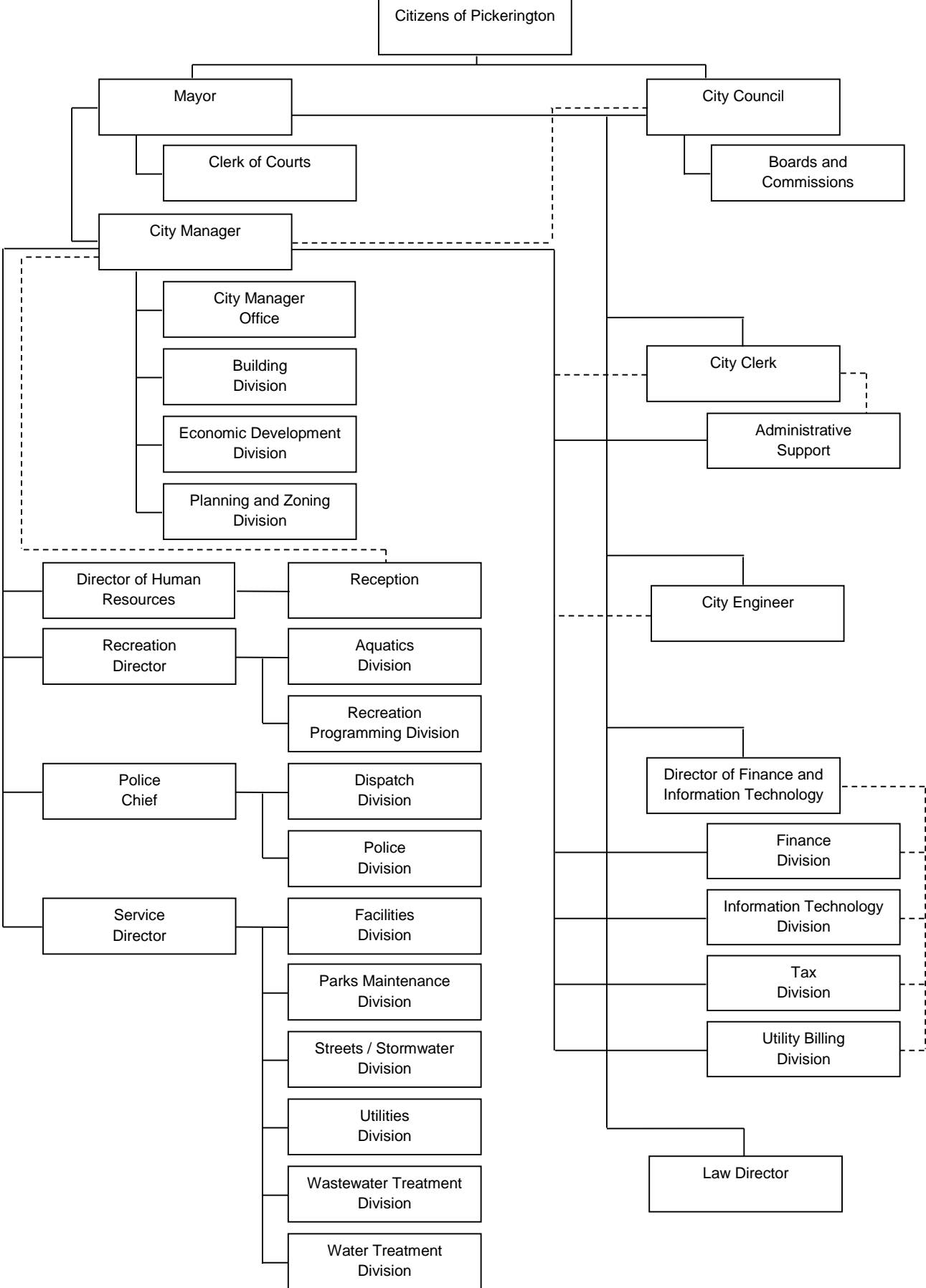
Appointed Officials

City Manager	William Vance
Law Director	Frost Brown Todd LLC
Municipal Clerk	Lynda Yartin
City Engineer	Scott Tourville
Finance Director	Christopher Schornack

Executive Staff

Deputy Finance Director	Stephanie Spencer
Income Tax Administrator	Kim Pulley
Clerk of Court	Molly Schwartz
Parks and Recreation Director	Rebecca Medinger
Human Resource Director	Gretchen Nihiser
Economic Development Director	Liberty Schindel
Chief of Police	Michael Taylor
Service Director	Edward Drobina

City of Pickerington Organizational Chart





Government Finance Officers Association

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

Presented to

**City of Pickerington
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

City of Pickerington
Fairfield County
100 Lockville Road
Pickerington, Ohio 43147

To the Members of Council and Mayor:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City of Pickerington's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City of Pickerington'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
City of Pickerington

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield 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, Street, and Police funds, 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 and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the City of Pickerington'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 the 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
City of Pickerington

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2017, on our consideration of the City of Pickerington's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Pickerington's internal control over financial reporting and compliance.



Julian & Grube, Inc.
June 8, 2017

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City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2016
Unaudited

The discussion and analysis of the City of Pickerington's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2016. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements, and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2016 are as follows:

- The City's total net position increased by \$5,519,655, from the total net position at the beginning of the year 2016.
- At the end of the current year, the City's governmental activities reported total net position of \$55,149,431, an increase of \$2,459,391 from the prior year.
- At the end of the current year, unassigned fund balance for the General Fund was \$4,819,325 which represents a 20 percent increase from the prior year.

Using this Annual Financial Report

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

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

Reporting the City as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2016?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in the position. This change in net position is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, nonfinancial information such as the condition of City capital assets will also need to be evaluated.

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In the Statement of Net Position and the Statement of Activities, the City is divided into two kinds of activities:

Governmental Activities – Most of the City's services are reported here including police, administration, and all departments with the exception of our Water, Sewer, Stormwater, and Aquatic Recreation Center Funds.

Business-Type Activities – Water and sewer services have charges based upon the amount of usage. The City charges fees to recoup the cost of the entire operations of our Water and Sewer Treatment Plants as well as all capital assets associated with the services. The City charges fees for stormwater services based upon set rates. The City also charges fees for pool passes for our Aquatic Recreation Center.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds – not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial reports provide detailed information about the City's major funds. Based on the restriction on the use of monies, the City has established many funds that account for the multitude of services provided to its residents. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are the General Fund, Street Special Revenue Fund, Police Special Revenue Fund, and Debt Service Fund.

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

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

The City maintains a number of individual governmental funds. Information for the major funds, identified earlier, is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 24 through 34 of this report.

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Proprietary Funds The City uses enterprise funds to account for its water, sewer, stormwater, and aquatic recreation center operations. For water and sewer operations, the City charges a fee to customers, based upon the amount of usage, to recover the costs of the services provided, and to cover the capital assets associated with the services. For stormwater operations, the City charges a flat monthly fee. For the aquatic recreation center the City charges a fee for pool passes and concessions. The proprietary fund financial statements can be found on pages 36 through 43 of this report.

Fiduciary Fund The City accounts for resources held for the benefit of parties outside the government as a fiduciary fund. This fund is not reflected in the government-wide financial statements because the resources of this fund are not available to support the City's own programs. The City uses accrual accounting for fiduciary funds, much like that of the proprietary funds. The fiduciary fund financial statement can be found on page 44.

The City as a Whole

Recall that the Statement of Net Position looks at the City as a whole. Table I provides a summary of the City's net position for 2016 compared to 2015.

Table 1 - Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2016	2015	2016	2015	2016	2015
Assets						
Current and Other Assets	\$14,309,036	\$13,715,592	\$10,033,597	\$8,330,701	\$24,342,633	\$22,046,293
Capital Assets, Net	63,073,662	60,970,116	62,390,771	61,931,901	125,464,433	122,902,017
<i>Total Assets</i>	<u>77,382,698</u>	<u>74,685,708</u>	<u>72,424,368</u>	<u>70,262,602</u>	<u>149,807,066</u>	<u>144,948,310</u>
Deferred Outflows of Resources						
Deferred Charge on Refunding	70,067	78,825	15,319	17,508	85,386	96,333
Pension	2,470,936	979,652	737,342	239,761	3,208,278	1,219,413
<i>Total Deferred Outflows of Resources</i>	<u>2,541,003</u>	<u>1,058,477</u>	<u>752,661</u>	<u>257,269</u>	<u>3,293,664</u>	<u>1,315,746</u>
Liabilities						
Current and Other Liabilities	811,746	651,278	316,495	392,606	1,128,241	1,043,884
Long-term Liabilities:						
Due Within One Year	1,010,460	1,003,942	1,028,392	986,157	2,038,852	1,990,099
Due Within More than One Year:						
Net Pension Liability	9,023,292	7,039,718	1,934,364	1,367,605	10,957,656	8,407,323
Other Amounts	11,286,126	11,924,133	11,880,451	12,843,428	23,166,577	24,767,561
<i>Total Liabilities</i>	<u>22,131,624</u>	<u>20,619,071</u>	<u>15,159,702</u>	<u>15,589,796</u>	<u>37,291,326</u>	<u>36,208,867</u>
Deferred Inflows of Resources						
Property Taxes	2,514,000	2,400,500	0	0	2,514,000	2,400,500
Pension	128,646	34,574	51,014	24,026	179,660	58,600
<i>Total Deferred Inflows of Resources</i>	<u>2,642,646</u>	<u>2,435,074</u>	<u>51,014</u>	<u>24,026</u>	<u>2,693,660</u>	<u>2,459,100</u>
Net Position						
Net Investment in Capital Assets	51,952,725	49,930,677	49,701,418	48,321,170	101,654,143	98,251,847
Restricted	4,143,222	3,673,535	0	0	4,143,222	3,673,535
Unrestricted (Deficits)	(946,516)	(914,172)	8,264,895	6,584,879	7,318,379	5,670,707
<i>Total Net Position</i>	<u>\$55,149,431</u>	<u>\$52,690,040</u>	<u>\$57,966,313</u>	<u>\$54,906,049</u>	<u>\$113,115,744</u>	<u>\$107,596,089</u>

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The net pension liability (NPL) is one of the largest liabilities reported by the City at December 31, 2016 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27". For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all governmental 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.

GASB 68 requires the net pension liability to equal the City's proportionate share of each plan's collective:

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

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

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

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

Total governmental activities assets increased \$2,696,990. This increase is primarily due to an increase in cash and cash equivalents in the amount of \$456,067 and capital assets in the amount of \$2,103,546. The increase in cash and cash equivalents is due to an increase in income tax revenues in the amount of \$546,956. The increase in income tax revenues is primarily due to the delinquent filing cases processed through the City's Mayor's Court and significant collections from non-filers found on the State of Ohio tax rolls. The increase in capital assets is a direct result of the construction phase of two significant infrastructure projects that occurred during 2016. During 2016, the City continued the construction phase of the State Route 256 Safety Grant paving project. On October 27, 2011, the City was awarded a five million grant from the Ohio Department of Transportation to add through lanes, upgrade signal equipment, add medians, and add sidewalks along State Route 256 from I-70 to the Kroger/Giant Eagle traffic signal. The project will be funded by a grant, 90 percent federal funds and a 10 percent local match. During 2016, the City invested \$596,200 in federal and local monies to construct a third southbound lane on State Route 256 between State Route 204 and Refugee Road and to construct a third northbound lane on State Route 256 at State Route 204. The City upgraded nine traffic signals to include mast arms, signal back plates, large street name signs, and lighting.

On June 3, 2014, the City was awarded \$3.5 million in grant funding from the Ohio Department of Transportation for improvements to the intersection of State Route 256 and Refugee Road. In May 2015, the City was awarded additional \$5.75 million in grant funding from the Mid-Ohio Regional Planning Commission for corridor improvements to Refugee Road. The City will bear the entire preliminary and final design costs of the project while the right-of-way acquisition and construction phases will be split between federal and local funding. During 2016, the City invested \$928,243 in local monies to complete the design phase of the Refugee Road widening project and begin the right of way acquisition phase of the project.

The significant increase in total deferred outflows of resources in 2016 was due to an increase in the difference between projected and actual earnings on investments related to the City's net pension liability for OPERS and OP&F.

Total governmental activities long-term liabilities increased \$1,352,085. This increase is primarily due the increase in net pension liability in the amount of \$1,983,574. The net pension liability increase represents the City's proportionate share of the OPERS traditional plan's and OP&F's unfunded benefits. Changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability. The increase in long-term liabilities is offset by scheduled principal payments made during the year in the amount of \$725,000. The City retired \$430,000 in general obligation bonds and \$295,000 in general obligation refunding bonds. In addition, during 2016 the City retired and reissued \$2,300,000 in street improvement bond anticipation notes for the Refugee Road project.

Total business-type activities assets increased \$2,161,766. This increase is primarily due to an increase in cash and cash equivalents in the amount of \$1,778,167 and capital assets in the amount of \$458,870. The increase in cash and cash equivalents is the result of a decrease in capital expenditures. During 2016, the City invested \$543,083 in capital improvements compared to \$2,040,764 in capital improvements in 2015. During 2015, the City completed the New Well Project and the Hereford Drive Raw Water Conversion project in the amounts of \$261,113 and \$210,291, respectively. In addition during 2015, the City completed the Leisure Drive Pump Station in the amount of \$461,915, began the Mingo Estates Waterline Project in the amount of \$392,187, and invested \$339,873 in stormwater infrastructure

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improvements along State Route 256 as part of the State Route 256 Safety Grant Project administered by the Ohio Department of Transportation. During 2016, the City began the Gravity Filters Replacement Project at the water reclamation plant in the amount of \$165,300, installed a new dehumidifier at the water reclamation plant in the amount of \$45,000, continued to replace water meters City wide for the Fixed Based Meter Reading System in the amount of \$70,250, replaced two influent pumps at the wastewater treatment plant in the amount of \$62,845, and completed the Mingo Waterline Project in the amount of \$118,934. The increase in capital assets is primarily due to capital contributions from developers in the amount of \$1,641,340. The increase in capital assets is offset by current year depreciation.

Total business-type activities liabilities decreased \$430,094. This decrease is primarily due to decreases in long-term liabilities in the amount of \$353,983. During 2016, the City made principal payments in the amount of \$250,000 on outstanding general obligation bonds and general obligation refunding bonds for the water and sewer treatment systems. Principal payments were made in the amount of \$667,571 on the outstanding Ohio Water Development Authority loans. The decrease in long-term liabilities is offset by an increase in net pension liability in the amount of \$566,759. The net pension liability represents the City's proportionate share of the OPERS traditional plan's unfunded benefits. Changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability.

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Table 2 shows the changes in net position for 2016, compared to the changes in net position for 2015.

Table 2 - Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program Revenues						
Charges for Services	\$1,715,070	\$1,373,319	\$6,935,930	\$6,644,025	\$8,651,000	\$8,017,344
Operating Grants and Contributions	1,017,542	1,018,225	0	0	1,017,542	1,018,225
Capital Grants and Contributions	1,895,619	6,804,779	2,701,125	1,548,353	4,596,744	8,353,132
<i>Total Program Revenues</i>	<u>4,628,231</u>	<u>9,196,323</u>	<u>9,637,055</u>	<u>8,192,378</u>	<u>14,265,286</u>	<u>17,388,701</u>
General Revenue						
Property and Other Taxes	2,664,548	2,616,357	0	0	2,664,548	2,616,357
Income Taxes	6,478,485	5,931,529	0	0	6,478,485	5,931,529
Franchise Taxes	244,610	257,515	0	0	244,610	257,515
Grants and Entitlements	306,616	406,475	0	0	306,616	406,475
Investment Earnings	93,295	97,950	17,603	7,872	110,898	105,822
Payment in Lieu of Taxes	384,545	115,174	0	0	384,545	115,174
Impact Fees	675,793	415,319	0	0	675,793	415,319
Gain on Sale of Capital Assets	1,151	5,799	107	11,352	1,258	17,151
Miscellaneous	366,585	427,916	22,776	17,021	389,361	444,937
<i>Total General Revenues</i>	<u>11,215,628</u>	<u>10,274,034</u>	<u>40,486</u>	<u>36,245</u>	<u>11,256,114</u>	<u>10,310,279</u>
<i>Total Revenues</i>	<u>15,843,859</u>	<u>19,470,357</u>	<u>9,677,541</u>	<u>8,228,623</u>	<u>25,521,400</u>	<u>27,698,980</u>
Program Expenses						
General Government	2,539,460	2,344,441	0	0	2,539,460	2,344,441
Security of Persons and Property	5,596,622	4,958,894	0	0	5,596,622	4,958,894
Transportation	3,152,322	3,018,986	0	0	3,152,322	3,018,986
Leisure Time Activities	727,661	741,811	0	0	727,661	741,811
Public Health Services	167,789	158,281	0	0	167,789	158,281
Community Environment	947,600	713,456	0	0	947,600	713,456
Interest and Fiscal Charges	253,014	276,826	0	0	253,014	276,826
Water	0	0	2,553,612	2,540,304	2,553,612	2,540,304
Sewer	0	0	3,127,684	2,672,994	3,127,684	2,672,994
Stormwater	0	0	708,486	641,289	708,486	641,289
Aquatic Recreation	0	0	227,495	166,278	227,495	166,278
<i>Total Program Expenses</i>	<u>13,384,468</u>	<u>12,212,695</u>	<u>6,617,277</u>	<u>6,020,865</u>	<u>20,001,745</u>	<u>18,233,560</u>
Increase before transfers	2,459,391	7,257,662	3,060,264	2,207,758	5,519,655	9,465,420
Transfers	0	(348,067)	0	348,067	0	0
<i>Change in Net Position</i>	<u>2,459,391</u>	<u>6,909,595</u>	<u>3,060,264</u>	<u>2,555,825</u>	<u>5,519,655</u>	<u>9,465,420</u>
Net Position						
Beginning of Year	52,690,040	45,780,445	54,906,049	52,350,224	107,596,089	98,130,669
<i>Net Position End of Year</i>	<u>\$55,149,431</u>	<u>\$52,690,040</u>	<u>\$57,966,313</u>	<u>\$54,906,049</u>	<u>\$113,115,744</u>	<u>\$107,596,089</u>

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Governmental Activities

Charges for services accounted for 11 percent of total governmental revenues while operating and capital grants and contributions accounted for 18 percent of total governmental revenues. During 2016, capital grants and contributions decreased significantly. This significant decrease is primarily due to federal funds received from the Ohio Department of Transportation. During 2015, the City received \$3,997,571 in federal monies for the State Route 256 Safety Grant paving project and \$1,648,638 in federal funds for the State Route 256 Urban Paving project. During 2016, the City received \$582,438 in federal monies for the State Route 256 Safety Grant paving project and \$136,090 in federal funds for the State Route 256 Urban Paving project. The decrease in federal funds was offset by capital contributions from developers in the amount of \$1,297,188. Capital contributions from developers are the result of the completion of Sections 7-1 and 7-2 of Preston Trails subdivision, Sections 1 and 2 of Pickerington Ponds subdivision, and Sections 2 through 4 of Springcreek subdivision.

Charges for services consist of direct charges to citizens which include recreation fees, court fines and forfeitures, police security services, and licenses and permits.

Property and income tax revenue provided 58 percent of total governmental revenues. Of the 58 percent, 41 percent of total governmental revenues were generated from income taxes and 17 percent was generated from property and other local taxes. These revenue sources comprise the largest components of City revenues. During 2016, income taxes and property and other taxes increased seven percent. The increase in income tax revenues is primarily due to the delinquent filing cases processed through the City's Mayor's Court and significant collections from non-filers found on the State of Ohio tax rolls. Income taxes, property and other taxes, and grants and contributions combined together, provided 76 percent of the City's total governmental revenues.

Miscellaneous revenues primarily consists of revenues derived from cellular tower agreements the City maintains with Verizon, T-Mobile, Sprint, and AT&T.

The City's security of persons and property activities accounted for \$5,596,622, or 42 percent, of total program expenses. Transportation services expenses were \$3,152,322, or 24 percent, of total program expenses.

The following table presents the total expenses and net cost of each of the City's governmental program activities. The net cost (total program activity expenses less revenues generated by the program) represents the financial burden that was placed on the City's taxpayers by each of these program activities. Costs not covered by program revenues are essentially funded with the City's general revenues, which are primarily composed of income taxes, property taxes, payment in lieu of taxes, intergovernmental revenues, and unrestricted interest earnings.

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Table 3
Governmental Activities

	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2016	2016	2015	2015
General Government	\$2,539,460	\$2,503,612	\$2,344,441	\$2,285,366
Security of Persons and Property	5,596,622	5,017,689	4,958,894	4,413,488
Transportation	3,152,322	135,671	3,018,986	(4,780,781)
Leisure Time Activities	727,661	556,439	741,811	515,728
Public Health Services	167,789	167,789	158,281	158,281
Community Environment	947,600	122,023	713,456	147,464
Interest and Fiscal Charges	253,014	253,014	276,826	276,826
Totals	\$13,384,468	\$8,756,237	\$12,212,695	\$3,016,372

Business-Type Activities

The City's business-type activities are for water, sewer, stormwater, and aquatic recreation services. During 2016, program revenues exceeded expenses by \$3,019,778.

The minimum water rate is \$4.16 per each thousand gallons of water used up to a maximum of 12,000 gallons plus a \$4.50 per month service charge. A water fee of \$6.39 is assessed for each thousand gallons used in excess of 12,000 gallons per month. Sewer fees are calculated on the amount of water used. The minimum sewer rate is \$27.38 per month up to 3,000 gallons of water. A sewer fee of \$9.13 is assessed for each thousand gallons of water used in excess of 3,000 per month. Stormwater fees are assessed at a flat rate of a \$4.50 per month.

The City's Funds

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

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

General Fund

The General Fund is the primary operating fund of the City. At the end of 2016, unassigned fund balance was \$4,819,325, while total fund balance was \$5,557,608. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance, to total expenditures and other financing uses. Unassigned fund balance represents 55 percent of total General Fund expenditures and other financing uses, while total fund balance represents 63 percent of General Fund expenditures and other financing uses.

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The fund balance of the City's General Fund increased by \$710,648 during the current year. The key factors for the increase in fund balance were primarily due to an increase in income tax revenues in the amount of \$572,724. The increase in income tax revenues is primarily due to the delinquent filing cases processed through the City's Mayor's Court and significant collections from non-filers found on the State of Ohio tax rolls.

Other Major Governmental Funds

Street Fund

The fund balance of the Street Fund at December 31, 2016 is \$1,086,065, an increase of \$107,104 from the prior year. The increase in fund balance is primarily due to an increase in transfers from the General Fund in the amount of \$200,000. The increase in transfers is offset by an increase in operating expenditures in the amount of \$524,824. The increase in operating expenditures is primarily due to the City investing \$945,966 in paving compared to \$253,863 in 2015.

Police Fund

The fund balance of the Police Fund at December 31, 2016 is \$462,088, an increase of \$60,824 from the prior year. The increase in fund balance is primarily due to an increase in transfers from the General Fund in the amount of \$150,000. The increase in transfers is offset by an increase in operating expenditures in the amount of \$223,521. The increase in operating expenditures is primarily due to a three percent increase in wages

Debt Service Fund

The fund balance of the Debt Service Fund at December 31, 2016 is \$129,537, a decrease of \$64,802 from the prior year. The decrease is primarily due to an increase in principal and interest expenditures in the amount of \$22,009 and a decrease in payment in lieu of taxes revenue in the amount of \$75,752. During 2015, the City received significant delinquent collections in the amount of \$73,203 for outstanding tax increment financing parcel. Significant delinquent collections did not reoccur during 2016.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The City's major proprietary funds are the Water Fund, the Sewer Fund, and the Stormwater Fund. The Water Fund's net position increased \$897,211, the Sewer Fund's net position increased \$1,609,215, and the Stormwater Fund's net position increased \$590,430.

The increase in the Water Fund's net position is primarily due to an increase in charges for services in the amount of \$68,833, an increase in capital contributions from developers in the amount of \$330,170, and a decrease in capital expenditures in the amount of \$597,968. During 2016, the City accepted capital contributions from developers in the amount of \$529,395 for water lines within Sections 7-1 and 7-2 of Preston Trails subdivision and Sections 1 and 2 of Pickerington Ponds subdivision. During 2016, the City invested \$401,643 in water capital improvements compared to \$999,611 in water capital improvements in 2015.

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2016
Unaudited

The increase in the Sewer Fund's net position is primarily due to an increase in capital contributions from developers in the amount of \$522,545, an increase in capital contributions from customers in the amount of \$128,588, and a decrease in capital expenditures in the amount of \$475,204. During 2016, the City accepted capital contributions from developers in the amount of \$582,250 for sanitary sewer lines within Sections 7-1 and 7-2 of Preston Trails subdivision and Sections 1 and 2 of Pickerington Ponds subdivision. During 2016, the City invested \$126,103 in sanitary sewer capital improvements compared to \$601,307 in 2015.

The increase in the Stormwater Fund's net position is primarily due to capital contributions from developers in the amount of \$529,695. During 2016, the City accepted capital contributions from developers for storm sewers within Sections 7-1 and 7-2 of Preston Trails subdivision and Sections 1 and 2 of Pickerington Ponds subdivision.

Budgetary Highlights

General Fund

The City made numerous revisions to the original appropriations approved by City Council. Overall, these changes resulted in an increase in appropriations for expenditures and other financing uses from the original budget in the amount of \$910,495. The majority of this increase was due to an increase in general government operating expenditures in the amount of \$533,217, community environment operating expenditures in the amount of \$141,716, and advances out in the amount of \$150,000.

The increase in general government operating expenditures is primarily due to an increase in construction inspection services in the amount of \$140,000, general technical engineering consulting services in the amount of \$70,000, payment of lost wages due to litigation in the amount of \$150,000, an increase in income tax refunds in the amount of \$50,000, an increase in legal services in the amount of \$21,000 for tax increment financing services and labor management services related to a FOP arbitration hearing, and an increase in personal services in the amount of \$15,000 for worker's compensation premiums paid prospectively versus retrospectively.

The increase in community environment expenditures is primarily due to an increase in developer deposit refunds for performance bonds and as-built escrows in the amount of \$125,000.

The increase in advances out in the amount of \$150,000 was for the reimbursable grant portion of the Victory Park-Sycamore Creek Park Bike Path Connector project.

Actual expenditures and other financing uses were less than the final budgeted expenditures and other financing uses by \$1,286,417; general government actual expenditures were \$432,898 less than budgeted, community environment expenditures were \$286,143 less than budgeted, and transfers out were \$545,000 less than budgeted. These differences are based upon the following factors: a decrease in the miscellaneous general government contractual services and legal services in the amounts of \$150,000 and \$9,587, respectively, due to a litigation settlement that was not paid out by year end and annexation services that were budgeted and did not occur, a decrease in engineering consulting services and construction inspection services in the amount of \$20,044 and \$44,337, respectively, due to conservative estimates, a decrease in the municipal clerk's department in the amount of \$22,507 for the retirement and transition of the City Clerk's position which did not occur during 2016, a decrease in council in the amount of \$17,989 for insurance benefits that were budgeted but not taken, and a decrease in technology professional services in the amount of \$26,547 due to conservative estimates.

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2016
Unaudited

Community environment actual expenditures were \$286,143 less than budgeted primarily due to the Economic Development Director position remaining vacant until April 2016 in the amount of \$49,698, the Joint Economic Development Land Use Plan budgeted but not completed in the amount of \$75,000, conservative residential and commercial plan review and construction inspection estimates in the building department in the amount of \$23,976, and conservative developer deposit refund estimates in the amount of \$84,721.

Transfers out were \$545,000 less than budgeted due to conservative parks and police fund operating estimates.

The City's actual revenues and other financing sources were greater than the final budgeted revenues and other financing sources by \$533,101. This increase is primarily due to an increase in income tax revenues in the amount of \$150,835 and an increase in interest revenue in the amount of \$85,034 due to conservative estimates. In addition, during 2016, the City saw an increase in residential and commercial development which directly impacts the increase in building permit revenues, residential and commercial construction inspection revenues, and engineering plan site review services in the amounts of \$68,141, \$41,640, and \$41,087, respectively.

At December 31, 2016, the fund balance on a budgetary basis is \$991,524 better than initially projected in the original budget.

Capital Assets and Debt Administration

Capital Assets

As of December 31, 2016, the City had \$125,464,433 invested in capital assets, net of accumulated depreciation. Table 4 shows 2016 balances compared to 2015.

Table 4
Capital Assets at December 31, 2016 with comparative as of December 31, 2015
(Net of Accumulated Depreciation)

	<u>Government Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	2016	2015	2016	2015	2016	2015
Land	\$6,499,188	\$6,491,189	\$1,883,347	\$1,883,347	\$8,382,535	\$8,374,536
Construction in Progress	9,820,669	7,873,715	707,102	541,802	10,527,771	8,415,517
Land Improvements	966,864	908,513	455,508	484,352	1,422,372	1,392,865
Buildings	3,412,350	3,468,613	23,534,756	24,346,835	26,947,106	27,815,448
Equipment	548,107	553,492	960,502	947,211	1,508,609	1,500,703
Infrastructure	41,491,568	41,421,141	34,702,977	33,544,640	76,194,545	74,965,781
Vehicles	334,916	253,453	146,579	183,714	481,495	437,167
Totals	\$63,073,662	\$60,970,116	\$62,390,771	\$61,931,901	\$125,464,433	\$122,902,017

For additional information on capital assets, see Note 12 to the basic financial statements.

The total increase of \$2,562,416 in the City's capital assets, net of accumulated depreciation, for the current year was primarily due to capital contributions from developers in the form of subdivision roads, water and sewer lines, and storm sewers. The increase in capital assets is offset by current year depreciation.

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2016
Unaudited

Debt

As of December 31, 2016 and December 31, 2015, the City had total long-term debt of \$24,365,382 and \$25,925,986, respectively, as follows:

Table 5
Outstanding Debt
As of December 31, 2016, with comparative for December 31, 2015

	Governmental Activities		Business-Type Activities		Totals	
	2016	2015	2016	2015	2016	2015
General Obligation Bonds	\$9,164,446	\$9,913,520	\$3,206,659	\$3,461,767	\$12,371,105	\$13,375,287
Bond Anticipation Notes	2,300,000	2,300,000	0	0	2,300,000	2,300,000
OWDA Loans	0	0	9,534,607	10,202,178	9,534,607	10,202,178
Capital Leases	141,325	25,854	18,345	22,667	159,670	48,521
Totals	<u>\$11,605,771</u>	<u>\$12,239,374</u>	<u>\$12,759,611</u>	<u>\$13,686,612</u>	<u>\$24,365,382</u>	<u>\$25,925,986</u>

During 2016, the City retired \$667,571 in OWDA loans and \$975,000 in general obligation bonds and refunding bonds. During 2016, the City entered into capital leases in the amount of \$122,354 and repaid \$11,205. In addition, the City retired the \$2,300,000 street improvement general obligation bond anticipation notes issued on January 6, 2015 and re-issued \$2,300,000 in street improvement general obligation bond anticipation notes for the purpose of paying costs to design, construct, improve, and widen Refugee Road.

The City's overall legal debt margin was \$36,171,533 at December 31, 2016. See Note 18 for more detailed information of the City's outstanding debt. The net pension liability under GASB 68 is also reported as a long-term obligation that has been previously disclosed within the management's discussion and analysis.

Current Finance Related Activities

- The City's income tax rate of one percent with a one-half percent credit for tax paid to other municipalities has not increased since its inception in 1976, but revenues have continued to increase each year even in times of economic downturn. This is due to mandatory filing and a diligent delinquency collection program which has resulted in strict compliance.
- A contractor registration program was instituted in 1996 that requires all general contractors and individual trades performing work in the City to register with the City. This requirement serves as a control for income tax revenues.
- A three percent hotel/motel tax was instituted in 1995.
- Fees are collected from developers for turn-lanes, traffic lights, sewer fair share, detention pond maintenance, and tree planting in subdivisions.
- Right-of-way fees were instituted in 2002 as a charge for the utility companies who use the City right-of-way for their service lines.

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2016
Unaudited

- Capacity fee charges for water, sewer, and stormwater increase an automatic three percent each year.

- Impact fees were instituted in 2005 on new residential and commercial construction in the City.

Requests for Information

This financial report is designed to provide the City's citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have any questions about this report, please contact the City's Office by calling (614) 837-3974 or by writing the Finance Director at 100 Lockville Road, Pickerington, Ohio 43147.

Basic Financial Statements

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

	Governmental Activities	Business - Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$9,153,056	\$8,963,589	\$18,116,645
Permissive Motor Vehicle Registration Fees Receivable	18,847	0	18,847
Hotel and Motel Taxes Receivable	8,943	0	8,943
Income Taxes Receivable	1,020,765	0	1,020,765
Accounts Receivable	219,426	667,343	886,769
Materials and Supplies Inventory	123,557	332,579	456,136
Prepaid Items	133,404	68,847	202,251
Intergovernmental Receivable	789,209	228	789,437
Accrued Interest Receivable	24,880	1,011	25,891
Property Taxes Receivable	2,561,655	0	2,561,655
Payments in Lieu of Taxes Receivable	255,294	0	255,294
Non-Depreciable Capital Assets	16,319,857	2,590,449	18,910,306
Depreciable Capital Assets, Net	46,753,805	59,800,322	106,554,127
<i>Total Assets</i>	<u>77,382,698</u>	<u>72,424,368</u>	<u>149,807,066</u>
Deferred Outflows of Resources			
Deferred Charge on Refunding Pension	70,067	15,319	85,386
	2,470,936	737,342	3,208,278
<i>Total Deferred Outflows of Resources</i>	<u>2,541,003</u>	<u>752,661</u>	<u>3,293,664</u>
Liabilities			
Matured Capital Leases Payable	125	0	125
Matured Interest Payable	81	0	81
Accrued Wages and Benefits	174,771	55,820	230,591
Intergovernmental Payable	113,412	24,229	137,641
Accounts Payable	261,176	62,014	323,190
Judgments Payable	140,754	0	140,754
Contracts Payable	33,587	453	34,040
Retainage Payable	44,844	0	44,844
Accrued Interest Payable	42,996	149,105	192,101
Customer Deposits Payable	0	24,874	24,874
Long-Term Liabilities:			
Due Within One Year	1,010,460	1,028,392	2,038,852
Due In More Than One Year			
Net Pension Liability (See Note 13)	9,023,292	1,934,364	10,957,656
Other Amounts Due in More Than One Year	11,286,126	11,880,451	23,166,577
<i>Total Liabilities</i>	<u>22,131,624</u>	<u>15,159,702</u>	<u>37,291,326</u>
Deferred Inflows of Resources			
Property Taxes	2,514,000	0	2,514,000
Pension	128,646	51,014	179,660
<i>Total Deferred Inflows of Resources</i>	<u>2,642,646</u>	<u>51,014</u>	<u>2,693,660</u>
Net Position			
Net Investment in Capital Assets	51,952,725	49,701,418	101,654,143
Restricted for:			
Capital Projects	2,133,092	0	2,133,092
Security of Persons and Property	96,531	0	96,531
Transportation Services	1,290,591	0	1,290,591
Other Purposes	618,637	0	618,637
Perpetual Care:			
Expendable	2,826	0	2,826
Non-Expendable	1,545	0	1,545
Unrestricted (Deficit)	(946,516)	8,264,895	7,318,379
<i>Total Net Position</i>	<u>\$55,149,431</u>	<u>\$57,966,313</u>	<u>\$113,115,744</u>

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

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

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$2,539,460	\$17,204	\$18,644	\$0
Security of Persons and Property	5,596,622	369,618	209,315	0
Transportation	3,152,322	337,449	783,583	1,895,619
Leisure Time Activities	727,661	165,222	6,000	0
Public Health Services	167,789	0	0	0
Community Environment	947,600	825,577	0	0
Interest and Fiscal Charges	253,014	0	0	0
<i>Total Governmental Activities</i>	<u>13,384,468</u>	<u>1,715,070</u>	<u>1,017,542</u>	<u>1,895,619</u>
Business-Type Activities:				
Water	2,553,612	2,414,289	0	1,012,297
Sewer	3,127,684	3,654,726	0	1,074,315
Stormwater	708,486	683,101	0	614,513
Aquatic Recreation Center	227,495	183,814	0	0
<i>Total Business-Type Activities</i>	<u>6,617,277</u>	<u>6,935,930</u>	<u>0</u>	<u>2,701,125</u>
<i>Total</i>	<u>\$20,001,745</u>	<u>\$8,651,000</u>	<u>\$1,017,542</u>	<u>\$4,596,744</u>

General Revenues

Property and Other Taxes Levied for General Purposes
Property Taxes Levied for Security of Persons and Property
Income Taxes Levied for General Purposes
Franchise Taxes
Grants and Entitlements not Restricted to Specific Programs
Investment Earnings
Payments in Lieu of Taxes
Impact Fees
Gain on Sale of Capital Assets
Miscellaneous
Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

Net (Expense) Revenue and
Change in Net Position

Governmental Activities	Business - Type Activities	Total
(\$2,503,612)	\$0	(\$2,503,612)
(5,017,689)	0	(5,017,689)
(135,671)	0	(135,671)
(556,439)	0	(556,439)
(167,789)	0	(167,789)
(122,023)	0	(122,023)
(253,014)	0	(253,014)
<u>(8,756,237)</u>	<u>0</u>	<u>(8,756,237)</u>
0	872,974	872,974
0	1,601,357	1,601,357
0	589,128	589,128
0	(43,681)	(43,681)
<u>0</u>	<u>3,019,778</u>	<u>3,019,778</u>
<u>(8,756,237)</u>	<u>3,019,778</u>	<u>(5,736,459)</u>
1,045,437	0	1,045,437
1,619,111	0	1,619,111
6,478,485	0	6,478,485
244,610	0	244,610
306,616	0	306,616
93,295	17,603	110,898
384,545	0	384,545
675,793	0	675,793
1,151	107	1,258
366,585	22,776	389,361
<u>11,215,628</u>	<u>40,486</u>	<u>11,256,114</u>
2,459,391	3,060,264	5,519,655
<u>52,690,040</u>	<u>54,906,049</u>	<u>107,596,089</u>
<u>\$55,149,431</u>	<u>\$57,966,313</u>	<u>\$113,115,744</u>

City of Pickerington, Ohio
Balance Sheet
Governmental Funds
December 31, 2016

	General	Street	Police
Assets			
Equity in Pooled Cash and Cash Equivalents	\$4,624,365	\$993,297	\$584,703
Receivables:			
Permissive Motor Vehicle Registration Fees	0	7,539	0
Property Taxes	919,266	0	1,642,389
Income Taxes	1,020,765	0	0
Hotel and Motel Taxes	8,943	0	0
Payments in Lieu of Taxes	0	0	0
Accounts	218,611	149	75
Accrued Interest	24,880	0	0
Intergovernmental	138,155	350,562	100,129
Interfund	150,000	0	0
Materials and Supplies Inventory	31,180	51,189	20,235
Prepaid Items	39,043	20,057	65,783
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	116,776	0	0
<i>Total Assets</i>	<u>\$7,291,984</u>	<u>\$1,422,793</u>	<u>\$2,413,314</u>
Liabilities			
Matured Interest Payable	\$81	\$0	\$0
Matured Capital Leases Payable	125	0	0
Accrued Wages and Benefits	42,006	9,018	116,961
Accounts Payable	108,473	45,100	12,900
Contracts Payable	0	0	0
Retainage Payable	0	44,844	0
Interfund Payable	0	0	0
Judgments Payable	140,754	0	0
Intergovernmental Payable	25,908	4,242	79,678
<i>Total Liabilities</i>	<u>317,347</u>	<u>103,204</u>	<u>209,539</u>
Deferred Inflows of Resources			
Property Taxes	901,500	0	1,612,500
Unavailable Revenue	515,529	233,524	129,187
<i>Total Deferred Inflows of Resources</i>	<u>1,417,029</u>	<u>233,524</u>	<u>1,741,687</u>
Fund Balances			
Nonspendable	186,999	71,246	86,018
Restricted	0	1,014,819	376,070
Committed	0	0	0
Assigned	551,284	0	0
Unassigned (Deficit)	4,819,325	0	0
<i>Total Fund Balances</i>	<u>5,557,608</u>	<u>1,086,065</u>	<u>462,088</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$7,291,984</u>	<u>\$1,422,793</u>	<u>\$2,413,314</u>

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$129,537	\$2,702,833	\$9,034,735
0	11,308	18,847
0	0	2,561,655
0	0	1,020,765
0	0	8,943
3,086	252,208	255,294
0	591	219,426
0	0	24,880
0	200,363	789,209
0	0	150,000
0	20,953	123,557
0	8,521	133,404
<u>0</u>	<u>1,545</u>	<u>118,321</u>
<u>\$132,623</u>	<u>\$3,198,322</u>	<u>\$14,459,036</u>
\$0	\$0	\$81
0	0	125
0	6,786	174,771
0	94,703	261,176
0	33,587	33,587
0	0	44,844
0	150,000	150,000
0	0	140,754
0	3,584	113,412
<u>0</u>	<u>288,660</u>	<u>918,750</u>
0	0	2,514,000
<u>3,086</u>	<u>412,691</u>	<u>1,294,017</u>
<u>3,086</u>	<u>412,691</u>	<u>3,808,017</u>
0	31,019	375,282
129,537	814,744	2,335,170
0	1,758,690	1,758,690
0	0	551,284
0	(107,482)	4,711,843
<u>129,537</u>	<u>2,496,971</u>	<u>9,732,269</u>
<u>\$132,623</u>	<u>\$3,198,322</u>	<u>\$14,459,036</u>

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

Total Fund Balances for Governmental Funds		\$9,732,269
<i>Amounts reported for governmental activities in 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.		63,073,662
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:		
Property Taxes	47,655	
Municipal Income Taxes	335,991	
Charges for Services	17,124	
Licenses and Permits	15,500	
Intergovernmental	592,251	
Interest	7,785	
Payment in Lieu of Taxes	255,294	
Franchise Taxes	22,417	
Total		1,294,017
Accrued Interest Payable is not due and payable in the current period and therefore is not reported in the funds.		(42,996)
Deferred Outflows of Resources represent deferred charges on refundings which are not reported in the funds.		70,067
Long-term liabilities and accrued interest are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds and Unamortized Premiums	(4,182,873)	
General Obligation Refunding Bonds and Unamortized Premiums	(4,981,573)	
Long-Term Notes Payable	(2,300,000)	
Compensated Absences	(690,815)	
Capital Leases	(141,325)	
Total		(12,296,586)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the governmental funds:		
Deferred Outflows - Pension	2,470,936	
Net Pension Liability	(9,023,292)	
Deferred Inflows - Pension	(128,646)	
Total		(6,681,002)
Net Position of Governmental Activities		\$55,149,431

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

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

	<u>General</u>	<u>Street</u>	<u>Police</u>
Revenues			
Property Taxes	\$907,194	\$0	\$1,624,637
Hotel and Motel Taxes	140,788	0	0
Permissive Motor Vehicle Registration Fees	0	94,980	0
Municipal Income Taxes	6,522,957	0	0
Charges for Services	264,786	0	205,206
Licenses and Permits	548,946	0	0
Impact Fees	0	0	0
Fines and Forfeitures	162,294	0	0
Intergovernmental	387,771	719,575	205,582
Interest	84,578	654	0
Payments in Lieu of Taxes	0	0	0
Contributions and Donations	18,644	0	1,995
Other	481,994	29,810	39,020
<i>Total Revenues</i>	<u>9,519,952</u>	<u>845,019</u>	<u>2,076,440</u>
Expenditures			
Current:			
General Government	2,426,177	0	0
Security of Persons and Property	116,052	0	4,962,388
Transportation	0	1,860,269	0
Leisure Time Activities	40,637	0	0
Public Health Services	167,789	0	0
Community Environment	923,284	0	0
Capital Outlay	0	0	0
Debt Service:			
Refunded Notes	0	0	0
Principal Retirement	4,007	0	2,876
Interest and Fiscal Charges	1,494	0	352
<i>Total Expenditures</i>	<u>3,679,440</u>	<u>1,860,269</u>	<u>4,965,616</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,840,512</u>	<u>(1,015,250)</u>	<u>(2,889,176)</u>
Other Financing Sources (Use):			
Proceeds from the Sale of Capital Assets	1,361	0	0
Inception of a Capital Lease	0	122,354	0
Bond Anticipation Notes Issued	0	0	0
Transfers In	0	1,000,000	2,950,000
Transfers Out	(5,131,225)	0	0
<i>Total Other Financing Sources (Use)</i>	<u>(5,129,864)</u>	<u>1,122,354</u>	<u>2,950,000</u>
<i>Net Change in Fund Balances</i>	710,648	107,104	60,824
Fund Balances at Beginning of Year	<u>4,846,960</u>	<u>978,961</u>	<u>401,264</u>
<i>Fund Balances End of Year</i>	<u><u>\$5,557,608</u></u>	<u><u>\$1,086,065</u></u>	<u><u>\$462,088</u></u>

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

Debt Service	Other Governmental Funds	Total Governmental Funds
\$0	\$0	\$2,531,831
0	0	140,788
0	142,469	237,449
0	0	6,522,957
0	234,247	704,239
0	30,975	579,921
0	675,793	675,793
0	10,653	172,947
0	1,023,044	2,335,972
10,235	1,216	96,683
18,487	214,969	233,456
0	6,000	26,639
0	37,954	588,778
<u>28,722</u>	<u>2,377,320</u>	<u>14,847,453</u>
0	9,253	2,435,430
0	3,957	5,082,397
0	46,335	1,906,604
0	715,808	756,445
0	0	167,789
0	0	923,284
0	2,078,347	2,078,347
2,300,000	0	2,300,000
725,000	0	731,883
262,252	0	264,098
<u>3,287,252</u>	<u>2,853,700</u>	<u>16,646,277</u>
<u>(3,258,530)</u>	<u>(476,380)</u>	<u>(1,798,824)</u>
0	750	2,111
0	0	122,354
2,300,000	0	2,300,000
893,728	613,650	5,457,378
<u>0</u>	<u>(326,153)</u>	<u>(5,457,378)</u>
<u>3,193,728</u>	<u>288,247</u>	<u>2,424,465</u>
(64,802)	(188,133)	625,641
<u>194,339</u>	<u>2,685,104</u>	<u>9,106,628</u>
<u>\$129,537</u>	<u>\$2,496,971</u>	<u>\$9,732,269</u>

City of Pickerington, 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 \$625,641

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. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital Asset Additions	3,258,686	
Capital Contributions from Developers	1,297,188	
Depreciation Expense	<u>(2,451,368)</u>	2,104,506

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the proceeds, and the gain on disposal of assets:

Proceeds from Sale of Capital Assets	(2,111)	
Gain on Disposal of Capital Assets	<u>1,151</u>	(960)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property Taxes	(8,071)	
Income Taxes	(44,472)	
Charges for Services	5,014	
Licenses and Permits	15,500	
Intergovernmental	(440,022)	
Interest	(3,388)	
Payment in Lieu of Taxes	151,089	
Other	<u>22,417</u>	(301,933)

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

General Obligation Bonds	430,000	
General Obligation Refunding Bonds	295,000	
Long-Term Bond Anticipation Notes	2,300,000	
Capital Leases	<u>6,883</u>	3,031,883

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of activities. Premiums are reported as revenues when the debt is first issued; however these amounts are allocated as an expense over the life of the bond on the statement of activities.

Accrued Interest Payable	(4,232)	
Amortization on Premium of General Obligation Bonds	9,554	
Amortization on Premium of General Obligation Refunding Bonds	<u>14,520</u>	\$19,842

(continued)

City of Pickerington, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities (Continued)
 For the Year Ended December 31, 2016

Some capital assets were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net position the lease obligation is reported as a liability.	(\$122,354)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Compensated Absences Payable	(2,114)
Deferred outflows of resources represent the amortization of deferred charges on refundings which are not reported in the funds.	(8,758)
Long-term debt proceeds are other financing sources in the governmental funds, but the issuance increases the long-term liabilities on the statement of activities.	(2,300,000)
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows.	637,148
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.	<u>(1,223,510)</u>
<i>Change in Net Position of Governmental Activities</i>	<u><u>\$2,459,391</u></u>

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

City of Pickerington, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Property and Other Taxes	\$987,000	\$987,000	\$1,045,999	\$58,999
Municipal Income Taxes	6,197,053	6,197,053	6,347,888	150,835
Charges for Services	83,775	83,775	160,830	77,055
Licenses and Permits	462,725	462,725	556,262	93,537
Fines and Forfeitures	150,000	150,000	163,984	13,984
Intergovernmental	322,575	322,575	389,074	66,499
Interest	40,012	40,277	125,311	85,034
Contributions and Donations	17,500	17,500	18,644	1,144
Other	438,038	520,274	504,927	(15,347)
<i>Total Revenues</i>	<u>8,698,678</u>	<u>8,781,179</u>	<u>9,312,919</u>	<u>531,740</u>
Expenditures				
Current:				
General Government	2,492,491	3,025,708	2,592,810	432,898
Security of Persons and Property	118,117	140,029	123,128	16,901
Leisure Time Activities	43,000	43,000	40,637	2,363
Public Health Services	170,901	170,901	167,789	3,112
Community Environment	966,838	1,108,554	822,411	286,143
<i>Total Expenditures</i>	<u>3,791,347</u>	<u>4,488,192</u>	<u>3,746,775</u>	<u>741,417</u>
<i>Excess of Revenues Over Expenditures</i>	<u>4,907,331</u>	<u>4,292,987</u>	<u>5,566,144</u>	<u>1,273,157</u>
Other Financing Source (Uses)				
Proceeds from the Sale of Capital Assets	0	0	1,361	1,361
Advances Out	0	(150,000)	(150,000)	0
Transfers Out	(5,612,575)	(5,676,225)	(5,131,225)	545,000
<i>Total Other Financing Source (Uses)</i>	<u>(5,612,575)</u>	<u>(5,826,225)</u>	<u>(5,279,864)</u>	<u>546,361</u>
<i>Net Change in Fund Balance</i>	(705,244)	(1,533,238)	286,280	1,819,518
Fund Balance at Beginning of Year	4,265,184	4,265,184	4,265,184	0
Prior Year Encumbrances Appropriated	98,845	98,845	98,845	0
<i>Fund Balance at End of Year</i>	<u>\$3,658,785</u>	<u>\$2,830,791</u>	<u>\$4,650,309</u>	<u>\$1,819,518</u>

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues				
Permissive Motor Vehicle Registration Fees	\$85,000	\$85,000	\$94,676	\$9,676
Intergovernmental	635,000	635,000	714,340	79,340
Interest	250	250	654	404
Other	7,848	7,848	33,242	25,394
<i>Total Revenues</i>	<u>728,098</u>	<u>728,098</u>	<u>842,912</u>	<u>114,814</u>
Expenditures				
Current:				
Transportation	<u>1,947,842</u>	<u>1,996,879</u>	<u>1,769,186</u>	<u>227,693</u>
<i>Excess of Revenues Under Expenditures</i>	(1,219,744)	(1,268,781)	(926,274)	342,507
Other Financing Source				
Transfers In	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(219,744)	(268,781)	73,726	342,507
Fund Balance at Beginning of Year	777,432	777,432	777,432	0
Prior Year Encumbrances Appropriated	<u>43,037</u>	<u>43,037</u>	<u>43,037</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$600,725</u>	<u>\$551,688</u>	<u>\$894,195</u>	<u>\$342,507</u>

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

City of Pickerington, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$1,538,500	\$1,538,500	\$1,624,637	\$86,137
Charges for Services	183,702	183,702	206,294	22,592
Intergovernmental	186,132	186,132	205,582	19,450
Contributions and Donations	0	0	1,995	1,995
Other	91,904	91,904	48,202	(43,702)
<i>Total Revenues</i>	<u>2,000,238</u>	<u>2,000,238</u>	<u>2,086,710</u>	<u>86,472</u>
Expenditures				
Current:				
Security of Persons and Property	<u>5,356,129</u>	<u>5,533,872</u>	<u>5,003,178</u>	<u>530,694</u>
<i>Excess of Revenues Under Expenditures</i>	(3,355,891)	(3,533,634)	(2,916,468)	617,166
Other Financing Source				
Transfers In	<u>3,380,000</u>	<u>3,380,000</u>	<u>2,950,000</u>	<u>(430,000)</u>
<i>Net Change in Fund Balance</i>	24,109	(153,634)	33,532	187,166
Fund Balance at Beginning of Year	461,554	461,554	461,554	0
Prior Year Encumbrances Appropriated	<u>50,643</u>	<u>50,643</u>	<u>50,643</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$536,306</u></u>	<u><u>\$358,563</u></u>	<u><u>\$545,729</u></u>	<u><u>\$187,166</u></u>

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

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City of Pickerington, Ohio
Statement of Fund Net Position
Enterprise Funds
December 31, 2016

	Business - Type Activities - Enterprise Funds		
	Water	Sewer	Stormwater
Assets:			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$3,554,062	\$4,159,549	\$1,110,706
Accounts Receivable	195,837	405,968	65,538
Intergovernmental Receivable	79	92	41
Accrued Interest Receivable	1,011	0	0
Materials and Supplies Inventory	190,493	142,086	0
Prepaid Items	28,733	34,699	2,055
<i>Total Current Assets</i>	3,970,215	4,742,394	1,178,340
Noncurrent Assets:			
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	12,437	12,437	0
Non-Depreciable Capital Assets	1,135,324	524,969	354,806
Depreciable Capital Assets, net	21,454,700	27,777,232	9,916,771
<i>Total Noncurrent Assets</i>	22,602,461	28,314,638	10,271,577
<i>Total Assets</i>	26,572,676	33,057,032	11,449,917
Deferred Outflows of Resources:			
Deferred Charge on Refunding Pension	0	15,319	0
	305,727	323,711	107,904
<i>Total Deferred Outflows of Resources</i>	305,727	339,030	107,904
Liabilities:			
Current Liabilities:			
Accrued Wages and Benefits	24,009	24,047	7,764
Intergovernmental Payable	10,572	10,526	3,123
Accounts Payable	26,482	33,272	2,043
Contracts Payable	0	0	453
Accrued Interest Payable	16,803	132,302	0
Current Portion of:			
Compensated Absences Payable	37,868	36,110	3,969
General Obligation Bonds Payable	105,000	150,000	0
Capital Leases Payable	2,233	2,232	0
OWDA Loans Payable	159,393	531,587	0
<i>Total Current Liabilities</i>	382,360	920,076	17,352
Long-Term Liabilities (Net of Current Portion):			
Customer Deposits Payable from Restricted Assets	12,437	12,437	0
Compensated Absences Payable	33,426	37,469	390
General Obligation Bonds Payable	1,959,939	991,720	0
Capital Leases Payable	6,940	6,940	0
OWDA Loans Payable	698,309	8,145,318	0
Net Pension Liability	802,054	849,233	283,077
<i>Total Long-Term Liabilities</i>	3,513,105	10,043,117	283,467
<i>Total Liabilities</i>	3,895,465	10,963,193	300,819
Deferred Inflows of Resources:			
Pension	21,152	22,396	7,466
Net Position:			
Net Investment in Capital Assets	19,713,149	18,489,723	10,271,577
Unrestricted	3,248,637	3,920,750	977,959
<i>Total Net Position</i>	\$22,961,786	\$22,410,473	\$11,249,536

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

Nonmajor Aquatic Recreation Center	Totals
\$114,398	\$8,938,715
0	667,343
16	228
0	1,011
0	332,579
3,360	68,847
<u>117,774</u>	<u>10,008,723</u>
0	24,874
575,350	2,590,449
651,619	59,800,322
<u>1,226,969</u>	<u>62,415,645</u>
<u>1,344,743</u>	<u>72,424,368</u>
0	15,319
<u>0</u>	<u>737,342</u>
<u>0</u>	<u>752,661</u>
0	55,820
8	24,229
217	62,014
0	453
0	149,105
0	77,947
0	255,000
0	4,465
0	690,980
<u>225</u>	<u>1,320,013</u>
0	24,874
0	71,285
0	2,951,659
0	13,880
0	8,843,627
0	1,934,364
<u>0</u>	<u>13,839,689</u>
<u>225</u>	<u>15,159,702</u>
<u>0</u>	<u>51,014</u>
1,226,969	49,701,418
<u>117,549</u>	<u>8,264,895</u>
<u>\$1,344,518</u>	<u>\$57,966,313</u>

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

	Business - Type Activities - Enterprise Funds		
	Water	Sewer	Stormwater
Operating Revenues			
Charges for Services	\$2,414,289	\$3,654,726	\$683,101
<i>Total Operating Revenues</i>	2,414,289	3,654,726	683,101
Operating Expenses			
Personal Services	946,953	912,163	281,374
Contractual Services	717,009	903,342	220,343
Materials and Supplies	305,018	34,261	20,926
Depreciation	513,566	405,427	185,843
<i>Total Operating Expenses</i>	2,482,546	2,255,193	708,486
<i>Operating Income (Loss)</i>	(68,257)	1,399,533	(25,385)
Non-Operating Revenues (Expenses)			
Interest	15,451	1,664	488
Interest and Fiscal Charges	(71,066)	(286,747)	0
Loss on Disposal of Capital Assets	0	(585,744)	0
Gain on Sale of Capital Assets	0	0	0
Other Non-Operating Revenues	8,786	6,194	814
<i>Total Non-Operating Revenues (Expenses)</i>	(46,829)	(864,633)	1,302
<i>Operating Income (Loss) Before Contributions</i>	(115,086)	534,900	(24,083)
Capital Contributions from Developers	529,395	582,250	529,695
Capital Contributions from Customers	482,902	492,065	84,818
<i>Change in Net Position</i>	897,211	1,609,215	590,430
Net Position Beginning of Year	22,064,575	20,801,258	10,659,106
<i>Net Position End of Year</i>	\$22,961,786	\$22,410,473	\$11,249,536

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

<u>Nonmajor Aquatic Recreation Center</u>	<u>Total</u>
<u>\$183,814</u>	<u>\$6,935,930</u>
<u>183,814</u>	<u>6,935,930</u>
97,745	2,238,235
59,613	1,900,307
35,164	395,369
<u>34,973</u>	<u>1,139,809</u>
<u>227,495</u>	<u>5,673,720</u>
<u>(43,681)</u>	<u>1,262,210</u>
0	17,603
0	(357,813)
0	(585,744)
107	107
<u>6,982</u>	<u>22,776</u>
<u>7,089</u>	<u>(903,071)</u>
(36,592)	359,139
0	1,641,340
<u>0</u>	<u>1,059,785</u>
(36,592)	3,060,264
<u>1,381,110</u>	<u>54,906,049</u>
<u>\$1,344,518</u>	<u>\$57,966,313</u>

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

	<u>Business - Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Customers	\$2,421,929	\$3,652,695	\$681,107
Cash Payments for Employee Services and Benefits	(900,031)	(865,740)	(270,319)
Cash Payments for Goods and Services	(1,075,401)	(977,007)	(253,097)
Utility Deposits Received	3,462	3,462	0
Utility Deposits Returned	(17,394)	(17,395)	0
Other Non-Operating Revenues	6,286	2,326	773
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>438,851</u>	<u>1,798,341</u>	<u>158,464</u>
Cash Flows from Investing Activities			
Interest on Investments	<u>16,534</u>	<u>1,664</u>	<u>488</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition of Capital Assets	(401,643)	(126,103)	(10,038)
Proceeds from Sale of Capital Assets	0	0	0
Tap-In Fees	486,099	416,988	84,818
Capital Grants	234,000	0	0
Principal Paid on General Obligation Refunding Bonds	0	(145,000)	0
Principal Paid on General Obligation Bonds	(105,000)	0	0
Principal Paid on OWDA Loans	(153,746)	(513,825)	0
Principal Paid on Capital Leases	(2,161)	(2,161)	0
Interest Paid on General Obligation Refunding Bonds	0	(37,828)	0
Interest Paid on General Obligation Bonds	(50,650)	0	0
Interest Paid on OWDA Loans	(29,201)	(271,902)	0
Interest Paid on Capital Leases	(336)	(337)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(22,638)</u>	<u>(680,168)</u>	<u>74,780</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	432,747	1,119,837	233,732
Cash and Cash Equivalents Beginning of Year	<u>3,133,752</u>	<u>3,052,149</u>	<u>876,974</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$3,566,499</u></u>	<u><u>\$4,171,986</u></u>	<u><u>\$1,110,706</u></u>

Nonmajor Aquatic Recreation Center	Total
\$183,814	\$6,939,545
(100,714)	(2,136,804)
(93,023)	(2,398,528)
0	6,924
0	(34,789)
6,966	16,351
(2,957)	2,392,699
0	18,686
(5,299)	(543,083)
107	107
0	987,905
0	234,000
0	(145,000)
0	(105,000)
0	(667,571)
0	(4,322)
0	(37,828)
0	(50,650)
0	(301,103)
0	(673)
(5,192)	(633,218)
(8,149)	1,778,167
122,547	7,185,422
\$114,398	\$8,963,589

(continued)

City of Pickerington, Ohio
Statement of Cash Flows
Proprietary Funds (Continued)
For the Year Ended December 31, 2016

	<u>Business - Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	(\$68,257)	\$1,399,533	(\$25,385)
Adjustments:			
Other Non-Operating Revenues	6,286	2,326	773
Depreciation	513,566	405,427	185,843
(Increases) Decreases in Assets:			
Accounts Receivable	7,640	(2,031)	(1,994)
Prepaid Items	(1,712)	5,847	(2,055)
Materials and Supplies Inventory	(44,148)	(42,219)	0
Decrease in Deferred Outflows - Pension	59,984	63,512	21,170
Increases (Decreases) in Liabilities:			
Accounts Payable	(9,143)	(5,207)	1,013
Accrued Wages and Benefits Payable	3,153	2,965	921
Contracts Payable	(3,240)	(2,160)	(12,768)
Compensated Absences Payable	5,688	3,465	(2,894)
Customer Deposits Payable	(13,932)	(13,933)	0
Intergovernmental Payable	3,076	2,109	937
Net Pension Liability	(8,262)	(8,747)	(2,915)
Decrease in Deferred Inflows - Pension	(11,848)	(12,546)	(4,182)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$438,851</u>	<u>\$1,798,341</u>	<u>\$158,464</u>

Noncash Capital Financing Activities:

During 2016, capital contributions from customers decreased \$3,197 in the Water Enterprise Fund due to a decrease in receivables for unbilled tap-in fees.

During 2016, developers contributed \$529,395, \$582,250, and \$529,695 in the form of water, sewer, and stormwater lines, respectively.

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

Nonmajor Aquatic Recreation Center	Total
(\$43,681)	\$1,262,210
6,966	16,351
34,973	1,139,809
0	3,615
(835)	1,245
0	(86,367)
0	144,666
40	(13,297)
0	7,039
0	(18,168)
0	6,259
0	(27,865)
(420)	5,702
0	(19,924)
0	(28,576)
<u>(\$2,957)</u>	<u>\$2,392,699</u>

City of Pickerington, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2016

Assets	
Cash and Cash Equivalents in Segregated Accounts	<u>\$8,781</u>
<i>Total Assets</i>	<u><u>\$8,781</u></u>
Liabilities	
Undistributed Monies	<u>\$8,781</u>
<i>Total Liabilities</i>	<u><u>\$8,781</u></u>

The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

NOTE 1 - REPORTING ENTITY

The City of Pickerington (the "City") is a charter municipal corporation operating under the laws of the State of Ohio. Pickerington was recognized as a village by the State of Ohio in 1930. The Village of Pickerington adopted a charter on November 4, 1980. On April 29, 1991, Pickerington was declared a City.

The municipal government provided by the charter is known as a mayor-council-manager form of government. Legislative power is vested in a seven-member council, each member elected to a four year term. The Mayor is elected by the citizens of Pickerington for a four year term. The Mayor appoints, with the concurrence of a majority vote of Council, the City Manager. The City Manager is the chief executive officer and the head of the administrative agencies of the City. He appoints all department heads and employees, except as otherwise provided in the Charter. The City Manager is responsible to the Mayor for the proper administration of all affairs of the City.

Reporting Entity

The financial reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements of the City are not misleading.

The primary government consists of all funds and departments that are not legally separate from the City. Services provided by the primary government include police protection, street maintenance and repairs, community and economic development, parks and recreation, and water, sewer, and stormwater services. A staff provides support (i.e., payroll processing, accounts payable, revenue collection) to the service providers. The operation and control of these activities is provided by the City Council through the budgetary process and by the City Manager through administrative and managerial requirements and procedures.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes, and there is a potential for the organization to provide specific financial benefit to, or impose specific financial burdens on, the primary government. No potential component units met these criteria.

The following potential component units have been excluded from the City's financial statements because the City is not financially accountable for them nor are the entities fiscally dependent on the City:

- Pickerington Local School District
- Pickerington Public Library
- Pickerington Senior Citizens Center, Inc.

The City is associated with three jointly governed organizations and two insurance purchasing pools. These organizations are the Fairfield, Hocking, and Athens Counties Council of Governments on Major Crimes Investigations, Fairfield County Regional Planning Commission, the Mid-Ohio Regional Planning Commission (MORPC), the Central Ohio Risk Management Association Inc. (CORMA), and the Ohio Municipal League Workers' Compensation Group Rating Program. These organizations are discussed in Notes 20 and 21 to the basic financial statements.

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

A. Basis of Presentation

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

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

B. Fund Accounting

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

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The City reports the following major governmental funds:

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

Street Fund – This fund is used to account for the portion of state gasoline tax and motor vehicle registration fees restricted for maintenance and repair of dedicated streets within the City.

Police Fund – This fund is used to account for property taxes and transfers to pay for police protection.

Debt Service Fund – This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The other governmental funds of the City account for grants and other resources whose use is restricted to a particular purpose.

Proprietary funds Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as either enterprise or internal service; the City has no internal service funds.

Enterprise Funds – Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The City reports the following major and nonmajor enterprise funds:

Water Fund –This fund is used to account for water services provided to individuals and commercial users. The costs of providing these services are financed primarily through user charges.

Sewer Fund –This fund is used to account for sanitary sewer services provided to individuals and commercial users. The costs of providing these services are financed primarily through user charges.

Stormwater Fund –This fund is used to account for stormwater services provided to individuals and commercial users. The costs of providing these services are financed primarily through a flat rate monthly charge.

The nonmajor Aquatic Recreation Center Enterprise Fund is used to account for monies collected from fees charged for pool passes and expenditures related to the upkeep and operation and maintenance of the facility.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Fiduciary funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The City's fiduciary fund is classified as an agency fund. The agency fund accounts for assets held by the City's Mayor's Court for distribution to other governments or individuals.

C. Measurement Focus

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

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

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

Revenues – Exchange and Non-exchange Transactions Revenue resulting from exchange transactions, in which each party gives and received essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that 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 City, available means expected to be received within sixty-days of year-end.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

The non-exchange transactions, in which the City receives value without directly giving equal value in return, includes income taxes, property taxes, payments in lieu of taxes, impact fees, intergovernmental grants, and donations. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes and payments in lieu of taxes is recognized in the year in which the taxes are levied. Revenues from impact fees are recognized in the year in which resources are required to be used or when use is first permitted. Revenues from intergovernmental grants are recognized in the year eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements in which the resources are provided to the City on a reimbursable basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue resources are considered to be both measurable and available at year end: interest, federal and state grants, state-levied local shared taxes (including motor vehicle registration fees and gasoline taxes), income taxes, and fees and rentals.

Deferred Outflows/ Inflows of Resources In addition to assets, the statements of financial position will sometimes 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 City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding and for pension. 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. The deferred outflows of resources related to pension are explained in Note 13.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance 2017 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and 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 City, unavailable revenue includes delinquent property taxes, income taxes, interest, charges for services, payment in lieu of taxes, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 26. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 13)

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

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

E. Budgetary Process

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The Community Development Block Grant Revolving Loan Special Revenue Fund, the Indigent Drivers Interlock and Alcohol Monitoring Special Revenue Fund, and the Cemetery Permanent Fund were not budgeted because the City did not anticipate any financial activity within these funds. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates.

The certificate of estimated resources establishes a limit on the amount the City Council may appropriate. The appropriations resolution is the City Council's authorization to spend resources and sets annual limits on the expenditures plus encumbrances at the level of control selected by the City Council. The legal level of budgetary control is at the fund, program, department, and object level. Any budgetary modifications at this level may only be made by resolution of the City Council.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. 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 final amended certificate approved.

The appropriation 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 in the budgetary statements reflect the first appropriation resolution for the fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts on the budgetary statements represent the final appropriations passed by City Council during the year.

F. Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Cash balances, except cash by a fiscal agent or held in segregated accounts, are pooled and invested in short term investments in order to provide improved cash management. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents.

During 2016, investments were limited to federal agency securities, commercial paper, negotiable certificates of deposit, and the State Treasury Asset Reserve of Ohio (STAR Ohio).

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost. The City had no nonnegotiable certificates of deposit at December 31, 2016.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

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 City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 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.

Provisions of the Ohio Revised Code restrict investment procedures. During 2016, interest was distributed to the General Fund, the Street Fund, the Debt Service Fund, certain special revenue funds, capital projects funds, permanent fund, and enterprise funds according to City ordinances. Interest revenue credited to the General Fund during 2016 amounted to \$84,578, which includes \$50,635 assigned from other City funds.

The City has a segregated bank account for monies held separate from the City's central bank account. This bank account is presented on the financial statements as "Cash and Cash Equivalents in Segregated Accounts", for the mayor's court bank account since the funds are not deposited into the City treasury.

G. Receivables and Payables

Receivables and payables to be recorded on the City's financial statements are recorded to the extent that 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 in the case of receivables, collectibility.

H. Materials and Supplies Inventory

Inventories represent supplies held for consumption, are presented at cost on a first-in, first-out basis and are expended/expensed when used.

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 recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

J. Restricted Assets

Restricted cash and cash equivalents in the General Fund represent the amount of unclaimed monies and developer deposits that are not available for appropriation. Restricted cash and cash equivalents in the Cemetery Permanent Fund represent the principal portion of cemetery funds bequeathed to the City. Restricted cash and cash equivalents in the Water and Sewer Enterprise Funds represent resources set aside by the City for the repayment of water and sewer deposits.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

K. Capital Assets and Depreciation

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities columns 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 fund.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest costs incurred during the construction of capital assets utilized by the enterprise fund are also capitalized.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful life of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Building	50 years	50 -60 years
Improvements to Land Other than Buildings	20 years	20 years
Equipment	3-15 years	3-20 years
Vehicles	4-15 years	8-15 years
Infrastructure	10-50 years	65 years

The City's infrastructure consists of streets, curbs and gutters, traffic lights, water, sewer, and stormwater lines, and does not include infrastructure (roads) acquired prior to December 31, 1980.

L. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. 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 City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. The City records a liability for accumulated unused sick leave for employees after five years of service.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

The entire compensated absences liability is reported on the government-wide financial statements. On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the fund from which the employees who have accumulated leave are paid, there are no such amounts reported at December 31, 2016. The non-current portion of the liability is not reported. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

M. Pensions

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

N. Accrued Liabilities and Long-Term Obligations

The City reports all payables, accrued liabilities, and long-term obligations in the government-wide financial statements and it reports all payables, accrued liabilities, and long-term obligations payable from proprietary funds 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, compensated absences and net pension liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that these liabilities are due for payment during the current year. Bonds, long-term notes, and capital leases are recognized as a liability on the fund financial statements when due.

O. Bond Premiums and Issuance Costs

On government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On the governmental fund statements, bond premiums are recorded in the year the bonds are issued. Premiums received on debt issuances are reported as other financing sources.

Under Ohio law, premiums on the original issuance of debt are to be deposited into the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

Bond issuance costs are shown as expensed in the year of the debt issuance.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

P. Fund Balance

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

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans and notes receivable, prepaids, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

Restricted – The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by State constitution or external resource providers. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

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

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the City Council. In the General Fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute. State Statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The City Council assigned fund balance to cover a gap between estimated revenue and appropriations in 2017’s appropriated budget.

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

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

Q. Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations or other governments. Net position restricted for other purposes primarily include activities related to the City's parks, law enforcement, and street and state highway maintenance and repairs.

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

R. Contributions of Capital

Contributions of capital in the proprietary fund financial statements arise from outside contributions of capital assets or resources restricted for capital acquisition or construction and from tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources for capital acquisition or construction.

S. Internal Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Internal allocations of overhead expenses from one program to another or within the same program 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 should be reported as internal transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

T. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "interfund receivables/payables". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

U. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

V. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer, and stormwater utility services. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. Revenues and expenses not meeting the definition are reported as non-operating.

W. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City that are either unusual in nature or infrequent in occurrence. Neither type of item occurred during 2016.

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES

For 2016, the City implemented Governmental Accounting Standards Board (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. 79, “Certain External Investment Pools and Pool Participants,” and GASB Statement No. 82, “Pension Issues an Amendment of GASB Statements No. 67, No. 68 and No. 73.”

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes for applying fair value to certain investments and disclosures related to all fair value measurements. These changes were incorporated in the City’s 2016 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68. The implementation of this GASB pronouncement did not result in any changes to the City’s financial statements.

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GASB Statement No. 76 identifies-in the context of the current governmental financial reporting environment-the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with generally accepted accounting principles (GAAP) and the framework for selecting those principles. The implementation of this GASB pronouncement did not result in any changes to the City's financial statements.

GASB Statement No. 77 requires disclosure of information about the nature and magnitude of tax abatements. These changes were incorporated in the City's 2016 financial statements; however, there was no effect on beginning net position/fund balance.

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

GASB Statement No. 82 improves consistency in the application of pension accounting. These changes were incorporated in the City's 2016 financial statements; however, there was no effect on beginning net position/fund balance.

NOTE 4 – ACCOUNTABILITY

The Park Capital Improvement Capital Projects Fund and the Tax Increment Financing Agreement Equity Construction Capital Projects Fund had deficit fund balances in the amounts of \$18,123 and \$89,359, respectively, as of December 31, 2016.

The deficits are a result of the recognition of payables in accordance with generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

NOTE 5 – FUND BALANCES

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the government funds.

City of Pickerington, Ohio
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The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Street	Police	Debt Service	Other Governmental Funds	Total
<u>Nonspendable:</u>						
Prepays	\$39,043	\$20,057	\$65,783	\$0	\$8,521	\$133,404
Materials and Supplies Inventory	31,180	51,189	20,235	0	20,953	123,557
Unclaimed Monies	14,167	0	0	0	0	14,167
Developer Deposits	102,609	0	0	0	0	102,609
Cemetery Care	0	0	0	0	1,545	1,545
<i>Total Nonspendable</i>	<u>186,999</u>	<u>71,246</u>	<u>86,018</u>	<u>0</u>	<u>31,019</u>	<u>375,282</u>
<u>Restricted for:</u>						
Street Improvements	0	1,014,819	0	0	757,740	1,772,559
Community Development	0	0	0	0	370	370
Security of Persons and Property	0	0	376,070	0	0	376,070
Law Enforcement	0	0	0	0	18,818	18,818
Drug and Alcohol Enforcement	0	0	0	0	9,124	9,124
Debt Service	0	0	0	129,537	0	129,537
Cemetery Care	0	0	0	0	2,826	2,826
Other Purposes	0	0	0	0	25,866	25,866
<i>Total Restricted</i>	<u>0</u>	<u>1,014,819</u>	<u>376,070</u>	<u>129,537</u>	<u>814,744</u>	<u>2,335,170</u>
<u>Committed to:</u>						
Street Improvements	0	0	0	0	570,851	570,851
Security of Persons and Property	0	0	0	0	214,261	214,261
Parks and Recreation	0	0	0	0	639,972	639,972
Urban Forestry	0	0	0	0	21,802	21,802
Municipal Improvements	0	0	0	0	311,804	311,804
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,758,690</u>	<u>1,758,690</u>
<u>Assigned to:</u>						
Subsequent Year's Appropriations	551,284	0	0	0	0	551,284
<u>Unassigned (Deficit):</u>	<u>4,819,325</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(107,482)</u>	<u>4,711,843</u>
Total Fund Balances	<u><u>\$5,557,608</u></u>	<u><u>\$1,086,065</u></u>	<u><u>\$462,088</u></u>	<u><u>\$129,537</u></u>	<u><u>\$2,496,971</u></u>	<u><u>\$9,732,269</u></u>

On January 2, 2013, City Council approved a minimum unassigned fund balance policy in the General Fund equal to 25 percent, three months, of the adopted annual operating expenditures and other financing uses. The fund balance policy is to ensure that the City can continue its necessary public service operations regardless of any unanticipated event that could adversely affect the financial condition of the City. If the fund balance falls below the targeted range, the City's replenishment plan will be to control operating expenditures and use budget surpluses. The plan is to replenish the General Fund unassigned fund balance within a three year period. The City will set a goal to replenish 80 percent the first year, 90 percent in two years, and 100 percent in three years.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
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NOTE 6 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance/fund equity 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, disbursements, and encumbrances.

The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual, for the General Fund and each Major Special Revenue 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:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance.
4. Unrecorded cash and fair market value adjustments are reported on the GAAP basis, but not on the budgetary basis.
5. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis are as follows:

	<u>General</u>	<u>Street</u>	<u>Police</u>
GAAP Basis	\$710,648	\$107,104	\$60,824
Net Adjustment for Revenue Accruals	(267,682)	(2,107)	10,602
Net Adjustment for Expenditure Accruals	66,321	67,828	602
Beginning of Year:			
Unreported Cash	13,037	0	478
Fair Value Adjustment for Investments	4,787	0	0
End of Year:			
Unreported Cash	(11,373)	0	(810)
Fair Value Adjustment for Investments	54,198	0	0
Advances Out	(150,000)	0	0
Encumbrances	(133,656)	(99,099)	(38,164)
Budget Basis	<u>\$286,280</u>	<u>\$73,726</u>	<u>\$33,532</u>

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

NOTE 7 - DEPOSITS AND INVESTMENTS

Monies held by the City are classified by State Statute into three categories.

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

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

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

Interim monies held by the City can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, 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 obligation or security 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, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations describe in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio or Ohio; and with certain limitations bonds and other obligations of political subdivisions of the State of Ohio.
6. The State Treasurer's investment pool (STAR Ohio);
7. Not to exceed forty percent of the interim monies available for investment at any one time if training requirements have been met in either of the following:

City of Pickerington, Ohio
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For the Year Ended December 31, 2016

- Commercial paper for a period not to exceed two hundred seventy days. A single issuer shall not exceed in the aggregate five percent of interim fund available for investment at the time of purchase;
 - Bankers acceptance notes for a period not to exceed one hundred eighty days.
8. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

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.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash on Hand

At year end, the City had \$12,938 in undeposited cash on hand which is included on the financial statements of the City as part of "Equity in Pooled Cash and Cash Equivalents".

Deposits: Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, none of the City's bank balance of \$2,224,802 was exposed to custodial credit risk because it was all insured and collateralized.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledge to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Investments: Investments are reported at fair value. As of December 31, 2016, the City had the following investments.

Measurement/Investment	Measurement Amount	Maturity	Percent of Total Investments	Moody's Rating
Net Asset Value Per Share:				
STAR Ohio	\$3,050,207	Average 52 Days	18.69%	Aaa
Fair Value - Level Two Inputs				
Federal Home Loan Mortgage Corporation Notes	1,008,374	Less than three years	6.18%	Aaa
Federal National Mortgage Association Notes	5,074,460	Less than five years	31.09%	Aaa
Federal Farm Credit Bank Notes	464,349	Less than two years	2.84%	Aaa
Federal Home Loan Bank Notes	1,111,771	Less than three years	6.81%	Aaa
Commercial Paper	4,212,470	Less than one year	25.80%	P-1
Negotiable Certificates of Deposit	1,402,652	Less than five years	8.59%	n/a
Total Fair Value - Level Two Inputs	<u>13,274,076</u>			
Total Investments	<u>\$16,324,283</u>			

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the City's recurring fair value measurements as of December 31, 2016.

Other than STAR Ohio, all of the City's investments are measured at fair value and are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Interest Rate Risk

The City's investment policy addresses interest rate risk to the extent that it allows the Finance Director to invest funds primarily in short-term securities so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. 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 City, and that an investment must be purchased with the expectation that it will be held to maturity. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk

The City's investment policy addresses credit risk to the extent that it limits the Finance Director to invest public funds in a diversified portfolio to minimize potential losses on individual investments and provide maximum security with the highest investment return.

Concentration of Credit Risk

Concentration of credit risk is defined by the Governmental Accounting Standards Board as having five percent or more invested in the securities of a single issuer. The City places no limit on the amount it may invest in any one issuer. The percentage of total investments is listed in the table above.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

NOTE 8 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2016 for real and public utility property taxes represents collections of 2015 taxes.

2016 real property taxes are levied after October 1, 2016 on assessed value as of January 1, 2016, the lien date. Real property taxes which are levied in 2016 are collected in and intended to finance 2017. Assessed values are established by State law at 35 percent of the appraised market value.

Real property taxes are payable annually and 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 property tax revenues received in 2016 represent the collection of 2015 taxes. Public utility property taxes received in 2016 became a lien on December 31, 2015, were levied after October 1, 2016, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentage of true value.

The County Treasurer collects property taxes on behalf of Fairfield County, including the City of Pickerington. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2016 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2016 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

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

	<u>2016</u>
Real Property/ Public Utility Real	\$446,474,640
Public Utility Personal	<u>2,544,370</u>
Total Assessed Value	<u><u>\$449,019,010</u></u>

NOTE 9 – TAX ABATEMENT DISCLOSURES

As of December 31, 2016, the City provides tax abatements through The Community Reinvestment Area (CRA) Tax Abatement Program.

On June 19, 1984, pursuant to Ohio Revised Code Chapter 5709, the City established a Community Reinvestment Area to encourage revitalization of existing buildings and the construction of new structures including residential, commercial, and industrial improvements. CRA's established prior to July 1994 can have an exemption period up to 10 years for the remodeling of one and two family residential projects which invest at least \$2,500, 12 years for the remodeling of multi-family dwellings of three or more residential units or commercial or industrial properties where the investment is at least \$5,000, and 15 years for the new construction of residential, commercial and industrial structures. 100 percent of the value of the real

City of Pickerington, Ohio
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improvements are exempt for Pre-1994 CRA's. Upon the completion of the real property improvements, the property owner must complete an application to the City's designated Housing Officer, the Economic Development Director. The Housing Officer must verify the costs and the elements of the application. If the exemption requirements are met, the Housing Officer shall provide the County Auditor a copy of the application and certify that the improvements are exempt pursuant to the CRA Program for the term designated in the City's CRA authorizing legislation. The Housing Officer is required to notify all Boards of Education affected by the exemption at least 14 days prior to certifying the property exempt to the County Auditor. Annually the Housing Officer must inspect the property and determine that the property has been maintained. The exemption may be revoked if the property has not been maintained. A pre-July, 1994 CRA authorizing legislation can only be amended twice after July 1994 and still continue operation under the pre-1994 laws. The City amended their CRA legislation on November 2, 2010 and April 19, 2011. No further amendments have been made; therefore the City's CRA still operates under pre-1994 laws.

Below is the information relevant to the disclosure of the CRA program for the year ended December 31, 2016.

Tax Abatement Program	Amount of 2016 Taxes Abated
<i>Community Reinvestment Area (CRA)</i>	
Professional Buildings	\$49,558

NOTE 10 - INCOME TAX

The City levies a municipal income tax of one percent on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality equal to 50 percent of the amount obtained by multiplying the lower of the tax rate of such other municipality or of the City by the taxable income earned in or attributable to the municipality of employment.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration semi-annually.

Income tax proceeds are used for general municipal operations, maintenance, new equipment, extension and enlargement of municipal services and facilities and capital improvements of the City of Pickerington. In 2016, the proceeds were receipted into the General Fund.

NOTE 11 - RECEIVABLES

Receivables at December 31, 2016 consisted primarily of taxes, payment in lieu of taxes, intergovernmental receivables arising from grants, entitlements and shared revenues, interest on investments, and utility accounts. All receivables except property taxes and payment in lieu of taxes are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

City of Pickerington, Ohio
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For the Year Ended December 31, 2016

A summary of intergovernmental receivables follows:

<u>Governmental Activities</u>	
Homestead and Rollback	\$143,000
Local Government Subsidies	86,813
Gasoline Tax	315,829
Motor Vehicle License Tax	63,007
Law Enforcement Assistance Grant	6,820
Safe Routes to Schools Grant	70,631
State Route 256 Safety Grant	23,476
OPWC - Urban Paving Project Grant	70,916
Miscellaneous Reimbursements	8,717
Total Governmental Activities	<u>789,209</u>
<u>Business-Type Activities</u>	
Miscellaneous Reimbursements	<u>228</u>
Total	<u><u>\$789,437</u></u>

Payment in Lieu of Taxes

Historically, the City has entered into Tax Increment Financing Agreements with various developers for the purpose of constructing several retail and commercial centers.

To encourage these improvements, the property owners are granted an exemption from paying real property taxes on the new construction; however, the property owner is required to make payments in lieu of taxes. Payment in lieu of taxes are made to Fairfield County and distributed to the City in an amount equal to the real property taxes that otherwise would have been due in that current year. These payments are being used to finance public improvements, payment in lieu of taxes are receipted into the appropriate Tax Increment Financing Fund for the area in which the improvements can be made, and will continue over ten to thirty years.

A receivable has been recorded in the Debt Service Fund in the amount of \$3,086 which represents delinquent collections for the remaining expired Tax Increment Financing Agreements. A receivable has been recorded in the Hill/Diley Road Tax Increment Financing Capital Projects Fund in the amount of \$6,261 which represents the amount measurable at December 31, 2016. The City is not able to record a receivable for all future payments because the payments are based upon projected collections.

As of December 31, 2016, the Equity Construction Tax Increment Financing Agreement remains outstanding. A receivable has been recorded in the Tax Increment Financing Agreement Equity Construction Capital Projects Fund in the amount of \$89,359 which represents amounts measurable at December 31, 2016.

On February 15, 2014, the City entered into a Tax Increment Financing Agreement with Ohio Health Corporation for the purpose of constructing a two-story, approximately 47,300 square foot medical office building with an ambulatory surgical center and adjacent parking containing approximately 189 parking spaces. A receivable has been recorded in the Ohio Health MOB Tax Increment Financing Capital Projects Fund in the amount of \$156,588.

City of Pickerington, 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 December 31, 2015	Additions	Reductions	Balance December 31, 2016
<u>Governmental Activities:</u>				
Non-Depreciable Capital Assets:				
Land	\$6,491,189	\$7,999	\$0	\$6,499,188
Construction in Progress	7,873,715	1,946,954	0	9,820,669
Total Non Depreciable Capital Assets	<u>14,364,904</u>	<u>1,954,953</u>	<u>0</u>	<u>16,319,857</u>
Depreciable Capital Assets:				
Land Improvements	2,255,693	144,485	0	2,400,178
Buildings	5,225,822	41,568	0	5,267,390
Equipment	1,877,639	110,630	(42,094)	1,946,175
Infrastructure	68,826,692	2,128,013	0	70,954,705
Vehicles	1,016,730	176,225	(15,000)	1,177,955
Total Depreciable Capital Assets	<u>79,202,576</u>	<u>2,600,921</u>	<u>(57,094)</u>	<u>81,746,403</u>
Accumulated Depreciation:				
Land Improvements	(1,347,180)	(86,134)	0	(1,433,314)
Buildings	(1,757,209)	(97,831)	0	(1,855,040)
Equipment	(1,324,147)	(115,055)	41,134	(1,398,068)
Infrastructure	(27,405,551)	(2,057,586)	0	(29,463,137)
Vehicles	(763,277)	(94,762)	15,000	(843,039)
Total Accumulated Depreciation	<u>(32,597,364)</u>	<u>(2,451,368) *</u>	<u>56,134</u>	<u>(34,992,598)</u>
Total Depreciable Capital Assets, Net	<u>46,605,212</u>	<u>149,553</u>	<u>(960)</u>	<u>46,753,805</u>
Governmental Capital Assets, Net	<u>\$60,970,116</u>	<u>\$2,104,506</u>	<u>(\$960)</u>	<u>\$63,073,662</u>

During 2016, developers contributed \$1,297,188 in infrastructure. This amount is reflected within Capital Grants and Contributions on the Statement of Activities.

*Depreciation expense was charged to governmental activities as follows:

<u>Governmental Activities:</u>	
General Government	\$77,383
Security of Persons and Property	179,737
Transportation	2,108,515
Leisure Time Activities	83,879
Community Environment	1,854
Total Depreciation Expense	<u>\$2,451,368</u>

City of Pickerington, Ohio
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For the Year Ended December 31, 2016

	Balance December 31, 2015	Additions	Reductions	Balance December 31, 2016
<u>Business - Type Activities:</u>				
Non-Depreciable Capital Assets:				
Land	\$1,883,347	\$0	\$0	\$1,883,347
Construction in Progress	541,802	165,300	0	707,102
Total Non Depreciable Capital Assets	<u>2,425,149</u>	<u>165,300</u>	<u>0</u>	<u>2,590,449</u>
Depreciable Capital Assets:				
Land Improvements	591,868	0	0	591,868
Buildings	29,775,082	0	(1,264,277)	28,510,805
Equipment	4,238,723	221,533	(20,059)	4,440,197
Infrastructure	42,978,818	1,797,590	0	44,776,408
Vehicles	480,054	0	0	480,054
Total Depreciable Capital Assets	<u>78,064,545</u>	<u>2,019,123</u>	<u>(1,284,336)</u>	<u>78,799,332</u>
Accumulated Depreciation:				
Land Improvements	(107,516)	(28,844)	0	(136,360)
Buildings	(5,428,247)	(226,335)	678,533	(4,976,049)
Equipment	(3,291,512)	(208,242)	20,059	(3,479,695)
Infrastructure	(9,434,178)	(639,253)	0	(10,073,431)
Vehicles	(296,340)	(37,135)	0	(333,475)
Total Accumulated Depreciation	<u>(18,557,793)</u>	<u>(1,139,809)</u>	<u>698,592</u>	<u>(18,999,010)</u>
Total Depreciable Capital Assets, Net	<u>59,506,752</u>	<u>879,314</u>	<u>(585,744)</u>	<u>59,800,322</u>
Business - Type Activities Capital Assets, Net	<u>\$61,931,901</u>	<u>\$1,044,614</u>	<u>(\$585,744)</u>	<u>\$62,390,771</u>

During 2016, developers contributed \$529,395, \$582,250, and \$529,695 in the form of water, sewer, and stormwater infrastructure, respectively.

NOTE 13 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional 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. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

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

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

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

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$411,609 for 2016. Of this amount, \$16,606 is reported as an intergovernmental payable.

City of Pickerington, Ohio
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Plan Description - Ohio Police and Fire Pension Fund (OP&F)

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

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

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

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

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

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

City of Pickerington, Ohio
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Funding Policy – The City has no firefighters. The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	Police
2016 Statutory Maximum Contribution Rates	
Employer	19.50 %
Employee:	12.25 %
2016 Actual Contribution Rates	
Employer:	
Pension	19.00 %
Post-employment Health Care Benefits	0.50
Total Employer	19.50 %
Employee:	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contributions to OP&F was \$394,300 for 2016. Of this amount \$59,755 is reported as an intergovernmental payable.

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

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

	OPERS	OP&F	
Proportion of the Net Pension Liability:			
Current Measurement Date	0.027238%	0.0969940%	
Prior Measurement Date	0.027656%	0.0979014%	
Change in Proportionate Share	-0.000418%	-0.0009074%	
			Total
Proportionate Share of the Net Pension Liability	\$4,717,964	\$6,239,692	\$10,957,656
Pension Expense	\$646,163	\$842,274	\$1,488,437

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

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$1,386,786	\$1,015,583	\$2,402,369
City contributions subsequent to the measurement date	411,609	394,300	805,909
Total Deferred Outflows of Resources	\$1,798,395	\$1,409,883	\$3,208,278
Deferred Inflows of Resources			
Differences between expected and actual experience	\$91,161	\$17,521	\$108,682
Changes in proportion and differences between City contributions and proportionate share of contributions	33,263	37,715	70,978
Total Deferred Inflows of Resources	\$124,424	\$55,236	\$179,660

\$805,909 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2017	\$287,956	\$256,788	\$544,744
2018	310,131	256,788	566,919
2019	350,445	256,788	607,233
2020	313,830	198,630	512,460
2021	0	(7,267)	(7,267)
Thereafter	0	(1,380)	(1,380)
Total	\$1,262,362	\$960,347	\$2,222,709

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement in accordance with the requirements of GASB 67.

City of Pickerington, Ohio
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Key methods and assumptions used in the latest actuarial valuations are presented below:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	4.25 to 10.05 percent including wage inflation
Pre-January 7, 2013 Retirees	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

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

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

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan, and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.4 percent for 2015.

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

City of Pickerington, Ohio
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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	<u>100.00 %</u>	<u>5.27 %</u>

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

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$7,516,871	\$4,717,964	\$2,357,177

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

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2015 is based on the results of an actuarial valuation date of January 1, 2015, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements, and employment terminations.

City of Pickerington, Ohio
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Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2015, are presented below:

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

Rates of death are based on the RP-2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police. For service retirements, set back zero years for police. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2015 are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return**	30 Year Expected Real Rate of Return**
Cash and Cash Equivalents	0.00 %	0.00 %	0.00 %
Domestic Equity	16.00	6.50	7.80
Non-US Equity	16.00	6.70	8.00
Core Fixed Income *	20.00	3.50	5.35
Global Inflation Protected *	20.00	3.50	4.73
High Yield	15.00	6.35	7.21
Real Estate	12.00	5.80	7.43
Private Markets	8.00	9.50	10.73
Timber	5.00	6.55	7.35
Master Limited Partnerships	8.00	9.65	10.75
Total	120.00 %		

Note: Assumptions are geometric.

* levered 2x

** Numbers are net of expected inflation.

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

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

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

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$8,229,318	\$6,239,692	\$4,554,283

NOTE 14 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System

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

In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition to the new health care trust structure was completed July 1, 2016. As of December 31, 2016, OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants in the member-directed plan. At retirement or refund, participants can be reimbursed in the member-directed plan. At retirement or refund, participants can be reimbursed for qualified medical expenses from their vested RMA balance.

City of Pickerington, Ohio
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In order to qualify for health care coverage, age-and-service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

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

Funding Policy –The Ohio Revised Code provides the statutory authority requiring public employers to fund health care through contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2016, state and local employers contributed at a rate of 14 percent of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of the employer contribution allocated to health care for members in the traditional and combined plans was 2 percent for 2016. As recommended by OPERS’ actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 1 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the covered payroll deposited into the RMA for participants in the member-directed plan for 2016 was 4 percent.

The City’s contributions allocated to fund postemployment health care benefits for the years ended December 31, 2016, 2015, and 2014 were \$68,602, \$68,027, and \$67,814 respectively. For 2016, 95.99 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2015 and 2014.

B. Ohio Police and Fire Pension Fund

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

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Postemployment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 45.

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

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OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at www.op-f.org.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as a percentage of payroll of active pension plan members, currently, 19.5 percent of covered payroll for police employers. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2016 thru December 31, 2016. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F for police for the years ending December 31, 2016, 2015, and 2014 were \$394,300, \$416,044, and \$409,711, respectively, of which \$10,458, \$11,000, and \$10,846, respectively, was allocated to the healthcare plan. For 2016, 85.23 percent has been contributed for police with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2015 and 2014.

NOTE 15 – OTHER EMPLOYEE BENEFITS

A. Compensated Absences

Vacation leave is earned at varying rates based upon length of service. A maximum number of vacation hours may be accumulated based on length of service. Any unused vacation exceeding the maximum allowance is eliminated from the employee's leave balance. At the time of termination of employment or death, an employee (or his estate) is paid for his unused vacation leave.

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City employees, except Police Officers, earn sick leave at the rate of three and one tenths hours per eighty hours of service and can be accumulated without limit. Police Officers earn sick leave at the rate of four hours per eighty hours of service and can be accumulated without limit. In the case of death or retirement all employees, except Police Officers, hired prior to July 1, 2012 who have ten years of service, are paid fifty percent of their accumulated sick leave up to a maximum payment equal to seventy-five days. In the case of death or retirement all employees, except Police Officers, hired on or after July 1, 2012 who have ten years of service, are paid twenty-five percent of their accumulated sick leave up to a maximum payment equal to thirty-seven and a half days. In the case of death all Police Officers shall be paid a lump sum of all unused sick leave to his or her surviving spouse or estate. In the case of retirement Police Officers hired prior to January 1, 2013 who have ten or more years of service, are paid fifty percent of their accumulated sick leave up to a maximum of payment equal to seventy-five days. In the case of retirement Police Officers hired on or after January 1, 2013 who have ten or more years of service, are paid twenty-five percent of their accumulated sick leave up to a maximum payment equal to thirty-seven and a half days.

After sixty or more days have been accumulated, City employees, except Police Officers, are eligible to sell back sick leave at one-third of their current hourly rate, retaining not less than sixty days accumulation. The maximum annual sell back for City employees, except Police Officers, is thirty days. After seventy-five or more days have been accumulated Police Officers are eligible to sell back one-third of their annual accrued sick leave at their current hourly rate, retaining not less than seventy days accumulation. Police Officers expecting to retire in three years or less may sell back their accrued sick leave over forty-five days at one-fourth their current hourly rate. The formula depends on the number of sick days taken in the preceding calendar year.

B. Insurance Options

The City provides health and major medical insurance for all eligible employees through Anthem Blue Cross Blue Shield. The City also provides prescription drug insurance to its employees through the same insurance carrier. The City offers dental coverage through Anthem Dental, life insurance coverage through Sun Life Financial, and vision coverage through the Vision Service Plan, Inc.

NOTE 16 - RISK MANAGEMENT

The City 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.

City of Pickerington, Ohio
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During 2016, the City contracted with CORMA for the following insurance coverages:

Coverage	Limit of Insurance	Deductible
Property Insurance	\$300,000,000	\$25,000
Inland Marine		
Electronic Data Processing Data and Media	8,500,000	100,000
Earthquake, Volcanic Eruption, Landslide and Mine Subsidence	25,000,000	100,000
Flood	25,000,000	250,000
Contractors Equipment	10,000,000	25,000
Utility Services Combined Direct Damage	2,500,000	25,000
Underground Tanks and Pipes	6,000,000	100,000
Fine Arts	4,000,000	25,000
Boiler and Machinery	50,000,000	10,000
Commercial Umbrella Liability		
Aggregate Limit	20,000,000	n/a
Each Claim Limit	15,000,000	n/a
Commercial General Liability:		
Aggregate Limit	2,000,000	150,000
Each Claim Limit	1,000,000	150,000
Commercial Auto Coverage:		
Liability	1,000,000	150,000
Comprehensive Limit	1,000,000	150,000
Collision Limit	1,000,000	150,000
Professional Liability Coverage		
Public Officials Liability		
Per Occurance	1,000,000	150,000
Aggregate	1,000,000	150,000
Law Enforcement Liability		
Per Occurance	1,000,000	150,000
Aggregate	1,000,000	150,000
Commercial Crime Policy		
Employee Theft-Per Loss Coverage	1,000,000	25,000
Forgery Alterations	500,000	25,000
Money & Securities on premises	100,000	25,000
Money & Securities in transit	100,000	25,000
Computer Fraud	500,000	25,000
Funds Transfer Fraud	500,000	25,000

Settlements have not exceeded coverage in any of the last three years.

Any member may withdraw from CORMA at any term anniversary date upon ninety days prior written notice. Such notice shall be addressed to the President of CORMA and shall be accompanied by a resolution or ordinance of the governing body of the member determining to withdraw. Upon withdraw from CORMA the City would have no further obligation.

The City participates in the Ohio Municipal League Workers' Compensation Group Rating Program (the Program), an insurance purchasing pool (see Note 21). The Program is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
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The workers' compensation experience of the participating municipalities is calculated as one experience in order to create a lower workers' compensation premium rate. Each municipality pays its workers' compensation premium to the State based on the rate for the Program rather than the municipality's individual rate.

In order to allocate the savings derived by the formation of the Program, and to maximize the number of participants in the Program, annual calculations are made of the total savings accrued to the Program through its formation. This savings is then compared to the overall savings percentage of the Program. Collections of rate contributions from or payments of rate equalization rebates to the various participants are then made. Participation in the Program is limited to municipalities that can meet the Program's selection criteria. The firm of Gates McDonald & Company performs claims administration, actuarial cost control, and consulting services for participants. Each year the City pays an enrollment fee to the Program to cover the costs of administering the program.

NOTE 17 - CAPITAL LEASES - LESSEE DISCLOSURE

The City has outstanding capital leases for copiers and a dump truck. Each lease meets the criteria of a capital lease as defined as transferring benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures in the basic financial statements for governmental funds.

A dump truck and equipment acquired by lease has been capitalized in the government-wide statements governmental activities in the amount of \$157,508 and business-type activities in the amount of \$23,021, which is equal to the present value of the future minimum lease payments at the time of acquisition.

A corresponding liability for all capitalized assets, was recorded in the government-wide statements for governmental activities and business-type activities; respectively. Governmental activities capitalized leased assets are reflected net of accumulated depreciation in the amount of \$125,417. Business-type capitalized lease assets are reflected net of accumulated depreciation in the amount of \$18,417. Principal payments toward governmental activities capital leases during 2016 totaled \$6,883. Principal payments toward business-type activities capital leases during 2016 totaled \$4,322.

The following is a schedule of the future minimum lease payments at December 31, 2016 for governmental and business-type activities:

Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2017	\$30,060	\$4,035	\$4,465	\$530
2018	28,665	3,009	4,612	383
2019	29,258	2,006	4,764	231
2020	27,754	1,203	4,504	74
2021	25,588	584	0	0
Total	<u>\$141,325</u>	<u>\$10,837</u>	<u>\$18,345</u>	<u>\$1,218</u>

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

NOTE 18 - LONG-TERM OBLIGATIONS

Changes in the City's long-term obligations during 2016 consist of the following:

	Outstanding 12/31/2015	Additions	Reductions	Outstanding 12/31/2016	Amounts Due Within One Year
<u>Governmental Activities:</u>					
<u>General Obligation Bonds:</u>					
Street Improvement Advance Refunding Bonds					
2012 - \$1,045,000					
Serial Bonds - 2.0%-2.25%	\$925,000	\$0	\$95,000	\$830,000	\$95,000
Unamortized Premium on Serial Bonds	28,967	0	3,218	25,749	0
Various Purpose General Obligation Bonds					
2012 - \$5,660,000					
Police Facility Serial Bonds - 2.0%	1,960,000	0	265,000	1,695,000	270,000
Courtright Road Street Improvement					
Serial Bonds - 2.0%-2.5%	1,140,000	0	95,000	1,045,000	95,000
Windmill/Diley TIF Serial Bonds - 2.0%-2.5%	655,000	0	55,000	600,000	55,000
Windmill/Diley TIF Term Bonds - 2.5% - 3.0%	440,000	0	0	440,000	0
Real Estate Acquisition Serial Bonds - 2.0% - 2.5%	165,000	0	15,000	150,000	15,000
Real Estate Acquisition Term Bonds - 2.5% - 3.0%	100,000	0	0	100,000	0
Unamortized Premium on Serial and Term Bonds	162,427	0	9,554	152,873	0
Street Improvement Refunding Bonds					
2013 - \$4,740,000					
Serial Bonds - 1.25%-3.75%	1,570,000	0	200,000	1,370,000	205,000
Term Bonds - 2.25%-3.0%	2,575,000	0	0	2,575,000	0
Unamortized Premium on Serial and Term Bonds	192,126	0	11,302	180,824	0
Total General Obligation Bonds	9,913,520	0	749,074	9,164,446	735,000
<u>Long-Term Bond Anticipation Notes:</u>					
Street Improvement Notes					
2016 - \$2,300,000 - 1.25%					
	2,300,000	2,300,000	2,300,000	2,300,000	0
Total Long-Term Bond Anticipation Notes	2,300,000	2,300,000	2,300,000	2,300,000	0
<u>Net Pension Liability:</u>					
OPERS	1,968,017	815,583	0	2,783,600	0
OP&F	5,071,701	1,167,991	0	6,239,692	0
Total Net Pension Liability	7,039,718	1,983,574	0	9,023,292	0

(continued)

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

(continued)

	Outstanding 12/31/15	Additions	Reductions	Outstanding 12/31/16	Amounts Due Within One Year
<u>Governmental Activities:</u>					
Compensated Absences	\$688,701	\$333,446	\$331,332	\$690,815	\$245,400
Capital Leases Payable	25,854	122,354	6,883	141,325	30,060
Total Governmental Activities	<u>\$19,967,793</u>	<u>\$4,739,374</u>	<u>\$3,387,289</u>	<u>\$21,319,878</u>	<u>\$1,010,460</u>
<u>Business-Type Activities:</u>					
<u>General Obligation Bonds:</u>					
Sanitary Sewer Current Refunding Bonds					
2011 - \$1,955,000					
Serial Bonds - 2.25%-2.5%	\$295,000	\$0	\$145,000	\$150,000	\$150,000
Term Bonds - 2.8%-3.5%	980,000	0	0	980,000	0
Unamortized Premium on Serial Bonds	13,394	0	1,674	11,720	0
Various Purpose General Obligation Bonds					
2012 - \$2,410,000 - Water					
Serial Bonds - 2.0%-2.5%	1,265,000	0	105,000	1,160,000	105,000
Term Bonds - 2.5%-3.0%	850,000	0	0	850,000	0
Unamortized Premium on Serial and Term Bonds	58,373	0	3,434	54,939	0
Total General Obligation Bonds	<u>3,461,767</u>	<u>0</u>	<u>255,108</u>	<u>3,206,659</u>	<u>255,000</u>
<u>OWDA Loans:</u>					
2001 - OWDA Sewer Loan \$819,398 - 4.64%	328,329	0	48,643	279,686	50,927
2008 - OWDA Sewer Loan \$10,973,040 - 3.30%	8,862,401	0	465,182	8,397,219	480,660
2011 - OWDA Water Loan \$1,573,855 - 3.64%	1,011,448	0	153,746	857,702	159,393
Total OWDA Loans	<u>10,202,178</u>	<u>0</u>	<u>667,571</u>	<u>9,534,607</u>	<u>690,980</u>
<u>Net Pension Liability - OPERS</u>					
Water	567,056	234,998	0	802,054	0
Sewer	600,412	248,821	0	849,233	0
Stormwater	200,137	82,940	0	283,077	0
Total Net Pension Liability - OPERS	<u>1,367,605</u>	<u>566,759</u>	<u>0</u>	<u>1,934,364</u>	<u>0</u>
Compensated Absences Payable	142,973	52,856	46,597	149,232	77,947
Capital Leases Payable	22,667	0	4,322	18,345	4,465
Total Business-Type Activities	<u>\$15,197,190</u>	<u>\$619,615</u>	<u>\$973,598</u>	<u>\$14,843,207</u>	<u>\$1,028,392</u>

City of Pickerington, Ohio
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Governmental Activities:

General Obligation Bonds

On November 21, 2012, the City issued \$1,045,000 in street improvement general obligation advance refunding bonds to partially advance refund the 2004 street improvement general obligation serial bonds. The \$1,045,000 general obligation advance refunding bonds were issued for a twelve year period with a final maturity at December 1, 2024. The \$1,045,000 bond issue consists of serial bonds which were issued at a premium in the amount of \$38,621. The amount of premium amortized during 2016 was \$3,218. Issuance costs associated with the bond issue were \$21,441. The partial advance refunding resulted in a difference between the net carrying amount of the debt and the acquisition price, in the amount of \$105,099. This difference is being reported in the accompanying financial statements as deferred outflows of resources – deferred charge on refunding and is being amortized to interest expense over the life of the bonds using the straight-line method. The issuance resulted in a difference (savings) between the cash flows required to service the old debt and the cash flows required to service the new debt of \$169,679. The issuance resulted in a total economic gain of \$131,080.

On November 21, 2012, the date of the refunding, \$1,085,273 was deposited in an irrevocable trust to provide for all future debt service payments on the partially advance refunded 2004 street improvement general obligation serial bonds. As all of the legal steps had been taken to refund the debt, the balance of the outstanding bonds refunded was removed from the City’s financial statements. On December 1, 2014, the debt was called, paid in full, and the escrow account was closed.

General obligation bonded debt service requirements to maturity are as follows:

	2012 Street Improvement General Obligation Advance Refunding Bonds		
Year	Principal	Interest	Total
2017	\$95,000	17,150	\$112,150
2018	100,000	15,250	115,250
2019	100,000	13,250	113,250
2020	100,000	11,250	111,250
2021	105,000	9,250	114,250
2022-2024	330,000	14,575	344,575
Total	<u>\$830,000</u>	<u>\$80,725</u>	<u>\$910,725</u>

On November 21, 2012, the City issued \$8,070,000 in various purpose general obligation bonds. The various purpose general obligation bonds issued include \$5,660,000 in governmental general obligation bonds and \$2,410,000 in business-type general obligation bonds. The business-type activity is addressed below in the business-type activity section of this note.

The various purpose general obligation bonds include the following: \$2,715,000 of these various purpose general obligation bonds was issued to refinance the 2002 police facilities lease for the purpose of acquiring, constructing, equipping, and furnishing a police building. \$1,405,000 of these various purpose general obligation bonds was issued to retire the Courtright Road street improvement bond anticipation notes for the purpose of constructing street improvements known as the Courtright Road realignment and sidewalks, curbs and gutters, and other street improvements in the downtown area of the City. \$1,245,000 of these various

City of Pickerington, Ohio
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purpose general obligation bonds include both serial and term bonds originally issued in the amount of \$805,000 and \$440,000, respectively. The \$1,245,000 various purpose general obligation bonds was issued to retire the TIF Windmill/Diley Road revenue anticipation notes for the purpose of street improvements in the Windmill/ Diley Road areas including constructing turn lane improvements for State Route 256 to establish an exit point for the realignment of Diley Road. \$295,000 of these various purpose general obligation bonds include both serial and term bonds originally issued in the amount of \$195,000 and \$100,000, respectively. The \$295,000 various purpose general obligation bonds were issued to retire the Real Estate Acquisition bond anticipation notes for the purpose of acquiring real property for the City.

The \$5,660,000 various purpose general obligation bonds were sold at a premium of \$191,089 that is being amortized over the term of the bonds. The amount of premium amortized during 2016 was \$9,554. Issuance costs associated with the bond issue were \$103,716.

General obligation bonded debt service requirements to maturity are as follows:

2012 Various Purpose General Obligation Bonds			
Year	Principal	Interest	Total
2017	\$435,000	\$87,575	\$522,575
2018	440,000	78,875	518,875
2019	450,000	70,075	520,075
2020	460,000	61,075	521,075
2021	470,000	51,875	521,875
2022-2026	1,235,000	148,588	1,383,588
2027-2031	445,000	52,537	497,537
2032	95,000	2,850	97,850
Total	\$4,030,000	\$553,450	\$4,583,450

The various purpose general obligation bonds maturing on December 1, 2028, 2030, and 2032 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Year	Issue		
	\$435,000	\$455,000	\$500,000
2027	\$215,000	\$0	\$0
2029	0	225,000	0
2031	0	0	250,000
Total mandatory sinking fund payments	215,000	225,000	250,000
Amount due at stated maturity	220,000	230,000	250,000
Total	\$435,000	\$455,000	\$500,000
Stated Maturity	12/1/2028	12/1/2030	12/1/2032

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The bonds maturing on and after December 1, 2023 are subject to optional redemption, at the option of the City, in whole or in part in such order of maturity as the City shall determine, in integral multiples of \$5,000 and by lot within a maturity, on any date commencing December 1, 2022 at the redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the redemption date.

On January 3, 2013, the City issued \$4,740,000 in street improvement general obligation refunding bonds to refund the 2005 State Infrastructure Bank Loan. The \$4,740,000 were issued for a twenty year period with a final maturity at December 1, 2032. The \$4,740,000 were issued at a premium in the amount of \$226,032. The amount of premium amortized during 2016 was \$11,302. Issuance costs associated with the bond issuance were \$59,840. In 2015, the City would have been required to make a balloon payment in the amount of \$3,608,277; therefore, the City refinanced the debt by issuing a twenty year bond. The issuance resulted in an increase in total debt service by \$931,274, these payments will be spread over the next twenty years rather than over the next two years. The issuance resulted in a total economic gain of \$40,198.

General obligation bonded debt service requirements to maturity are as follows:

2013 Street Improvement General Obligation Refunding Bonds			
Year	Principal	Interest	Total
2017	\$205,000	\$106,050	\$311,050
2018	205,000	101,950	306,950
2019	215,000	94,263	309,263
2020	220,000	89,962	309,962
2021	225,000	82,263	307,263
2022-2026	1,205,000	334,125	1,539,125
2027-2031	1,370,000	169,250	1,539,250
2032	300,000	9,000	309,000
Total	<u>\$3,945,000</u>	<u>\$986,863</u>	<u>\$4,931,863</u>

The various purpose general obligation bonds maturing on December 1, 2023, 2025, 2027, 2029, and 2031 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Year	Issue				
	\$465,000	\$485,000	\$515,000	\$540,000	\$570,000
2022	\$230,000	\$0	\$0	\$0	\$0
2024	0	240,000	0	0	0
2026	0	0	255,000	0	0
2028	0	0	0	265,000	0
2030	0	0	0	0	280,000
Total mandatory sinking fund payments	<u>230,000</u>	<u>240,000</u>	<u>255,000</u>	<u>265,000</u>	<u>280,000</u>
Amount due at stated maturity	<u>235,000</u>	<u>245,000</u>	<u>260,000</u>	<u>275,000</u>	<u>290,000</u>
Total	<u>\$465,000</u>	<u>\$485,000</u>	<u>\$515,000</u>	<u>\$540,000</u>	<u>\$570,000</u>
Stated Maturity	12/1/2023	12/1/2025	12/1/2027	12/1/2029	12/1/2031

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The bonds maturing on and after December 1, 2021 are subject to optional redemption, at the option of the City, in whole or in part in such order of maturity as the City shall determine, in integral multiples of \$5,000 and by lot within a maturity, on any date commencing December 1, 2020 at the redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the redemption date.

Long-Term Bond Anticipation Notes Payable

On February 10, 2016, the City issued \$2,300,000 in street improvement general obligation bond anticipation notes which will mature on February 9, 2017. These general obligation bond anticipation notes retired the \$2,300,000 street improvement general obligation bonds anticipation notes issued on January 6, 2015. These general obligation bond anticipation notes were issued for the purpose of paying the costs to design, construct, improve, and widen Refugee Road, improve and widen the intersection of Refugee Road and State Route 256 including but not limited to the construction and addition of thru lanes and turn lanes, design, improve and construct the intersection of Refugee Road and Stonecreek Drive South extension including but not limited to the construction of thru lanes and turn lanes and sidewalks and curbs related thereto, the acquisition of right-of-way, landscaping, and other necessary street improvements.

Net Pension Liability

There is no repayment schedule for the net pension liability. However, employer pension contributions are made from the General Fund and the Street, Police, State Highway, and Parks and Recreation Special Revenue Funds. For additional information related to the net pension liability see Note 13.

Compensated Absences Payable

The City will pay compensated absences from the General Fund and the Street, Police, State Highway, and Parks and Recreation Special Revenue Funds.

Capital Leases Payable

The City has outstanding capital leases for copiers and a dump truck. These leases will be repaid through the General Fund and Street and Police Special Revenue Funds.

Business-Type Activities:

General Obligation Bonds

The 2011 general obligation current refunding bonds originally were issued in the amount of \$1,955,000 with interest rates varying from 2.25 percent to 3.5 percent. The proceeds were used to refund \$1,920,000 of outstanding 1999 sanitary sewer improvement general obligation bonds. The general obligation bonds were sold at a premium of \$21,764, which will be amortized over the life of the bonds. The amount of premium amortized during 2016 was \$1,674. Issuance costs associated with the bond issue were \$50,331. The current refunding resulted in a difference between the net carrying amount of the debt and the acquisition price, in the amount of \$28,453. This difference is being reported in the accompanying financial statements as deferred outflow of resources – deferred charge on refunding and is being amortized to interest expense over the life of the bonds using the straight-line method. The issuance resulted in a difference (savings) between the cash flows required to service the old debt and the cash flows required to service the new debt of \$265,385. The issuance resulted in a total economic gain of \$223,277. These general obligation bonds will be paid from Sewer Enterprise revenues.

City of Pickerington, Ohio
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The general obligation current refunding bonds maturing on December 1, 2019, 2021, and 2023 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Year	Issue		
	\$305,000	\$325,000	\$350,000
2018	\$150,000	\$0	\$0
2020	0	160,000	0
2022	0	0	170,000
Total mandatory sinking fund payments	150,000	160,000	170,000
Amount due at stated maturity	155,000	165,000	180,000
Total	\$305,000	\$325,000	\$350,000
Stated Maturity	12/1/2019	12/1/2021	12/1/2023

The bonds maturing on and after December 1, 2021 are subject to optional redemption, at the option of the City, in whole or in part in such order of maturity as the City shall determine, in integral multiples of \$5,000 and by lot within a maturity, on any date commencing December 1, 2020 at the redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the redemption date.

On November 21, 2012, the City issued \$8,070,000 in various purpose general obligation bonds. The various purpose general obligation bonds issued include \$2,410,000 in business-type general obligation bonds and \$5,660,000 in governmental general obligation bonds. The governmental activity and the term bond disclosure are addressed above in the governmental activity section of this note.

The \$2,410,000 various purpose general obligation bonds were sold at a premium of \$68,675 that is being amortized over the term of the bonds. The amount of premium amortized during 2016 was \$3,434. Issuance costs associated with the bond issue were \$43,683.

Principal and interest requirements to retire the City's general obligation bonds payable from the Sewer and Water Enterprise Funds outstanding at December 31, 2016 were:

Year	Sewer General Obligation Bonds		Water General Obligation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$150,000	\$34,565	\$105,000	\$48,550	\$255,000	\$83,115
2018	150,000	31,190	110,000	46,450	260,000	77,640
2019	155,000	26,990	110,000	44,250	265,000	71,240
2020	160,000	22,650	110,000	42,050	270,000	64,700
2021	165,000	17,530	115,000	39,850	280,000	57,380
2022-2026	350,000	18,550	610,000	161,925	960,000	180,475
2027-2031	0	0	695,000	82,700	695,000	82,700
2032	0	0	155,000	4,650	155,000	4,650
Total	\$1,130,000	\$151,475	\$2,010,000	\$470,425	\$3,140,000	\$621,900

City of Pickerington, Ohio
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OWDA Loans

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$1,573,855 in water system OWDA Loans issued in 2011. Proceeds from this loan provided financing for the water reverse osmosis system project. The loan is payable solely from water customer net revenues and is payable through 2021. Annual principal and interest payments on the loan are expected to require less than 39 percent of net revenues. The total principal and interest remaining to be paid on the loan is \$945,880 related to finalized terms and amortization schedules. Principal and interest paid for the current year and total customer net revenues were \$182,947 and \$469,546, respectively.

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay \$11,792,438 in sewer system OWDA Loans issued in 2001 and 2008. Proceeds from these loans provided financing for various sewer projects. The loans are payable solely from sewer customer net revenues and are payable through 2030. Annual principal and interest payments on the loans are expected to require less than 43 percent of net revenues. The total principal and interest remaining to be paid on the loans is \$10,870,292 related to finalized terms and amortization schedules. Principal and interest paid for the current year and total customer net revenues were \$785,727 and \$1,812,818, respectively.

Principal and interest requirements to retire the City's OWDA loans outstanding at December 31, 2016 were:

Year	Sewer OWDA		Water OWDA		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$531,587	\$285,569	\$159,393	\$29,783	\$690,980	\$315,352
2018	549,969	267,186	165,248	23,928	715,217	291,114
2019	568,997	248,158	171,317	17,859	740,314	266,017
2020	588,691	228,464	177,610	11,566	766,301	240,030
2021	609,078	208,078	184,134	5,042	793,212	213,120
2022-2026	3,025,355	743,820	0	0	3,025,355	743,820
2027-2030	2,803,228	212,112	0	0	2,803,228	212,112
Total	<u>\$8,676,905</u>	<u>\$2,193,387</u>	<u>\$857,702</u>	<u>\$88,178</u>	<u>\$9,534,607</u>	<u>\$2,281,565</u>

Net Pension Liability

There is no repayment schedule for the net pension liability. However, employer pension contributions are made from the Water, Sewer, and Stormwater Enterprise Funds. For additional information related to the net pension liability see Note 13.

Compensated Absences Payable

The City will pay compensated absences from the Water, Sewer, and Stormwater Enterprise Funds.

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Capital Leases Payable

The City has an outstanding capital leases for a copier. These leases will be repaid from the Water and Sewer Enterprise Funds.

Legal Debt Margin

As of December 31, 2016, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$36,171,533.

NOTE 19 - SIGNIFICANT COMMITMENTS

A. Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control.

At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

<u>Governmental Funds</u>	
General	\$133,656
Street	99,099
Police	38,164
Other Governmental Funds	651,475
Total Governmental Funds	<u>922,394</u>
<u>Proprietary Funds</u>	
Water	401,204
Sewer	46,810
Stormwater	23,915
Other Enterprise Funds	110
Total Proprietary Funds	<u>472,039</u>
Total	<u><u>\$1,394,433</u></u>

City of Pickerington, Ohio
Notes to the Basic Financial Statements
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B. Contractual Commitments

As of December 31, 2016, the City had the following material contractual purchase commitments. The amount for each project is as follows:

Project	Fund	Purchase Commitments	Amount Paid as of December 31, 2016	Amount Remaining on Contracts
Annual Street Resurfacing	Street	\$900,000	\$896,872	\$3,128
Sycamore Creek/Victory Park Path	Park Capital Improvement	150,000	131,252	18,748
Sycamore Creek/Victory Park Path	Park Impact Fee	398,299	315,912	82,387
Ohio Health Refugee Road	Ohio Health MOB TIF	1,118,462	120,381	998,081
Gravity Filters Replacement	Water	472,500	307,200	165,300
Mingo Waterline	Water	240,000	235,121	4,879
New Meter System	Water	80,670	41,782	38,888
New Meter System	Sewer	37,500	28,467	9,033
Total		<u>\$3,397,431</u>	<u>\$2,076,987</u>	<u>\$1,320,444</u>

NOTE 20 - JOINTLY GOVERNED ORGANIZATIONS

A. Fairfield, Hocking, and Athens Counties Council of Governments on Major Crimes Investigations

The Fairfield, Hocking, and Athens Counties Council of Governments on Major Crimes Investigations was created in 2001 under Ohio Revised Code Section 167.01. Its stated purpose is to provide additional police protection to the citizens of Fairfield, Hocking, and Athens counties to reduce the influence and effects of illegal drug trafficking activities, as well as other major crimes activities. The Unit has a seven-member Governing Board that consists of one County Commissioner or designee from each county, and the Mayor, City Manager, or designee from the cities of Lancaster, Pickerington, Logan, and Athens. The Unit also has a twelve member Operating Board that handles the daily operations and reports to the Governing Board. The Operating Board is made up of the Fairfield, Hocking, and Athens County Sheriffs and Prosecuting Attorneys, as well as the Chiefs of Police from the four cities listed above, and the Chiefs of Police from the City of Nelsonville and of the Ohio University. The Unit's revenues will consist of an annual grant applied for by the Fairfield County Commissioners, which is in turn given to the Unit, along with local matches from each of the involved entities. In 2016, the City made no contributions to the Unit. Continued existence of the Board is not dependent upon the City's continued participation, no equity interest exists, and no debt is outstanding.

B. Fairfield County Regional Planning Commission

The City is a participant in the Fairfield County Regional Planning Commission, a statutorily created political subdivision of the State. Fairfield County, its municipalities, and its townships jointly govern the Commission. There are 42 board members that govern the Commission. The City of Pickerington has one member on the Board. Each member's control over the operation of the Commission is limited to its representation of the board. The Commission makes studies, maps, plans, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the County. The City contributed \$4,551 to the Commission during 2016. Continued existence of the Board is not dependent upon the City's continued participation, no equity interest exists, and no debt is

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

outstanding. Financial statements can be obtained from the Fairfield County Regional Planning Commission 210 East Main Street, Lancaster, Ohio 43130.

C. Mid-Ohio Regional Planning Commission (MORPC)

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. The organization is composed of 74 representatives appointed by member governments who make up the Commission, the policy-making body of the organization, and the oversight board. MORPC is a voluntary association of local governments in central and south central Ohio and a regional planning agency whose membership includes 42 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members. Each participant's degree of control is limited to its representation on the Board. The City contributed \$10,144 in membership dues to the Mid-Ohio Regional Planning Commission during 2016.

NOTE 21 - POOLS

A. Central Ohio Risk Management Association Inc. (CORMA)

The Central Ohio Risk Management Association Inc. (CORMA) is a shared risk pool which is administered by eight cities in Central Ohio. Its present members in addition to the City of Pickerington are the Cities of Dublin, Grove City, Upper Arlington, Westerville, Groveport, Canal Winchester, and Powell.

CORMA was formed as an Ohio non-profit corporation for the purpose of establishing the CORMA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Each member has a representative on the Board of Trustees that approves bylaws, establish policies and contract with service providers for the best savings. Member cities agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORMA. Coverage includes comprehensive general liability, property insurance, crime insurance, employee benefits liability, law enforcement liability, public officials' liability, automotive liability, and healthcare professional liability.

B. Ohio Municipal League Workers' Compensation Group Rating Program

The City is participating in a group rating plan for workers' compensation called The Ohio Municipal League Workers' Compensation Group Rating Program, as established under Section 4123.29 of the Ohio Revised Code. The group rating plan is sponsored by the Ohio Municipal League. The Ohio Municipal League is governed by a Board of Trustees, elected by membership. The Board consists of all past presidents of the League, as long as they are municipal officials, and 28 trustees (also municipal officials) elected for two year terms. The Board exercises general oversight over operation of the workers' compensation group. League staff maintains direct and on-going liaison with the program contract operator, Gates McDonald.

NOTE 22 - CONTINGENT LIABILITIES

A. Litigation

The City is of the opinion that the ultimate disposition of claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

B. Federal and State Grants

For the period January 1, 2016 to December 31, 2016 the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such 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 City believes such disallowance, if any, would be immaterial.

NOTE 23 - INTERFUND ACTIVITY

Interfund transfers during 2016, consisted of the following:

	Transfer to				Totals
	Major Funds			Other Nonmajor Governmental	
	Street	Police	Debt Service		
<u>Transfer from</u>					
Major Funds:					
General Fund	\$1,000,000	\$2,950,000	\$567,575	\$613,650	\$5,131,225
Other Nonmajor					
Governmental	0	0	326,153	0	326,153
Totals	<u>\$1,000,000</u>	<u>\$2,950,000</u>	<u>\$893,728</u>	<u>\$613,650</u>	<u>\$5,457,378</u>

The transfer from/to were used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to spend them; to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments come due, to use unrestricted revenue collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. All transfers are considered allowable in accordance with Ohio Revised Code Sections 5705.14, 5705.15, and 5705.16.

Interfund balances at December 31, 2016 consist of the following individual interfund receivables and payables:

	<u>Interfund Receivable</u>
	<u>Major Fund</u>
	<u>General</u>
<u>Interfund Payable</u>	
Other Nonmajor	
Governmental	\$150,000
Totals	<u>\$150,000</u>

A short-term interfund loan was advanced from the General Fund to the Park Capital Improvement Fund for the Sycamore Creek/Victory Park Path Project.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

NOTE 24 – DONOR RESTRICT ENDOWMENTS

The City's permanent fund includes donor restricted endowments for the perpetual care of certain cemetery lots which are located in the City. The net position-non-expendable amounts of \$1,545 represent the principal portion of the endowments. The net position-expendable amount of \$2,826 represents the interest earnings on donor-restricted investments and is available for expenditure by the City, for purposes consistent with the endowment's intent. State law permits the City to appropriate, for purposes consistent with the endowment's intent, net appreciation realized and unrealized unless the endowment terms specify otherwise.

NOTE 25 – SUBSEQUENT EVENT

On February 8, 2017, the City issued \$3,300,000 in street improvement general obligation bond anticipation notes. These bond anticipation notes retired the \$2,300,000 street improvement general obligation bond anticipation notes issued on February 10, 2016. On February 8, 2017, the City issued an additional \$1,000,000 in street improvement general obligation bond anticipation notes for the right-of-way and utility relocation phase of the Refugee Road Project. These notes were issued for the purpose of paying the costs to design, construct, improve, and widen Refugee Road, improve and widen the intersection of Refugee Road and State Route 256 including but not limited to the construction and addition of thru lanes and turn lanes, design, improve and construct the intersection of Refugee Road and Stonecreek Drive South extension including but not limited to the construction of thru lanes and turn lanes and sidewalks and curbs related thereto, the acquisition of right-of-way, landscaping and other necessary street improvements.

**Required
Supplementary
Information**

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

	2016	2015	2014
City's Proportion of the Net Pension Liability	0.027238%	0.027656%	0.027656%
City's Proportionate Share of the Net Pension Liability	\$4,717,965	\$3,335,622	\$3,260,282
City's Covered Payroll	\$3,390,029	\$3,390,642	\$3,196,831
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	139.17%	98.38%	101.98%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.08%	86.45%	86.36%

(1) Although this schedule is intended to show information for ten years, information prior to 2014 is not available. An additional column will be added each year.

*Amounts presented each year were determined as of the City's measurement date which is the prior year end.

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

	2016	2015	2014
City's Proportion of the Net Pension Liability	0.0969940%	0.0979014%	0.0979014%
City's Proportionate Share of the Net Pension Liability	\$6,239,692	\$5,071,701	\$4,768,105
City's Covered Payroll	\$2,189,706	\$2,156,374	\$2,086,027
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	284.96%	235.20%	228.57%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.77%	71.71%	73.00%

(1) Although this schedule is intended to show information for ten years, information prior to 2014 is not available. An additional column will be added each year.

*Amounts presented each year were determined as of the City's measurement date which is the prior year end.

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$411,609	\$406,804	\$406,877	\$415,588
Contributions in Relation to the Contractually Required Contribution	<u>(411,609)</u>	<u>(406,804)</u>	<u>(406,877)</u>	<u>(415,588)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$3,430,075	\$3,390,029	\$3,390,642	\$3,196,831
Contributions as a Percentage of Covered Payroll	12.00%	12.00%	12.00%	13.00%

(1) Although this schedule is intended to show information for ten years, information prior to 2013 is not available.
An additional column will be added each year.

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$394,300	\$416,044	\$409,711	\$331,332
Contributions in Relation to the Contractually Required Contribution	<u>(394,300)</u>	<u>(416,044)</u>	<u>(409,711)</u>	<u>(331,332)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$2,075,263	\$2,189,706	\$2,156,374	\$2,086,027
Contributions as a Percentage of Covered Payroll:	19.00%	19.00%	19.00%	15.88%

2012	2011	2010	2009	2008	2007
\$252,738	\$244,601	\$245,279	\$248,202	\$229,456	\$225,135
(252,738)	(244,601)	(245,279)	(248,202)	(229,456)	(225,135)
\$0	\$0	\$0	\$0	\$0	\$0
\$1,982,259	\$1,918,439	\$1,923,757	\$1,946,682	\$1,799,655	\$1,765,765
12.75%	12.75%	12.75%	12.75%	12.75%	12.75%

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**Combining Statements
and
Individual Fund Schedules**

GENERAL FUND

The General Fund accounts for all financial resources received and used for services traditionally provided by a city government and not required to be accounted for in other funds.

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		Actual	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Property and Other Taxes	\$987,000	\$987,000	\$1,045,999	\$58,999
Municipal Income Taxes	6,197,053	6,197,053	6,347,888	150,835
Charges for Services	83,775	83,775	160,830	77,055
Licenses and Permits	462,725	462,725	556,262	93,537
Fines and Forfeitures	150,000	150,000	163,984	13,984
Intergovernmental	322,575	322,575	389,074	66,499
Interest	40,012	40,277	125,311	85,034
Contributions and Donations	17,500	17,500	18,644	1,144
Other	438,038	520,274	504,927	(15,347)
<i>Total Revenues</i>	<u>8,698,678</u>	<u>8,781,179</u>	<u>9,312,919</u>	<u>531,740</u>
Expenditures				
Current:				
General Government				
Council				
Personal Services	137,319	137,319	112,490	24,829
Contractual Services	10,000	11,053	11,037	16
Materials and Supplies	1,800	1,800	920	880
Total Council	<u>149,119</u>	<u>150,172</u>	<u>124,447</u>	<u>25,725</u>
Mayor				
Personal Services	50,224	50,225	44,446	5,779
Contractual Services	2,250	2,400	2,137	263
Materials and Supplies	3,450	4,420	3,101	1,319
Total Mayor	<u>55,924</u>	<u>57,045</u>	<u>49,684</u>	<u>7,361</u>
City Manager				
Personal Services	126,592	126,615	121,729	4,886
Contractual Services	2,500	2,500	1,895	605
Materials and Supplies	750	750	313	437
Total City Manager	<u>129,842</u>	<u>129,865</u>	<u>123,937</u>	<u>5,928</u>
Receptionist				
Personal Services	67,122	67,122	57,958	9,164
Materials and Supplies	250	250	250	0
Total Receptionist	<u>67,372</u>	<u>67,372</u>	<u>58,208</u>	<u>9,164</u>
Facilities Operations Administration				
Personal Services	94,371	94,387	86,451	7,936
Contractual Services	750	750	370	380
Materials and Supplies	750	750	392	358
Total Facilities Operations Administration	<u>95,871</u>	<u>95,887</u>	<u>87,213</u>	<u>8,674</u>
Human Resources Department				
Personal Services	64,854	64,853	59,799	5,054
Contractual Services	21,100	23,901	14,851	9,050
Materials and Supplies	950	950	524	426
Total Human Resources Department	<u>\$86,904</u>	<u>\$89,704</u>	<u>\$75,174</u>	<u>\$14,530</u>

(continued)

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Public Information				
Personal Services	\$0	\$0	\$0	\$0
Contractual Services	16,750	21,750	20,022	1,728
Total Public Information	<u>16,750</u>	<u>21,750</u>	<u>20,022</u>	<u>1,728</u>
Land and Buildings				
Personal Services	3,000	3,000	24	2,976
Contractual Services	233,751	239,896	185,886	54,010
Materials and Supplies	65,900	85,406	71,949	13,457
Capital Outlay	26,500	26,500	20,657	5,843
Total Land and Buildings	<u>329,151</u>	<u>354,802</u>	<u>278,516</u>	<u>76,286</u>
Engineer				
Personal Services	30,286	30,527	27,535	2,992
Contractual Services	172,750	397,221	375,060	22,161
Materials and Supplies	1,750	1,750	974	776
Total Engineer	<u>204,786</u>	<u>429,498</u>	<u>403,569</u>	<u>25,929</u>
Law Director				
Contractual Services	<u>240,500</u>	<u>289,865</u>	<u>270,120</u>	<u>19,745</u>
Mayor's Court Clerk				
Personal Services	94,124	94,123	87,576	6,547
Contractual Services	35,800	37,800	31,144	6,656
Materials and Supplies	5,800	5,800	4,088	1,712
Total Mayor's Court Clerk	<u>135,724</u>	<u>137,723</u>	<u>122,808</u>	<u>14,915</u>
Administrative Assistant				
Personal Services	44,916	44,916	43,517	1,399
Materials and Supplies	500	500	173	327
Total Administrative Assistant	<u>45,416</u>	<u>45,416</u>	<u>43,690</u>	<u>1,726</u>
Finance Director				
Personal Services	379,602	379,602	356,159	23,443
Contractual Services	291,750	342,164	331,213	10,951
Materials and Supplies	14,500	14,500	13,772	728
Total Finance Director	<u>685,852</u>	<u>736,266</u>	<u>701,144</u>	<u>35,122</u>
Municipal Clerk				
Personal Services	129,569	129,569	104,396	25,173
Contractual Services	500	500	500	0
Materials and Supplies	2,500	2,563	817	1,746
Total Municipal Clerk	<u>\$132,569</u>	<u>\$132,632</u>	<u>\$105,713</u>	<u>\$26,919</u>

(continued)

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous				
Personal Services	\$28,724	\$43,724	\$43,678	\$46
Contractual Services	9,100	159,100	2,978	156,122
Total Miscellaneous	<u>37,824</u>	<u>202,824</u>	<u>46,656</u>	<u>156,168</u>
Other General Government				
Election Expenses	5,000	5,000	2,878	2,122
Auditor and Treasurer Fees	33,000	39,000	38,159	841
Miscellaneous Dues	40,887	40,887	40,872	15
Total Other General Government	<u>78,887</u>	<u>84,887</u>	<u>81,909</u>	<u>2,978</u>
Total General Government	<u>2,492,491</u>	<u>3,025,708</u>	<u>2,592,810</u>	<u>432,898</u>
Security of Persons and Property				
Street Lighting				
Contractual Services	117,867	119,279	102,777	16,502
Materials and Supplies	250	20,750	20,351	399
Total Security of Persons and Property	<u>118,117</u>	<u>140,029</u>	<u>123,128</u>	<u>16,901</u>
Leisure Time Activities				
Contractual Services	43,000	43,000	40,637	2,363
Total Leisure Time Activities	<u>43,000</u>	<u>43,000</u>	<u>40,637</u>	<u>2,363</u>
Public Health Services				
Contractual Services	163,901	163,901	163,400	501
Materials and Supplies	7,000	7,000	4,389	2,611
Total Public Health Services	<u>170,901</u>	<u>170,901</u>	<u>167,789</u>	<u>3,112</u>
Community Environment				
Development Department				
Personal Services	146,386	146,386	95,127	51,259
Contractual Services	152,000	154,472	74,063	80,409
Materials and Supplies	2,000	2,000	604	1,396
Total Development Department	<u>300,386</u>	<u>302,858</u>	<u>169,794</u>	<u>133,064</u>
Building Inspection				
Personal Services	186,515	186,515	167,958	18,557
Contractual Services	265,108	403,887	295,591	108,296
Materials and Supplies	2,500	2,500	769	1,731
Total Building Inspection	<u>\$454,123</u>	<u>\$592,902</u>	<u>\$464,318</u>	<u>\$128,584</u>

(continued)

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Planning and Zoning				
Personal Services	\$176,029	\$176,029	\$161,356	\$14,673
Contractual Services	32,300	32,708	25,055	7,653
Materials and Supplies	4,000	4,057	1,888	2,169
Total Planning and Zoning	<u>212,329</u>	<u>212,794</u>	<u>188,299</u>	<u>24,495</u>
<i>Total Community Environment</i>	<u>966,838</u>	<u>1,108,554</u>	<u>822,411</u>	<u>286,143</u>
<i>Total Expenditures</i>	<u>3,791,347</u>	<u>4,488,192</u>	<u>3,746,775</u>	<u>741,417</u>
<i>Excess of Revenues Over Expenditures</i>	<u>4,907,331</u>	<u>4,292,987</u>	<u>5,566,144</u>	<u>1,273,157</u>
Other Financing Source (Uses)				
Proceeds from the Sale of Capital Assets	0	0	1,361	1,361
Advances Out	0	(150,000)	(150,000)	0
Transfers Out	(5,612,575)	(5,676,225)	(5,131,225)	545,000
<i>Total Other Financing Source (Uses)</i>	<u>(5,612,575)</u>	<u>(5,826,225)</u>	<u>(5,279,864)</u>	<u>546,361</u>
<i>Net Change in Fund Balance</i>	(705,244)	(1,533,238)	286,280	1,819,518
Fund Balance at Beginning of Year	4,265,184	4,265,184	4,265,184	0
Prior Year Encumbrances Appropriated	<u>98,845</u>	<u>98,845</u>	<u>98,845</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$3,658,785</u>	<u>\$2,830,791</u>	<u>\$4,650,309</u>	<u>\$1,819,518</u>

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 expenditures for specified purposes other than debt service or capital projects.

Capital Projects Funds

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds).

Permanent Fund

The permanent fund is 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 government's programs – that is for the benefit of the government or its citizenry.

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$481,054	\$2,218,953	\$2,826	\$2,702,833
Receivables:				
Permissive Motor Vehicle Registration Fees	0	11,308	0	11,308
Payments in Lieu of Taxes	0	252,208	0	252,208
Accounts	591	0	0	591
Intergovernmental	35,340	165,023	0	200,363
Materials and Supplies Inventory	20,953	0	0	20,953
Prepaid Items	8,521	0	0	8,521
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	0	1,545	1,545
<i>Total Assets</i>	\$546,459	\$2,647,492	\$4,371	\$3,198,322
Liabilities				
Accrued Wages and Benefits	\$6,786	\$0	\$0	\$6,786
Accounts Payable	4,575	90,128	0	94,703
Contracts Payable	0	33,587	0	33,587
Interfund Payable	0	150,000	0	150,000
Intergovernmental Payable	3,584	0	0	3,584
<i>Total Liabilities</i>	14,945	273,715	0	288,660
Deferred Inflows of Resources				
Unavailable Revenue	18,936	393,755	0	412,691
Fund Balances				
Fund Balances:				
Nonspendable	29,474	0	1,545	31,019
Restricted	180,115	631,803	2,826	814,744
Committed	302,989	1,455,701	0	1,758,690
Unassigned (Deficit)	0	(107,482)	0	(107,482)
<i>Total Fund Balances</i>	512,578	1,980,022	4,371	2,496,971
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	\$546,459	\$2,647,492	\$4,371	\$3,198,322

City of Pickerington, 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 Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues				
Permissive Motor Vehicle Registration Fees	\$0	\$142,469	\$0	\$142,469
Charges for Services	134,247	100,000	0	234,247
Licenses and Permits	30,975	0	0	30,975
Impact Fees	0	675,793	0	675,793
Fines and Forfeitures	10,653	0	0	10,653
Intergovernmental	70,340	952,704	0	1,023,044
Interest	70	1,143	3	1,216
Payments in Lieu of Taxes	0	214,969	0	214,969
Contributions and Donations	6,000	0	0	6,000
Other	4,729	33,225	0	37,954
<i>Total Revenues</i>	<u>257,014</u>	<u>2,120,303</u>	<u>3</u>	<u>2,377,320</u>
Expenditures				
Current:				
General Government	9,253	0	0	9,253
Security of Persons and Property	3,957	0	0	3,957
Transportation	46,335	0	0	46,335
Leisure Time Activities	715,808	0	0	715,808
Capital Outlay	0	2,078,347	0	2,078,347
<i>Total Expenditures</i>	<u>775,353</u>	<u>2,078,347</u>	<u>0</u>	<u>2,853,700</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(518,339)</u>	<u>41,956</u>	<u>3</u>	<u>(476,380)</u>
Other Financing Sources (Use)				
Proceeds from the Sale of Capital Assets	750	0	0	750
Transfers In	600,000	13,650	0	613,650
Transfers Out	0	(326,153)	0	(326,153)
<i>Total Other Financing Sources (Use)</i>	<u>600,750</u>	<u>(312,503)</u>	<u>0</u>	<u>288,247</u>
<i>Net Changes in Fund Balances</i>	82,411	(270,547)	3	(188,133)
Fund Balances at Beginning of Year	430,167	2,250,569	4,368	2,685,104
<i>Fund Balances at End of Year</i>	<u>\$512,578</u>	<u>\$1,980,022</u>	<u>\$4,371</u>	<u>\$2,496,971</u>

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 expenditures for specified purposes other than debt service or capital projects.

The following are reported as special revenue funds:

Major Special Revenue Funds:

Street Fund - To account for the portion of state gasoline tax and motor vehicle registration fees restricted for maintenance and repair of dedicated streets within the City.

Police Fund - To account for property taxes and transfers restricted to pay for police protection.

Nonmajor Special Revenue Funds:

State Highway Fund - To account for that portion of state gasoline tax and motor vehicle registration fees restricted for maintenance of state highways within the City.

Parks and Recreation Fund -To account for the revenue received from charges for services, donations, and transfers from the General Fund committed to provide leisure time activities for the citizens of the City.

Computer Fund - To account for the receipt and disbursement of computer funds restricted for the clerk of courts office.

Operation of a Motor Vehicle Under the Influence Enforcement and Education Fund – The OMVI Enforcement and Education Fund is created as authorized per section 4511.99, Ohio Revised Code. To account for restricted funds to be used by the City for informing the public of the laws governing the operation of a motor vehicle while under the influence of alcohol, and other information relating to the operation of a motor vehicle and the consumption of alcoholic beverages.

Law Enforcement Assistance Fund –To account for funds received from the Attorney General to pay for reimbursements for continuing professional training programs for peace officers and troopers as established by section 109.802, Ohio Revised Code.

Law Enforcement Trust Fund - To account for seized contraband and intergovernmental receipts restricted for law enforcement purposes as established by section 2981.13, Ohio Revised Code.

Mandatory Drug Law Enforcement Fund - To account for fine monies collected and restricted for subsidizing law enforcement efforts that pertain to drug offenses.

Immobilization Fund - To account for the deposit of restricted fees and intergovernmental receipts received by the police department as a result of the immobilization of motor vehicles.

Urban Forestry Fund - To account for committed funds which are received from developers for the costs of planting trees.

Community Development Block Grant Revolving Loan Fund - To account for restricted federal grant monies received and expenditures incurred associated with commercial development projects. No budgetary schedule was presented because no activity occurred during 2016.

(continued)

SPECIAL REVENUE FUNDS (Continued)

Indigent Drivers Interlock and Alcohol Monitoring Fund – To account for restricted driver license reinstatement fees collected and disbursed by the Ohio Department of Public Safety to be used for an immobilizing or disabling device, including a certified ignition interlock device, or an alcohol monitoring device used by an offender or juvenile offender who is ordered to use the device and determined by a county, juvenile, or municipal court judge not to have the means to pay for the person's use of the device. No budgetary schedule was presented because no activity occurred during 2016.

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Permissive Motor Vehicle Registration Fees	\$85,000	\$85,000	\$94,676	\$9,676
Intergovernmental	635,000	635,000	714,340	79,340
Interest	250	250	654	404
Other	7,848	7,848	33,242	25,394
<i>Total Revenues</i>	<u>728,098</u>	<u>728,098</u>	<u>842,912</u>	<u>114,814</u>
Expenditures				
Current:				
Transportation				
Personal Services	386,400	386,917	353,295	33,622
Contractual Services	1,263,665	1,276,863	1,209,182	67,681
Materials and Supplies	241,000	246,277	163,133	83,144
Capital Outlay	56,777	86,822	43,576	43,246
<i>Total Expenditures</i>	<u>1,947,842</u>	<u>1,996,879</u>	<u>1,769,186</u>	<u>227,693</u>
<i>Excess of Revenues Under Expenditures</i>	(1,219,744)	(1,268,781)	(926,274)	342,507
Other Financing Source				
Transfers In	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(219,744)	(268,781)	73,726	342,507
Fund Balance at Beginning of Year	777,432	777,432	777,432	0
Prior Year Encumbrances Appropriated	<u>43,037</u>	<u>43,037</u>	<u>43,037</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$600,725</u>	<u>\$551,688</u>	<u>\$894,195</u>	<u>\$342,507</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$1,538,500	\$1,538,500	\$1,624,637	\$86,137
Charges for Services	183,702	183,702	206,294	22,592
Intergovernmental	186,132	186,132	205,582	19,450
Contributions and Donations	0	0	1,995	1,995
Other	91,904	91,904	48,202	(43,702)
<i>Total Revenues</i>	<u>2,000,238</u>	<u>2,000,238</u>	<u>2,086,710</u>	<u>86,472</u>
Expenditures				
Current:				
Security of Persons and Property				
Personal Services	4,649,537	4,657,921	4,222,546	435,375
Contractual Services	479,092	538,448	471,795	66,653
Materials and Supplies	159,950	223,953	199,155	24,798
Capital Outlay	67,550	113,550	109,682	3,868
<i>Total Expenditures</i>	<u>5,356,129</u>	<u>5,533,872</u>	<u>5,003,178</u>	<u>530,694</u>
<i>Excess of Revenues Under Expenditures</i>	(3,355,891)	(3,533,634)	(2,916,468)	617,166
Other Financing Source				
Transfers In	<u>3,380,000</u>	<u>3,380,000</u>	<u>2,950,000</u>	<u>(430,000)</u>
<i>Net Change in Fund Balance</i>	24,109	(153,634)	33,532	187,166
Fund Balance at Beginning of Year	461,554	461,554	461,554	0
Prior Year Encumbrances Appropriated	<u>50,643</u>	<u>50,643</u>	<u>50,643</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$536,306</u>	<u>\$358,563</u>	<u>\$545,729</u>	<u>\$187,166</u>

City of Pickerington, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2016

	State Highway	Parks and Recreation	Computer	Operation of a Motor Vehicle Under the Influence Enforcement and Education	Law Enforcement Assistance
Assets					
Equity in Pooled Cash and Cash Equivalents	\$117,816	\$293,493	\$25,866	\$5,349	\$620
Receivables:					
Accounts	309	282	0	0	0
Intergovernmental	28,432	53	0	0	6,820
Materials and Supplies Inventory	0	20,953	0	0	0
Prepaid Items	853	7,668	0	0	0
<i>Total Assets</i>	<u>\$147,410</u>	<u>\$322,449</u>	<u>\$25,866</u>	<u>\$5,349</u>	<u>\$7,440</u>
Liabilities					
Accrued Wages and Benefits	\$413	\$6,373	\$0	\$0	\$0
Accounts Payable	1,085	3,490	0	0	0
Intergovernmental Payable	186	2,778	0	0	620
<i>Total Liabilities</i>	<u>1,684</u>	<u>12,641</u>	<u>0</u>	<u>0</u>	<u>620</u>
Deferred Inflows of Resources					
Unavailable Revenue	18,936	0	0	0	0
Fund Balances					
Nonspendable	853	28,621	0	0	0
Restricted	125,937	0	25,866	5,349	6,820
Committed	0	281,187	0	0	0
<i>Total Fund Balances</i>	<u>126,790</u>	<u>309,808</u>	<u>25,866</u>	<u>5,349</u>	<u>6,820</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$147,410</u>	<u>\$322,449</u>	<u>\$25,866</u>	<u>\$5,349</u>	<u>\$7,440</u>

Law Enforcement Trust	Mandatory Drug Law Enforcement	Immobilization	Urban Forestry	Community Development Block Grant Revolving Loan	Indigent Drivers Interlock and Alcohol Monitoring	Total Nonmajor Special Revenue Funds
\$10,309	\$1,689	\$1,585	\$21,802	\$370	\$2,155	\$481,054
0	0	0	0	0	0	591
0	0	35	0	0	0	35,340
0	0	0	0	0	0	20,953
0	0	0	0	0	0	8,521
<u>\$10,309</u>	<u>\$1,689</u>	<u>\$1,620</u>	<u>\$21,802</u>	<u>\$370</u>	<u>\$2,155</u>	<u>\$546,459</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$6,786
0	0	0	0	0	0	4,575
0	0	0	0	0	0	3,584
0	0	0	0	0	0	14,945
0	0	0	0	0	0	18,936
0	0	0	0	0	0	29,474
10,309	1,689	1,620	0	370	2,155	180,115
0	0	0	21,802	0	0	302,989
<u>10,309</u>	<u>1,689</u>	<u>1,620</u>	<u>21,802</u>	<u>370</u>	<u>2,155</u>	<u>512,578</u>
<u>\$10,309</u>	<u>\$1,689</u>	<u>\$1,620</u>	<u>\$21,802</u>	<u>\$370</u>	<u>\$2,155</u>	<u>\$546,459</u>

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

	State Highway	Parks and Recreation	Computer	Operation of a Motor Vehicle Under the Influence Enforcement and Education	Law Enforcement Assistance	Law Enforcement Trust
Revenues						
Charges for Services	\$0	\$134,247	\$0	\$0	\$0	\$0
Licenses and Permits	0	0	0	0	0	0
Fines and Forfeitures	0	0	9,554	1,099	0	0
Intergovernmental	58,345	0	0	0	9,060	2,760
Interest	70	0	0	0	0	0
Contributions and Donations	0	6,000	0	0	0	0
Other	382	4,347	0	0	0	0
<i>Total Revenues</i>	<u>58,797</u>	<u>144,594</u>	<u>9,554</u>	<u>1,099</u>	<u>9,060</u>	<u>2,760</u>
Expenditures						
Current:						
General Government	0	0	9,253	0	0	0
Security of Persons and Property	0	0	0	672	2,240	1,045
Transportation	46,335	0	0	0	0	0
Leisure Time Activities	0	644,373	0	0	0	0
<i>Total Expenditures</i>	<u>46,335</u>	<u>644,373</u>	<u>9,253</u>	<u>672</u>	<u>2,240</u>	<u>1,045</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>12,462</u>	<u>(499,779)</u>	<u>301</u>	<u>427</u>	<u>6,820</u>	<u>1,715</u>
Other Financing Sources						
Proceeds from the Sale of Capital Assets	0	750	0	0	0	0
Transfers In	0	600,000	0	0	0	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>600,750</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	12,462	100,971	301	427	6,820	1,715
Fund Balances at Beginning of Year	<u>114,328</u>	<u>208,837</u>	<u>25,565</u>	<u>4,922</u>	<u>0</u>	<u>8,594</u>
<i>Fund Balances at End of Year</i>	<u>\$126,790</u>	<u>\$309,808</u>	<u>\$25,866</u>	<u>\$5,349</u>	<u>\$6,820</u>	<u>\$10,309</u>

<u>Mandatory Drug Law Enforcement</u>	<u>Immobilization</u>	<u>Urban Forestry</u>	<u>Community Development Block Grant Revolving Loan</u>	<u>Indigent Drivers Interlock and Alcohol Monitoring</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$0	\$0	\$0	\$0	\$0	\$134,247
0	0	30,975	0	0	30,975
0	0	0	0	0	10,653
0	175	0	0	0	70,340
0	0	0	0	0	70
0	0	0	0	0	6,000
0	0	0	0	0	4,729
<u>0</u>	<u>175</u>	<u>30,975</u>	<u>0</u>	<u>0</u>	<u>257,014</u>
0	0	0	0	0	9,253
0	0	0	0	0	3,957
0	0	0	0	0	46,335
<u>0</u>	<u>0</u>	<u>71,435</u>	<u>0</u>	<u>0</u>	<u>715,808</u>
<u>0</u>	<u>0</u>	<u>71,435</u>	<u>0</u>	<u>0</u>	<u>775,353</u>
<u>0</u>	<u>175</u>	<u>(40,460)</u>	<u>0</u>	<u>0</u>	<u>(518,339)</u>
0	0	0	0	0	750
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>600,000</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>600,750</u>
0	175	(40,460)	0	0	82,411
<u>1,689</u>	<u>1,445</u>	<u>62,262</u>	<u>370</u>	<u>2,155</u>	<u>430,167</u>
<u>\$1,689</u>	<u>\$1,620</u>	<u>\$21,802</u>	<u>\$370</u>	<u>\$2,155</u>	<u>\$512,578</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$48,500	\$57,920	\$9,420
Interest	50	70	20
Other	226	56	(170)
<i>Total Revenues</i>	<u>48,776</u>	<u>58,046</u>	<u>9,270</u>
Expenditures			
Current:			
Transportation			
State Highway			
Personal Services	16,005	15,052	953
Contractual Services	14,912	12,336	2,576
Materials and Supplies	21,500	20,000	1,500
<i>Total Expenditures</i>	<u>52,417</u>	<u>47,388</u>	<u>5,029</u>
<i>Net Change in Fund Balance</i>	(3,641)	10,658	14,299
Fund Balance at Beginning of Year	105,511	105,511	0
Prior Year Encumbrances Appropriated	<u>1,412</u>	<u>1,412</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$103,282</u></u>	<u><u>\$117,581</u></u>	<u><u>\$14,299</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Parks and Recreation Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$116,000	\$134,287	\$18,287
Contributions and Donations	3,500	6,000	2,500
Other	8,741	4,012	(4,729)
<i>Total Revenues</i>	<u>128,241</u>	<u>144,299</u>	<u>16,058</u>
Expenditures			
Current:			
Leisure Time Activities			
Parks and Recreation			
Personal Services	352,297	281,509	70,788
Contractual Services	302,918	245,193	57,725
Materials and Supplies	75,288	61,270	14,018
Capital Outlay	76,300	74,468	1,832
<i>Total Expenditures</i>	<u>806,803</u>	<u>662,440</u>	<u>144,363</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(678,562)</u>	<u>(518,141)</u>	<u>160,421</u>
Other Financing Sources			
Proceeds from the Sale of Capital Assets	0	750	750
Transfers In	665,000	600,000	(65,000)
<i>Total Other Financing Sources</i>	<u>665,000</u>	<u>600,750</u>	<u>(64,250)</u>
<i>Net Change in Fund Balance</i>	(13,562)	82,609	96,171
Fund Balance at Beginning of Year	182,942	182,942	0
Prior Year Encumbrances Appropriated	16,225	16,225	0
<i>Fund Balance at End of Year</i>	<u>\$185,605</u>	<u>\$281,776</u>	<u>\$96,171</u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Computer Fund
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$7,500	\$9,521	\$2,021
Expenditures			
Current:			
General Government			
Computer			
Contractual Services	10,100	8,541	1,559
Materials and Supplies	1,500	773	727
<i>Total Expenditures</i>	<u>11,600</u>	<u>9,314</u>	<u>2,286</u>
<i>Net Change in Fund Balance</i>	(4,100)	207	4,307
Fund Balance at Beginning of Year	<u>24,967</u>	<u>24,967</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$20,867</u></u>	<u><u>\$25,174</u></u>	<u><u>\$4,307</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Operation of a Motor Vehicle Under the Influence Enforcement and Education Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$750	\$1,161	\$411
Expenditures			
Current:			
Security of Persons and Property			
Operation of a Motor Vehicle Under the Influence Enforcement and Education			
Contractual Services	835	0	835
Materials and Supplies	1,000	756	244
<i>Total Expenditures</i>	<u>1,835</u>	<u>756</u>	<u>1,079</u>
<i>Net Change in Fund Balance</i>	(1,085)	405	1,490
Fund Balance at Beginning of Year	<u>4,798</u>	<u>4,798</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$3,713</u></u>	<u><u>\$5,203</u></u>	<u><u>\$1,490</u></u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Law Enforcement Assistance Fund
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$2,240	\$2,240	\$0
Expenditures			
Current:			
Security of Persons and Property			
Law Enforcement Assistance			
Personal Services	2,240	2,240	0
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Trust Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$0	\$5,000	\$5,000
Expenditures			
Current:			
Security of Persons and Property			
Law Enforcement Trust			
Materials and Supplies	<u>2,775</u>	<u>1,045</u>	<u>1,730</u>
<i>Net Change in Fund Balance</i>	(2,775)	3,955	6,730
Fund Balance at Beginning of Year	3,579	3,579	0
Prior Year Encumbrances Appropriated	<u>2,775</u>	<u>2,775</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$3,579</u></u>	<u><u>\$10,309</u></u>	<u><u>\$6,730</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Mandatory Drug Law Enforcement Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$0	\$100	\$100
Expenditures			
Current:			
Security of Persons and Property			
Mandatory Drug Law Enforcement			
Materials and Supplies	250	250	0
<i>Net Change in Fund Balance</i>	(250)	(150)	100
Fund Balance at Beginning of Year	1,589	1,589	0
<i>Fund Balance at End of Year</i>	<u>\$1,339</u>	<u>\$1,439</u>	<u>\$100</u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Immobilization Fund
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$125	\$140	\$15
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	125	140	15
Fund Balance at Beginning of Year	<u>1,445</u>	<u>1,445</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,570</u></u>	<u><u>\$1,585</u></u>	<u><u>\$15</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Urban Forestry Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and Permits	\$34,276	\$30,975	(\$3,301)
Expenditures			
Current:			
Leisure Time Activities			
Urban Forestry			
Contractual Services	61,900	60,300	1,600
Materials and Supplies	24,500	24,285	215
<i>Total Expenditures</i>	<u>86,400</u>	<u>84,585</u>	<u>1,815</u>
<i>Net Change in Fund Balance</i>	(52,124)	(53,610)	(1,486)
Fund Balance at Beginning of Year	47,162	47,162	0
Prior Year Encumbrances Appropriated	<u>21,900</u>	<u>21,900</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$16,938</u>	<u>\$15,452</u>	<u>(\$1,486)</u>

DEBT SERVICE FUNDS

Debt Service Funds are used to account for and report financial resources, and the accumulation of resources, that are restricted, committed, or assigned to expenditures for principal and interest on general obligation debt.

The following is included in the debt service fund:

Major Debt Service Fund:

Debt Service Fund - To account for revenue restricted for the retirement of principal, interest, and related costs for general obligation bonds, general obligation refunding bonds, and loans.

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Service Fund
For the Year Ended December 31, 2016

	Final	Actual	Variance Positive (Negative)
Revenues			
Payment in Lieu of Taxes	\$0	\$18,487	\$18,487
Interest	12,060	10,235	(1,825)
<i>Total Revenues</i>	<u>12,060</u>	<u>28,722</u>	<u>16,662</u>
Expenditures			
Debt Service:			
Principal Retirement	3,025,000	3,025,000	0
Interest and Fiscal Charges	284,353	284,134	219
<i>Total Expenditures</i>	<u>3,309,353</u>	<u>3,309,134</u>	<u>219</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(3,297,293)</u>	<u>(3,280,412)</u>	<u>16,881</u>
Other Financing Sources			
Bond Anticipation Notes Issued	2,300,000	2,300,000	0
Transfers In	886,793	893,728	6,935
<i>Total Other Financing Sources</i>	<u>3,186,793</u>	<u>3,193,728</u>	<u>6,935</u>
<i>Net Change in Fund Balance</i>	(110,500)	(86,684)	23,816
Fund Balance at Beginning of Year	<u>216,221</u>	<u>216,221</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$105,721</u></u>	<u><u>\$129,537</u></u>	<u><u>\$23,816</u></u>

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CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds).

Nonmajor Capital Projects Funds:

State Route 256 Highway Fund - To account for the permissive motor vehicle registration fees restricted for expenditures related to the widening and improvement of State Route 256.

Street Construction Fund – To account for restricted revenues and expenditures associated with street construction projects.

Street Impact Fee Fund - To account for the committed street impact fee revenues and expenditures related to street capital improvement projects.

Park Capital Improvement Fund - To account for building permit monies committed for capital improvements to the City's parks.

Police Impact Fee Fund - To account for committed police impact fee revenues and expenditures associated with the building and maintenance of the police station.

Safe Routes to Schools - To account for restricted grant monies and related expenditures from the Ohio Department of Transportation for Safe Routes to School infrastructure and non infrastructure projects within the City.

State Route 256 Safety Grant Fund – To account for grant monies from the Ohio Department of Transportation restricted for expenditures associated with the State Route 256 Safety Grant infrastructure project within the City.

Tax Increment Financing Agreement Equity Construction Fund – A tax increment financing agreement to account for payment in lieu of taxes received from Fairfield County and directly distributed to the developer to retire debt issued by the developer for the construction of private improvements including three to five office buildings, a strip center of retail stores, and an outlot development consisting of two to three buildings.

Street Improvement Trust Fund - To account for monies received from developers committed by the City for future capital improvements to the City.

Sidewalk Improvement Trust Fund - To account for monies received from developers committed by the City for future capital improvements to the City.

Park Impact Fee Fund - To account for park impact fee revenues committed by the City for expenditures related to park capital improvements.

Municipal Facility Impact Fee Fund – To account for municipal facility impact fee revenues committed by the City for expenditures related to municipal facility capital improvements.

(continued)

CAPITAL PROJECTS FUNDS (Continued)

Ohio Health Medical Office Building Tax Increment Financing Fund – A tax increment financing agreement with Ohio Health for the purpose of constructing a left turn lane and a right turn lane and to install traffic signals at the intersection of Refugee Road and the Stonecreek Drive Extension.

Hill/Diley Roads Tax Increment Financing Fund – A tax increment financing fund to account for payment in lieu of taxes received from Fairfield County to be used to pay for costs associated with public infrastructure improvements within the designated area.

City of Pickerington, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2016

	<u>State Route 256 Highway</u>	<u>Street Construction</u>	<u>Street Impact Fee</u>	<u>Park Capital Improvement</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$263,739	\$44,079	\$406,085	\$131,877
Receivables:				
Permissive Motor Vehicle Registration Fees	11,308	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Intergovernmental	<u>70,916</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u>\$345,963</u>	<u>\$44,079</u>	<u>\$406,085</u>	<u>\$131,877</u>
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Interfund Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>150,000</u>
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>150,000</u>
Deferred Inflows of Resources				
Unavailable Revenue	<u>70,916</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted	275,047	44,079	0	0
Committed	0	0	406,085	0
Unassigned (Deficits)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(18,123)</u>
<i>Total Fund Balances (Deficits)</i>	<u>275,047</u>	<u>44,079</u>	<u>406,085</u>	<u>(18,123)</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$345,963</u>	<u>\$44,079</u>	<u>\$406,085</u>	<u>\$131,877</u>

<u>Police Impact Fee</u>	<u>Safe Routes to Schools</u>	<u>State Route 256 Safety Grant</u>	<u>Tax Increment Financing Agreement Equity Construction</u>	<u>Street Improvement Trust</u>	<u>Sidewalk Improvement Trust</u>
\$214,261	\$0	\$11,011	\$0	\$163,052	\$1,714
0	0	0	0	0	0
0	0	0	89,359	0	0
0	70,631	23,476	0	0	0
<u>\$214,261</u>	<u>\$70,631</u>	<u>\$34,487</u>	<u>\$89,359</u>	<u>\$163,052</u>	<u>\$1,714</u>
\$0	\$0	\$0	\$89,359	\$0	\$0
0	0	23,476	0	0	0
0	0	0	0	0	0
0	0	23,476	89,359	0	0
<u>0</u>	<u>70,631</u>	<u>0</u>	<u>89,359</u>	<u>0</u>	<u>0</u>
0	0	11,011	0	0	0
214,261	0	0	0	163,052	1,714
0	0	0	(89,359)	0	0
<u>214,261</u>	<u>0</u>	<u>11,011</u>	<u>(89,359)</u>	<u>163,052</u>	<u>1,714</u>
<u>\$214,261</u>	<u>\$70,631</u>	<u>\$34,487</u>	<u>\$89,359</u>	<u>\$163,052</u>	<u>\$1,714</u>

(continued)

City of Pickerington, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds (Continued)
December 31, 2016

	Park Impact Fee	Municipal Facility Impact Fee	Ohio Health Medical Office Building Tax Increment Financing	Hill/Diley Roads Tax Increment Financing	Total Nonmajor Capital Projects Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$359,554	\$311,804	\$305,591	\$6,186	\$2,218,953
Receivables:					
Permissive Motor Vehicle Registration Fees	0	0	0	0	11,308
Payments in Lieu of Taxes	0	0	156,588	6,261	252,208
Intergovernmental	0	0	0	0	165,023
<i>Total Assets</i>	<u>\$359,554</u>	<u>\$311,804</u>	<u>\$462,179</u>	<u>\$12,447</u>	<u>\$2,647,492</u>
Liabilities					
Accounts Payable	\$769	\$0	\$0	\$0	\$90,128
Contracts Payable	0	0	10,111	0	33,587
Retainage Payable	0	0	0	0	150,000
<i>Total Liabilities</i>	<u>769</u>	<u>0</u>	<u>10,111</u>	<u>0</u>	<u>273,715</u>
Deferred Inflows of Resources					
Unavailable Revenue	0	0	156,588	6,261	393,755
Fund Balances					
Restricted	0	0	295,480	6,186	631,803
Committed	358,785	311,804	0	0	1,455,701
Unassigned (Deficits)	0	0	0	0	(107,482)
<i>Total Fund Balances (Deficits)</i>	<u>358,785</u>	<u>311,804</u>	<u>295,480</u>	<u>6,186</u>	<u>1,980,022</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$359,554</u>	<u>\$311,804</u>	<u>\$462,179</u>	<u>\$12,447</u>	<u>\$2,647,492</u>

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

	State Route 256 Highway	Street Construction	Street Impact Fee	Park Capital Improvement	Police Impact Fee
Revenues					
Permissive Motor Vehicle Registration Fees	\$142,469	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0
Impact Fees	0	0	283,590	0	129,284
Intergovernmental	136,090	0	0	0	0
Interest	0	0	292	0	142
Payment in Lieu of Taxes	0	0	0	0	0
Other	0	0	0	0	0
<i>Total Revenues</i>	<u>278,559</u>	<u>0</u>	<u>283,882</u>	<u>0</u>	<u>129,426</u>
Expenditures					
Capital Outlay	136,234	0	0	18,748	0
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>142,325</u>	<u>0</u>	<u>283,882</u>	<u>(18,748)</u>	<u>129,426</u>
Other Financing Source (Use)					
Transfers In	0	12,000	0	0	0
Transfers Out	(50,000)	0	(150,000)	0	(50,000)
<i>Total Other Financing Source (Use)</i>	<u>(50,000)</u>	<u>12,000</u>	<u>(150,000)</u>	<u>0</u>	<u>(50,000)</u>
<i>Net Changes in Fund Balances</i>	92,325	12,000	133,882	(18,748)	79,426
Fund Balances (Deficit) at Beginning of Year	182,722	32,079	272,203	625	134,835
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$275,047</u>	<u>\$44,079</u>	<u>\$406,085</u>	<u>(\$18,123)</u>	<u>\$214,261</u>

(continued)

City of Pickerington, Ohio
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Capital Projects Funds (Continued)
For the Year Ended December 31, 2016

	Safe Routes to Schools	State Route 256 Safety Grant	Tax Increment Financing Agreement Equity Construction	Street Improvement Trust	Sidewalk Improvement Trust
Revenues					
Permissive Motor Vehicle Registration Fees	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0
Impact Fees	0	0	0	0	0
Intergovernmental	237,417	579,197	0	0	0
Interest	0	0	0	243	1
Payment in Lieu of Taxes	0	0	90,188	0	0
Other	0	0	0	33,225	0
<i>Total Revenues</i>	<u>237,417</u>	<u>579,197</u>	<u>90,188</u>	<u>33,468</u>	<u>1</u>
Expenditures					
Capital Outlay	<u>237,417</u>	<u>581,095</u>	<u>129,156</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>(1,898)</u>	<u>(38,968)</u>	<u>33,468</u>	<u>1</u>
Other Financing Source (Use)					
Transfers In	0	1,650	0	0	0
Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Other Financing Source (Use)</i>	<u>0</u>	<u>1,650</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	0	(248)	(38,968)	33,468	1
Fund Balances (Deficit) at Beginning of Year	<u>0</u>	<u>11,259</u>	<u>(50,391)</u>	<u>129,584</u>	<u>1,713</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$11,011</u></u>	<u><u>(\$89,359)</u></u>	<u><u>\$163,052</u></u>	<u><u>\$1,714</u></u>

Park Impact Fee	Municipal Facility Impact Fee	Ohio Health Medical Office Building Tax Increment Financing	Hill/Diley Roads Tax Increment Financing	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$0	\$142,469
0	0	100,000	0	100,000
141,119	121,800	0	0	675,793
0	0	0	0	952,704
248	217	0	0	1,143
0	0	118,513	6,268	214,969
0	0	0	0	33,225
<u>141,367</u>	<u>122,017</u>	<u>218,513</u>	<u>6,268</u>	<u>2,120,303</u>
<u>51,090</u>	<u>0</u>	<u>924,525</u>	<u>82</u>	<u>2,078,347</u>
<u>90,277</u>	<u>122,017</u>	<u>(706,012)</u>	<u>6,186</u>	<u>41,956</u>
0	0	0	0	13,650
0	(50,000)	(26,153)	0	(326,153)
<u>0</u>	<u>(50,000)</u>	<u>(26,153)</u>	<u>0</u>	<u>(312,503)</u>
90,277	72,017	(732,165)	6,186	(270,547)
<u>268,508</u>	<u>239,787</u>	<u>1,027,645</u>	<u>0</u>	<u>2,250,569</u>
<u>\$358,785</u>	<u>\$311,804</u>	<u>\$295,480</u>	<u>\$6,186</u>	<u>\$1,980,022</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Route 256 Highway Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Permissive Motor Vehicle Registration Fees	\$125,000	\$142,014	\$17,014
Intergovernmental	0	136,090	136,090
<i>Total Revenues</i>	<u>125,000</u>	<u>278,104</u>	<u>153,104</u>
Expenditures			
Current:			
State Route 256 Highway			
Capital Outlay	166,630	154,727	11,903
Debt Service:			
Principal Retirement	70,917	70,917	0
<i>Total Expenditures</i>	<u>237,547</u>	<u>225,644</u>	<u>11,903</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(112,547)	52,460	165,007
Other Financing Use			
Transfers Out	(50,000)	(50,000)	0
<i>Net Change in Fund Balance</i>	(162,547)	2,460	165,007
Fund Balance at Beginning of Year	97,815	97,815	0
Prior Year Encumbrances Appropriated	92,547	92,547	0
<i>Fund Balance at End of Year</i>	<u>\$27,815</u>	<u>\$192,822</u>	<u>\$165,007</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Construction Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Current:			
Capital Outlay			
Street Construction			
Capital Outlay	43,914	3,379	40,535
<i>Excess of Revenues Under Expenditures</i>	(43,914)	(3,379)	40,535
Other Financing Source			
Transfers In	11,835	12,000	165
<i>Net Change in Fund Balance</i>	(32,079)	8,621	40,700
Fund Balance at Beginning of Year	165	165	0
Prior Year Encumbrances Appropriated	31,914	31,914	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$40,700</u>	<u>\$40,700</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Impact Fee Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$44,212	\$283,590	\$239,378
Interest	100	292	192
<i>Total Revenues</i>	<u>44,312</u>	<u>283,882</u>	<u>239,570</u>
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	44,312	283,882	239,570
Other Financing Use			
Transfers Out	<u>(150,000)</u>	<u>(150,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(105,688)	133,882	239,570
Fund Balance at Beginning of Year	<u>272,203</u>	<u>272,203</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$166,515</u>	<u>\$406,085</u>	<u>\$239,570</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Park Capital Improvement Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$149,375	\$0	(\$149,375)
Expenditures			
Capital Outlay			
Park Capital Improvement			
Capital Outlay	150,000	150,000	0
<i>Excess of Revenues Under Expenditures</i>	(625)	(150,000)	(149,375)
Other Financing Source			
Advances In	0	150,000	150,000
<i>Net Change in Fund Balance</i>	(625)	0	625
Fund Balance at Beginning of Year	625	625	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$625</u>	<u>\$625</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Impact Fee Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$42,215	\$129,284	\$87,069
Interest	80	142	62
<i>Total Revenues</i>	<u>42,295</u>	<u>129,426</u>	<u>87,131</u>
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	42,295	129,426	87,131
Other Financing Use			
Transfers Out	<u>(50,000)</u>	<u>(50,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(7,705)	79,426	87,131
Fund Balance at Beginning of Year	<u>134,835</u>	<u>134,835</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$127,130</u></u>	<u><u>\$214,261</u></u>	<u><u>\$87,131</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Safe Routes to Schools Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$345,000	\$237,417	(\$107,583)
Expenditures			
Capital Outlay			
Safe Routes to Schools			
Capital Outlay	345,000	237,417	107,583
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Route 256 Safety Grant Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$640,667	\$582,438	(\$58,229)
Expenditures			
Capital Outlay			
State Route 256 Safety Grant			
Capital Outlay	652,226	585,894	66,332
<i>Excess of Revenues Under Expenditures</i>	(11,559)	(3,456)	8,103
Other Financing Source			
Transfers In	0	1,650	1,650
<i>Net Change in Fund Balance</i>	(11,559)	(1,806)	9,753
Fund Balance at Beginning of Year	833	833	0
Prior Year Encumbrances Appropriated	10,726	10,726	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$9,753</u>	<u>\$9,753</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Tax Increment Financing Agreement Equity Construction Fund
For the Year Ended December 31, 2016

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Payment in Lieu of Taxes	\$90,500	\$90,188	(\$312)
Expenditures			
Capital Outlay			
Tax Increment Financing Agreement Equity Construction			
Contractual Services	<u>129,562</u>	<u>129,250</u>	<u>312</u>
<i>Net Change in Fund Balance</i>	(39,062)	(39,062)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	<u>39,062</u>	<u>39,062</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Improvement Trust Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$100	\$243	\$143
Other	0	33,225	33,225
<i>Total Revenues</i>	100	33,468	33,368
Expenditures			
<i>Total Expenditures</i>	0	0	0
<i>Net Change in Fund Balance</i>	100	33,468	33,368
Fund Balance at Beginning of Year	129,584	129,584	0
<i>Fund Balance at End of Year</i>	\$129,684	\$163,052	\$33,368

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Sidewalk Improvement Trust Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$1	\$1	\$0
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	1	1	0
Fund Balance at Beginning of Year	<u>1,713</u>	<u>1,713</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,714</u></u>	<u><u>\$1,714</u></u>	<u><u>\$0</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Park Impact Fee Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$99,595	\$141,119	\$41,524
Interest	200	248	48
<i>Total Revenues</i>	<u>99,795</u>	<u>141,367</u>	<u>41,572</u>
Expenditures			
Capital Outlay			
Park Impact Fee			
Contractual Services	2,500	0	2,500
Capital Outlay	365,803	365,464	339
<i>Total Expenditures</i>	<u>368,303</u>	<u>365,464</u>	<u>2,839</u>
<i>Net Change in Fund Balance</i>	(268,508)	(224,097)	44,411
Fund Balance at Beginning of Year	262,705	262,705	0
Prior Year Encumbrances Appropriated	<u>5,803</u>	<u>5,803</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$44,411</u>	<u>\$44,411</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Facility Impact Fee Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$31,958	\$121,800	\$89,842
Interest	75	217	142
<i>Total Revenues</i>	<u>32,033</u>	<u>122,017</u>	<u>89,984</u>
Expenditures			
Capital Outlay			
Municipal Facility Impact Fee			
Contractual Services	1,100	0	1,100
<i>Excess of Revenues Over Expenditures</i>	30,933	122,017	91,084
Other Financing Use			
Transfers Out	(50,000)	(50,000)	0
<i>Net Change in Fund Balance</i>	(19,067)	72,017	91,084
Fund Balance at Beginning of Year	239,787	239,787	0
<i>Fund Balance at End of Year</i>	<u>\$220,720</u>	<u>\$311,804</u>	<u>\$91,084</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Health Medical Office Building Tax Increment Financing Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$0	\$100,000	\$100,000
Payment in Lieu of Taxes	200,000	118,513	(81,487)
<i>Total Revenues</i>	<u>200,000</u>	<u>218,513</u>	<u>18,513</u>
Expenditures			
Current:			
Capital Outlay			
Ohio Health Medical Office Building Tax Increment Financing			
Contractual Services	1,600	1,541	59
Capital Outlay	1,173,122	1,028,402	144,720
<i>Total Expenditures</i>	<u>1,174,722</u>	<u>1,029,943</u>	<u>144,779</u>
<i>Excess of Revenues Under Expenditures</i>	(974,722)	(811,430)	163,292
Other Financing Use			
Transfers Out	(26,154)	(26,153)	1
<i>Net Change in Fund Balance</i>	(1,000,876)	(837,583)	163,293
Fund Balance at Beginning of Year	472,097	472,097	0
Prior Year Encumbrances Appropriated	560,807	560,807	0
<i>Fund Balance at End of Year</i>	<u>\$32,028</u>	<u>\$195,321</u>	<u>\$163,293</u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Hill/Diley Road Tax Increment Financing Fund
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Payment in Lieu of Taxes	\$82	\$6,268	\$6,186
Expenditures			
Current:			
Capital Outlay			
Hill/Diley Road Tax Increment Financing			
Contractual Services	82	82	0
<i>Net Change in Fund Balance</i>	0	6,186	6,186
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$6,186	\$6,186

PERMANENT FUND

The permanent fund is 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 government's programs – that is for the benefit of the government or its citizenry.

Cemetery Fund – To account for receiving and disbursing funds restricted for the perpetual care of certain cemetery lots which are located in the City. The Cemetery Fund was not budgeted because the City did not anticipate any financial activity but activity did occur.

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Cemetery Fund
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest Income	\$0	\$3	\$3
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	3	3
Fund Balance at Beginning of Year	<u>4,368</u>	<u>4,368</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$4,368</u></u>	<u><u>\$4,371</u></u>	<u><u>\$3</u></u>

ENTERPRISE FUNDS

The enterprise funds are maintained to account for the operations of city government that provide goods or services to the general public in a manner similar to private business enterprises. The costs of providing these goods or services are financed through user charges.

Major Enterprise Funds:

Water Fund – To account for water services provided to individuals and commercial users.

Sewer Fund – To account for sewer services provided to individuals and commercial users.

Stormwater Fund – To account for monies collected from stormwater utility charges to be utilized for the safe and efficient capture and conveyance of stormwater.

Nonmajor Enterprise Fund:

Aquatic Recreation Center Fund – To account for monies collected from fees charged for pool passes and concessions and expenditures related to the upkeep and operation and maintenance of the facility.

City of Pickerington, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$2,260,239	\$2,421,929	\$161,690
Tap-in Fees	251,034	486,099	235,065
Utility Deposits Received	5,000	3,462	(1,538)
Interest	750	12,775	12,025
Grants	0	234,000	234,000
Other Non-Operating Revenues	21,650	6,286	(15,364)
<i>Total Revenues</i>	<u>2,538,673</u>	<u>3,164,551</u>	<u>625,878</u>
Expenses			
Current:			
Personal Services	953,897	902,504	51,393
Contractual Services	807,663	707,775	99,888
Materials and Supplies	404,260	380,349	23,911
Utility Deposits Applied	16,502	16,026	476
Utility Deposits Returned	3,548	1,418	2,130
Capital Outlay	863,833	790,098	73,735
Debt Service:			
Principal Retirement	258,746	258,746	0
Interest and Fiscal Charges	86,080	79,851	6,229
<i>Total Expenses</i>	<u>3,394,529</u>	<u>3,136,767</u>	<u>257,762</u>
<i>Net Change in Fund Equity</i>	(855,856)	27,784	883,640
Fund Equity at Beginning of Year	2,817,722	2,817,722	0
Prior Year Encumbrances Appropriated	<u>316,127</u>	<u>316,127</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$2,277,993</u></u>	<u><u>\$3,161,633</u></u>	<u><u>\$883,640</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$3,381,160	\$3,652,695	\$271,535
Tap-in Fees	180,134	416,988	236,854
Utility Deposits Received	5,000	3,462	(1,538)
Interest	350	1,697	1,347
Other Non-Operating Revenues	24,147	2,326	(21,821)
<i>Total Revenues</i>	<u>3,590,791</u>	<u>4,077,168</u>	<u>486,377</u>
Expenses			
Current:			
Personal Services	962,512	869,771	92,741
Contractual Services	1,130,546	932,269	198,277
Materials and Supplies	128,245	83,279	44,966
Utility Deposits Applied	16,501	16,026	475
Utility Deposits Returned	3,549	1,419	2,130
Capital Outlay	138,500	132,789	5,711
Debt Service:			
Principal Retirement	658,826	658,825	1
Interest and Fiscal Charges	341,158	309,730	31,428
<i>Total Expenses</i>	<u>3,379,837</u>	<u>3,004,108</u>	<u>375,729</u>
<i>Net Change in Fund Equity</i>	210,954	1,073,060	862,106
Fund Equity at Beginning of Year	2,970,012	2,970,012	0
Prior Year Encumbrances Appropriated	<u>82,104</u>	<u>82,104</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$3,263,070</u></u>	<u><u>\$4,125,176</u></u>	<u><u>\$862,106</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Stormwater Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$641,000	\$681,107	\$40,107
Tap-in Fees	51,328	84,818	33,490
Interest	15	488	473
Other Non-Operating Revenues	7,880	773	(7,107)
<i>Total Revenues</i>	<u>700,223</u>	<u>767,186</u>	<u>66,963</u>
Expenses			
Current:			
Personal Services	319,714	270,569	49,145
Contractual Services	141,650	77,191	64,459
Materials and Supplies	34,301	21,541	12,760
Capital Outlay	279,696	188,068	91,628
<i>Total Expenses</i>	<u>775,361</u>	<u>557,369</u>	<u>217,992</u>
<i>Net Change in Fund Equity</i>	(75,138)	209,817	284,955
Fund Equity at Beginning of Year	798,064	798,064	0
Prior Year Encumbrances Appropriated	<u>78,910</u>	<u>78,910</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$801,836</u></u>	<u><u>\$1,086,791</u></u>	<u><u>\$284,955</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Aquatic Recreation Center Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$156,000	\$183,814	\$27,814
Other Non-Operating Revenues	1,235	6,966	5,731
Proceeds from the Sale of Capital Assets	0	107	107
<i>Total Revenues</i>	<u>157,235</u>	<u>190,887</u>	<u>33,652</u>
Expenses			
Current:			
Personal Services	105,291	100,714	4,577
Contractual Services	88,755	57,918	30,837
Materials and Supplies	37,000	33,745	3,255
Capital Outlay	25,765	6,769	18,996
<i>Total Expenses</i>	<u>256,811</u>	<u>199,146</u>	<u>57,665</u>
<i>Net Change in Fund Equity</i>	(99,576)	(8,259)	91,317
Fund Equity at Beginning of Year	<u>122,547</u>	<u>122,547</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$22,971</u></u>	<u><u>\$114,288</u></u>	<u><u>\$91,317</u></u>

AGENCY FUND

Agency funds account for resources held in a purely custodial capacity (assets equal liabilities) for individuals, private organizations, or other governments.

Mayor's Court Fund – To account for assets held by the mayor's court for distribution to other governments or individuals.

City of Pickerington, Ohio
Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended December 31, 2016

	<u>Balance</u> <u>1/1/16</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/16</u>
Mayor's Court				
Assets				
Cash and Cash Equivalents in Segregated Accounts	<u>\$6,938</u>	<u>\$72,540</u>	<u>\$70,697</u>	<u>\$8,781</u>
<i>Total Assets</i>	<u><u>\$6,938</u></u>	<u><u>\$72,540</u></u>	<u><u>\$70,697</u></u>	<u><u>\$8,781</u></u>
Liabilities				
Undistributed Monies	<u>\$6,938</u>	<u>\$72,540</u>	<u>\$70,697</u>	<u>\$8,781</u>
<i>Total Liabilities</i>	<u><u>\$6,938</u></u>	<u><u>\$72,540</u></u>	<u><u>\$70,697</u></u>	<u><u>\$8,781</u></u>



Statistical Section

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Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2 - S15
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, income taxes and property taxes.	S17 - S27
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S28 - S35
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S36 - S38
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the city provides and the activities it performs.	S40 - S49

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.

City of Pickerington, Ohio
Net Position by Component
Last Ten Years
(Accrual Basis of Accounting)

	2016	2015	2014 (2)	2013
Governmental Activities				
Net Investment in Capital Assets	\$51,952,725	\$49,930,677	\$43,834,353	\$43,715,619
Restricted:				
Capital Projects	2,133,092	1,858,666	2,033,368	1,866,186
Debt Service	0	7,900	99,644	111,923
Security of Persons and Property	96,531	32,162	0	10,347
Transportation Services	1,290,591	1,183,287	833,903	768,366
Other Purposes	618,637	587,152	423,148	510,120
Perpetual Care:				
Expendable	2,826	2,823	2,819	2,814
Non-Expendable	1,545	1,545	1,545	1,545
Unrestricted	<u>(946,516)</u>	<u>(914,172)</u>	<u>(1,448,335)</u>	<u>4,006,167</u>
<i>Total Governmental Activities Net Position</i>	<u>55,149,431</u>	<u>52,690,040</u>	<u>45,780,445</u>	<u>50,993,087</u>
Business-Type-Activities				
Net Investment in Capital Assets	49,701,418	48,321,170	45,510,929	43,755,897
Unrestricted	<u>8,264,895</u>	<u>6,584,879</u>	<u>6,839,295</u>	<u>7,367,724</u>
<i>Total Business-Type Activities Net Position</i>	<u>57,966,313</u>	<u>54,906,049</u>	<u>52,350,224</u>	<u>51,123,621</u>
Primary Government				
Net Investment in Capital Assets	101,654,143	98,251,847	89,345,282	87,471,516
Restricted	4,143,222	3,673,535	3,394,427	3,271,301
Unrestricted	<u>7,318,379</u>	<u>5,670,707</u>	<u>5,390,960</u>	<u>11,373,891</u>
<i>Total Primary Government Net Position</i>	<u>\$113,115,744</u>	<u>\$107,596,089</u>	<u>\$98,130,669</u>	<u>\$102,116,708</u>

(1) Restated net position.

(2) The City reported the impact of GASB Statement No. 68 beginning in 2014.

2012	2011 (1)	2010	2009 (1)	2008 (1)	2007 (1)
\$44,046,257	\$42,835,157	\$41,960,655	\$43,487,617	\$39,034,496	\$29,131,270
1,730,788	2,090,799	1,758,477	2,050,326	2,127,980	6,024,383
250,962	0	0	0	0	0
8,298	218,989	233,528	198,648	18,540	1,291
751,177	652,107	621,243	765,398	628,181	558,230
373,339	710,710	274,748	278,252	291,614	300,241
2,810	2,804	2,798	0	0	0
1,545	1,545	1,545	0	0	0
<u>3,712,593</u>	<u>4,103,182</u>	<u>3,535,264</u>	<u>3,565,295</u>	<u>2,989,047</u>	<u>2,001,791</u>
<u>50,877,769</u>	<u>50,615,293</u>	<u>48,388,258</u>	<u>50,345,536</u>	<u>45,089,858</u>	<u>38,017,206</u>
42,935,198	41,184,090	39,844,968	35,699,418	34,996,281	32,707,886
<u>6,084,632</u>	<u>6,112,319</u>	<u>6,220,761</u>	<u>5,653,899</u>	<u>4,837,129</u>	<u>5,650,267</u>
<u>49,019,830</u>	<u>47,296,409</u>	<u>46,065,729</u>	<u>41,353,317</u>	<u>39,833,410</u>	<u>38,358,153</u>
86,981,455	84,019,247	81,805,623	79,187,035	74,030,777	61,839,156
3,118,919	3,676,954	2,892,339	3,292,624	3,066,315	6,884,145
<u>9,797,225</u>	<u>10,215,501</u>	<u>9,756,025</u>	<u>9,219,194</u>	<u>7,826,176</u>	<u>7,652,058</u>
<u>\$99,897,599</u>	<u>\$97,911,702</u>	<u>\$94,453,987</u>	<u>\$91,698,853</u>	<u>\$84,923,268</u>	<u>\$76,375,359</u>

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

	2016	2015	2014	2013
<u>Program Revenues</u>				
Governmental Activities:				
Charges for Services:				
General Government	\$17,204	\$17,647	\$15,521	\$16,001
Security of Persons and Property	369,618	343,811	345,909	360,825
Transportation	337,449	267,513	219,272	211,518
Leisure Time Activities	165,222	178,356	164,588	173,020
Community Environment	825,577	565,992	846,025	835,911
Subtotal Charges for Services	<u>1,715,070</u>	<u>1,373,319</u>	<u>1,591,315</u>	<u>1,597,275</u>
Operating Grants and Contributions:				
General Government	18,644	41,428	62,461	48,934
Security of Persons and Property	209,315	201,595	215,055	196,721
Transportation	783,583	771,002	738,003	720,682
Leisure Time Activities	6,000	4,200	21,425	14,050
Subtotal Operating Grants and Contributions	<u>1,017,542</u>	<u>1,018,225</u>	<u>1,036,944</u>	<u>980,387</u>
Capital Grants and Contributions:				
Transportation	1,895,619	6,761,252	1,027,826	368,548
Leisure Time Activities	0	43,527	0	0
Community Environment	0	0	0	0
Subtotal Capital Grants and Contributions	<u>1,895,619</u>	<u>6,804,779</u>	<u>1,027,826</u>	<u>368,548</u>
<i>Total Governmental Activities Program Revenues</i>	<u>4,628,231</u>	<u>9,196,323</u>	<u>3,656,085</u>	<u>2,946,210</u>
Business-Type Activities:				
Charges for Services:				
Water	2,414,289	2,345,456	2,294,327	2,341,402
Sewer	3,654,726	3,473,543	3,433,951	3,445,634
Stormwater	683,101	663,249	646,971	630,931
Aquatic Recreation	183,814	161,777	161,743	169,595
Subtotal Charges for Services	<u>6,935,930</u>	<u>6,644,025</u>	<u>6,536,992</u>	<u>6,587,562</u>
Operating Grants and Contributions:				
Stormwater	0	0	0	139,537
Subtotal Operating Grants and Contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>139,537</u>
Capital Grants and Contributions:				
Water	1,012,297	846,676	1,079,407	760,559
Sewer	1,074,315	463,182	507,182	395,887
Stormwater	614,513	238,495	326,173	582,008
Aquatic Recreation	0	0	0	0
Subtotal Capital Grants and Contributions	<u>2,701,125</u>	<u>1,548,353</u>	<u>1,912,762</u>	<u>1,738,454</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>9,637,055</u>	<u>8,192,378</u>	<u>8,449,754</u>	<u>8,465,553</u>
<i>Total Primary Government Program Revenues</i>	<u>\$14,265,286</u>	<u>\$17,388,701</u>	<u>\$12,105,839</u>	<u>\$11,411,763</u>

2012	2011	2010	2009	2008	2007
\$15,192	\$11,684	\$14,495	\$13,206	\$12,153	\$24,279
345,660	358,371	333,103	238,185	227,099	227,265
205,874	198,064	196,698	192,112	199,872	282,605
158,116	125,161	120,889	132,472	168,184	188,873
803,697	677,077	668,879	471,434	473,219	469,709
1,528,539	1,370,357	1,334,064	1,047,409	1,080,527	1,192,731
39,007	12,743	14,136	17,289	7,144	8,069
201,495	185,062	253,854	270,211	251,683	209,065
722,616	672,226	677,532	665,735	730,654	616,904
24,690	27,420	24,419	20,460	21,351	17,420
987,808	897,451	969,941	973,695	1,010,832	851,458
946,086	2,203,576	1,351,949	4,631,410	10,128,435	542,128
0	0	0	0	36,875	0
0	30,800	0	0	0	0
946,086	2,234,376	1,351,949	4,631,410	10,165,310	542,128
3,462,433	4,502,184	3,655,954	6,652,514	12,256,669	2,586,317
2,386,759	2,193,255	2,007,822	1,807,976	1,636,814	1,717,300
3,432,059	3,456,645	3,311,157	2,787,985	2,238,365	1,751,962
590,771	561,066	427,243	209,067	206,463	199,056
191,108	184,833	201,063	239,937	268,511	0
6,600,697	6,395,799	5,947,285	5,044,965	4,350,153	3,668,318
0	0	0	0	0	0
0	0	0	0	0	0
518,251	271,787	747,029	363,969	447,058	669,874
280,917	143,271	139,507	189,811	209,471	395,217
172,822	59,242	133,383	750,078	177,259	93,074
0	0	0	0	288,970	0
971,990	474,300	1,019,919	1,303,858	1,122,758	1,158,165
7,572,687	6,870,099	6,967,204	6,348,823	5,472,911	4,826,483
\$11,035,120	\$11,372,283	\$10,623,158	\$13,001,337	\$17,729,580	\$7,412,800

(continued)

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

	2016	2015 (1)	2014	2013
<u>Expenses</u>				
Governmental Activities:				
General Government	\$2,539,460	\$2,344,441	\$2,580,590	\$2,580,817
Security of Persons and Property	5,596,622	4,958,894	4,815,421	4,613,122
Transportation	3,152,322	3,018,986	3,123,529	3,056,389
Leisure Time Activities	727,661	741,811	762,756	715,567
Public Health Services	167,789	158,281	151,150	121,588
Community Environment	947,600	713,456	755,498	638,098
Interest and Fiscal Charges	253,014	276,826	239,011	291,767
<i>Total Governmental Activities Expenses</i>	<u>13,384,468</u>	<u>12,212,695</u>	<u>12,427,955</u>	<u>12,017,348</u>
Business-Type Activities:				
Water	2,553,612	2,540,304	2,413,968	2,460,768
Sewer	3,127,684	2,672,994	2,891,843	3,032,690
Stormwater	708,486	641,289	640,955	738,935
Aquatic Recreation	227,495	166,278	159,850	130,794
<i>Total Business-Type Activities Expenses</i>	<u>6,617,277</u>	<u>6,020,865</u>	<u>6,106,616</u>	<u>6,363,187</u>
<i>Total Primary Government Program Expenses</i>	<u>20,001,745</u>	<u>18,233,560</u>	<u>18,534,571</u>	<u>18,380,535</u>
Net (Expense)/ Revenue				
Governmental Activities	(8,756,237)	(3,016,372)	(8,771,870)	(9,071,138)
Business-Type Activities	3,019,778	2,171,513	2,343,138	2,102,366
<i>Total Primary Government Net Expense</i>	<u>(\$5,736,459)</u>	<u>(\$844,859)</u>	<u>(\$6,428,732)</u>	<u>(\$6,968,772)</u>

(1) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$2,675,205	\$2,345,620	\$3,000,709	\$2,486,109	\$2,436,997	\$2,358,695
4,462,428	4,218,379	4,239,816	4,151,605	4,009,308	3,829,576
3,232,743	3,480,642	2,952,265	2,279,416	5,441,557	659,246
647,569	588,605	561,867	679,915	816,074	845,507
127,888	99,439	93,643	103,452	139,550	122,046
777,125	547,932	614,957	565,244	775,088	1,276,233
353,602	378,619	419,544	556,662	577,476	589,252
<u>12,276,560</u>	<u>11,659,236</u>	<u>11,882,801</u>	<u>10,822,403</u>	<u>14,196,050</u>	<u>9,680,555</u>
2,219,353	1,980,410	2,202,930	1,963,643	1,993,851	1,992,516
2,870,268	2,853,379	2,374,695	2,235,878	2,358,467	2,059,272
612,881	643,564	447,488	474,946	427,739	429,984
200,923	196,381	181,941	274,966	219,399	0
<u>5,903,425</u>	<u>5,673,734</u>	<u>5,207,054</u>	<u>4,949,433</u>	<u>4,999,456</u>	<u>4,481,772</u>
<u>18,179,985</u>	<u>17,332,970</u>	<u>17,089,855</u>	<u>15,771,836</u>	<u>19,195,506</u>	<u>14,162,327</u>
(8,814,127)	(7,157,052)	(8,226,847)	(4,169,889)	(1,939,381)	(7,094,238)
<u>1,669,262</u>	<u>1,196,365</u>	<u>1,760,150</u>	<u>1,399,390</u>	<u>473,455</u>	<u>344,711</u>
<u>(\$7,144,865)</u>	<u>(\$5,960,687)</u>	<u>(\$6,466,697)</u>	<u>(\$2,770,499)</u>	<u>(\$1,465,926)</u>	<u>(\$6,749,527)</u>

(continued)

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

	2016	2015	2014	2013
<u>General Revenues and Other Changes in Net Position</u>				
Governmental Activities:				
Property and Other Taxes Levied for General Purposes	\$1,045,437	\$1,023,641	\$959,759	\$1,017,220
Property Taxes Levied for Security of Persons and Property	1,619,111	1,592,716	1,494,333	1,528,904
Income Taxes Levied for General Purposes	6,478,485	5,931,529	5,760,828	5,220,794
Franchise Taxes	244,610	257,515	242,630	250,997
Grants and Entitlements not Restricted to Specific Programs	306,616	406,475	303,657	321,059
Investment Earnings	93,295	97,950	58,193	19,398
Payment in Lieu of Taxes	384,545	115,174	133,817	71,004
Impact Fees	675,793	415,319	414,332	547,854
Gain on Sale of Capital Assets	1,151	5,799	5,573	0
Miscellaneous	366,585	427,916	228,009	186,992
<i>Total Governmental Activities</i>	<u>11,215,628</u>	<u>10,274,034</u>	<u>9,601,131</u>	<u>9,164,222</u>
Business-Type Activities:				
Investment Earnings	17,603	7,872	4,414	4,646
Gain on Sale of Capital Assets	107	11,352	14,326	0
Miscellaneous	22,776	17,021	34,621	19,013
<i>Total Business-Type Activities</i>	<u>40,486</u>	<u>36,245</u>	<u>53,361</u>	<u>23,659</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>11,256,114</u>	<u>10,310,279</u>	<u>9,654,492</u>	<u>9,187,881</u>
Increase Before Transfers				
Governmental Activities	2,459,391	7,257,662	829,261	93,084
Business-Type Activities	3,060,264	2,207,758	2,396,499	2,126,025
<i>Total Primary Government Increase Before Transfers</i>	<u>5,519,655</u>	<u>9,465,420</u>	<u>3,225,760</u>	<u>2,219,109</u>
Transfers In (Out)				
Governmental Activities	0	(348,067)	0	22,234
Business-Type Activities	0	348,067	0	(22,234)
Increase (Decrease) After Transfers				
Governmental Activities	2,459,391	6,909,595	829,261	115,318
Business-Type Activities	3,060,264	2,555,825	2,396,499	2,103,791
<i>Total Primary Government Increase After Transfers</i>	<u>\$5,519,655</u>	<u>\$9,465,420</u>	<u>\$3,225,760</u>	<u>\$2,219,109</u>

(1) Restated payment in lieu of taxes.

2012	2011 (1)	2010	2009	2008	2007
\$960,929	\$966,394	\$984,192	\$972,149	\$979,584	\$906,955
1,470,711	1,484,938	1,453,677	1,423,744	1,399,961	1,373,786
5,029,644	5,117,727	4,643,326	4,527,504	4,671,505	4,156,569
265,146	256,095	245,377	189,705	93,439	34,616
387,648	498,744	496,743	595,467	960,300	551,593
66,069	59,449	92,724	145,561	336,461	455,624
212,666	528,809	738,217	939,085	655,079	652,684
553,211	367,399	264,926	323,888	485,964	625,041
0	8,200	0	0	0	0
130,579	96,332	244,404	322,661	234,740	137,500
<u>9,076,603</u>	<u>9,384,087</u>	<u>9,163,586</u>	<u>9,439,764</u>	<u>9,817,033</u>	<u>8,894,368</u>
28,563	28,740	58,010	78,236	122,874	268,569
0	0	0	0	0	0
25,596	5,575	235	28,084	73,928	28,546
<u>54,159</u>	<u>34,315</u>	<u>58,245</u>	<u>106,320</u>	<u>196,802</u>	<u>297,115</u>
<u>9,130,762</u>	<u>9,418,402</u>	<u>9,221,831</u>	<u>9,546,084</u>	<u>10,013,835</u>	<u>9,191,483</u>
262,476	2,227,035	936,739	5,269,875	7,877,652	1,800,130
1,723,421	1,230,680	1,818,395	1,505,710	670,257	641,826
<u>1,985,897</u>	<u>3,457,715</u>	<u>2,755,134</u>	<u>6,775,585</u>	<u>8,547,909</u>	<u>2,441,956</u>
0	0	(2,894,017)	(14,197)	(805,000)	0
0	0	2,894,017	14,197	805,000	0
262,476	2,227,035	(1,957,278)	5,255,678	7,072,652	1,800,130
1,723,421	1,230,680	4,712,412	1,519,907	1,475,257	641,826
<u>\$1,985,897</u>	<u>\$3,457,715</u>	<u>\$2,755,134</u>	<u>\$6,775,585</u>	<u>\$8,547,909</u>	<u>\$2,441,956</u>

City of Pickerington, Ohio
Program Revenues by Function/ Program
Last Ten Years
(Accrual Basis of Accounting)

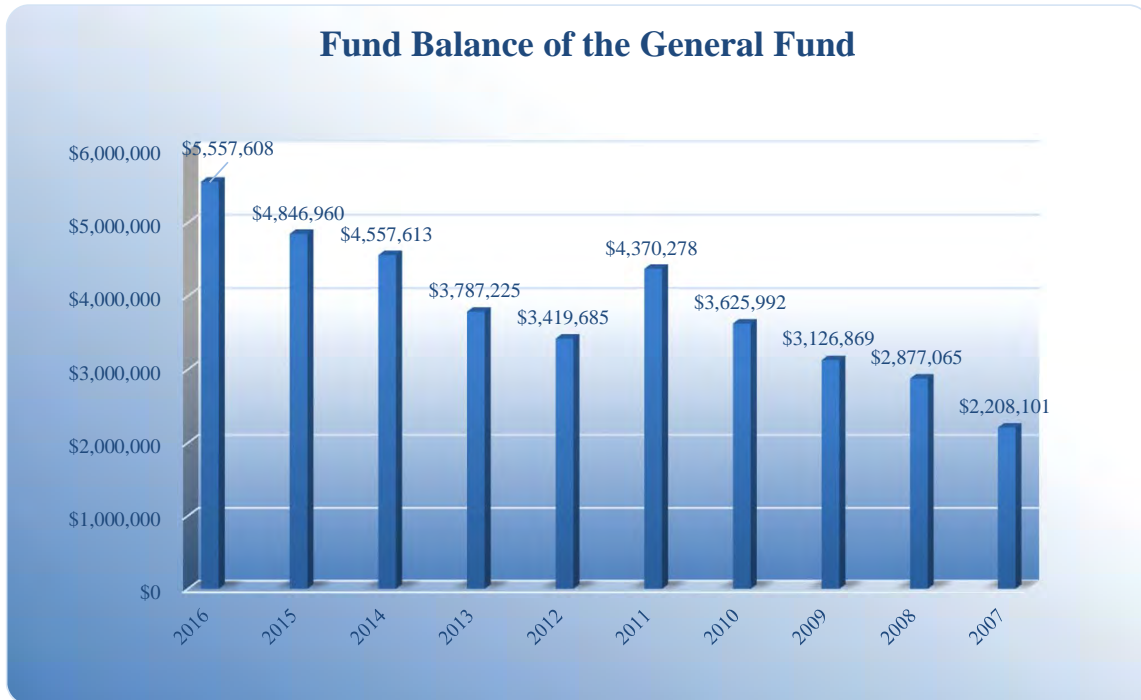
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Program Revenues</u>				
Governmental Activities:				
General Government	\$35,848	\$59,075	\$77,982	\$64,935
Security of Persons and Property	578,933	545,406	560,964	557,546
Transportation	3,016,651	7,799,767	1,985,101	1,300,748
Leisure Time Activities	171,222	226,083	186,013	187,070
Community Environment	<u>825,577</u>	<u>565,992</u>	<u>846,025</u>	<u>835,911</u>
Total Governmental Activities	<u>4,628,231</u>	<u>9,196,323</u>	<u>3,656,085</u>	<u>2,946,210</u>
Business-Type Activities:				
Water	3,426,586	3,192,132	3,373,734	3,101,961
Sewer	4,729,041	3,936,725	3,941,133	3,841,521
Stormwater	1,297,614	901,744	973,144	1,352,476
Aquatic Recreation	<u>183,814</u>	<u>161,777</u>	<u>161,743</u>	<u>169,595</u>
Total Business-Type Activities	<u>9,637,055</u>	<u>8,192,378</u>	<u>8,449,754</u>	<u>8,465,553</u>
<i>Total Primary Government</i>	<u><u>\$14,265,286</u></u>	<u><u>\$17,388,701</u></u>	<u><u>\$12,105,839</u></u>	<u><u>\$11,411,763</u></u>

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$54,199	\$24,427	\$28,631	\$30,495	\$19,297	\$32,348
547,155	543,433	586,957	508,396	478,782	436,330
1,874,576	3,073,866	2,226,179	5,489,257	11,058,961	1,441,637
182,806	152,581	145,308	152,932	226,410	206,293
<u>803,697</u>	<u>707,877</u>	<u>668,879</u>	<u>471,434</u>	<u>473,219</u>	<u>469,709</u>
<u>3,462,433</u>	<u>4,502,184</u>	<u>3,655,954</u>	<u>6,652,514</u>	<u>12,256,669</u>	<u>2,586,317</u>
2,905,010	2,465,042	2,754,851	2,171,945	2,083,872	2,387,174
3,712,976	3,599,916	3,450,664	2,977,796	2,447,836	2,147,179
763,593	620,308	560,626	959,145	383,722	292,130
<u>191,108</u>	<u>184,833</u>	<u>201,063</u>	<u>239,937</u>	<u>557,481</u>	<u>0</u>
<u>7,572,687</u>	<u>6,870,099</u>	<u>6,967,204</u>	<u>6,348,823</u>	<u>5,472,911</u>	<u>4,826,483</u>
<u>\$11,035,120</u>	<u>\$11,372,283</u>	<u>\$10,623,158</u>	<u>\$13,001,337</u>	<u>\$17,729,580</u>	<u>\$7,412,800</u>

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

	2016	2015	2014	2013	2012
General Fund					
Nonspendable	\$186,999	\$184,221	\$112,377	\$128,029	\$50,555
Committed	0	0	0	8,465	0
Assigned	551,284	648,280	955,515	124,946	641,911
Unassigned	4,819,325	4,014,459	3,489,721	3,525,785	2,727,219
Reserved	0	0	0	0	0
Unreserved	0	0	0	0	0
<i>Total General Fund</i>	<u>5,557,608</u>	<u>4,846,960</u>	<u>4,557,613</u>	<u>3,787,225</u>	<u>3,419,685</u>
All Other Governmental Funds					
Nonspendable	188,283	188,919	157,057	157,577	127,190
Restricted	2,335,170	2,866,274	1,466,933	1,482,237	1,565,488
Committed	1,758,690	1,293,928	1,598,878	1,483,958	1,080,264
Unassigned (Deficits)	(107,482)	(89,453)	(300,872)	(80,410)	(74,002)
Reserved	0	0	0	0	0
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	0	0	0	0	0
Debt Service Funds	0	0	0	0	0
Capital Projects Funds (Deficits)	0	0	0	0	0
<i>Total All Other Governmental Funds</i>	<u>4,174,661</u>	<u>4,259,668</u>	<u>2,921,996</u>	<u>3,043,362</u>	<u>2,698,940</u>
Total Governmental Funds	<u><u>\$9,732,269</u></u>	<u><u>\$9,106,628</u></u>	<u><u>\$7,479,609</u></u>	<u><u>\$6,830,587</u></u>	<u><u>\$6,118,625</u></u>

Note: The City implemented Governmental Accounting Standards Board Statement No. 54 in 2011.



2011	2010	2009	2008	2007
\$451,029	\$426,935	\$0	\$0	\$0
0	0	0	0	0
975,595	695,552	0	0	0
2,943,654	2,503,505	0	0	0
0	0	81,324	36,857	90,016
0	0	3,045,545	2,840,208	2,118,085
<u>4,370,278</u>	<u>3,625,992</u>	<u>3,126,869</u>	<u>2,877,065</u>	<u>2,208,101</u>
133,924	98,153	0	0	0
1,569,175	1,122,312	0	0	0
732,768	595,454	0	0	0
(2,133,529)	(2,718,465)	0	0	0
0	0	62,242	277,276	351,091
0	0	1,168,950	846,020	796,472
0	0	68,407	64,721	99,649
0	0	(2,050,122)	(2,080,815)	(1,435,161)
<u>302,338</u>	<u>(902,546)</u>	<u>(750,523)</u>	<u>(892,798)</u>	<u>(187,949)</u>
<u>\$4,672,616</u>	<u>\$2,723,446</u>	<u>\$2,376,346</u>	<u>\$1,984,267</u>	<u>\$2,020,152</u>

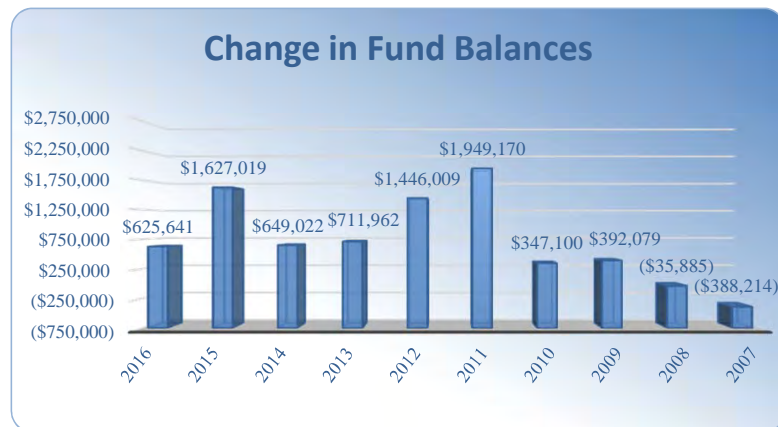
City of Pickerington, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2016 (3)	2015 (3)	2014 (3)	2013 (3)	2012 (3)
Revenues					
Property and Other Taxes	\$2,531,831	\$2,506,630	\$2,398,110	\$2,428,550	\$2,323,491
Hotel and Motel Taxes (2)	140,788	130,927	131,414	123,573	108,149
Permissive Motor Vehicle Registration Fees	237,449	229,371	219,272	211,518	205,874
Municipal Income Taxes	6,522,957	5,950,233	5,629,111	5,160,857	5,058,025
Charges for Services	704,239	439,364	655,088	578,885	630,293
Licenses and Permits	579,921	526,674	552,266	635,913	515,134
Impact Fees	675,793	415,319	414,332	547,854	553,211
Fines and Forfeitures	172,947	170,056	163,208	168,184	177,238
Intergovernmental	2,335,972	6,876,217	1,437,964	1,622,373	1,401,522
Interest	96,683	93,073	57,178	19,330	68,904
Payments in Lieu of Taxes	233,456	176,696	80,223	171,537	728,745
Rent	0	0	0	0	0
Contributions and Donations	26,639	45,928	91,461	49,084	66,222
Other	588,778	685,431	486,846	459,624	371,625
<i>Total Revenues</i>	<u>14,847,453</u>	<u>18,245,919</u>	<u>12,316,473</u>	<u>12,177,282</u>	<u>12,208,433</u>
Expenditures					
Current:					
General Government	2,435,430	2,310,224	2,518,065	2,521,939	2,766,970
Security of Persons and Property	5,082,397	4,860,311	4,746,507	4,563,421	4,384,265
Transportation	1,906,604	1,354,746	1,076,791	1,448,963	1,547,483
Leisure Time Activities	756,445	758,162	762,477	678,486	597,519
Public Health Services	167,789	158,281	151,150	121,588	127,888
Community Environment	923,284	740,544	753,043	676,204	757,051
Capital Outlay	2,078,347	7,764,998	716,828	485,257	377,048
Debt Service:					
Refunded Notes/ Bonds/ Loans Redeemed	2,300,000	0	0	4,875,204	5,892,000
Current Refunding Principal Retirement	0	0	0	0	0
Principal Retirement	731,883	727,601	717,704	704,276	2,162,302
Interest and Fiscal Charges	264,098	273,382	256,424	329,249	355,737
Bond Issuance Costs	0	0	0	59,840	125,157
<i>Total Expenditures</i>	<u>16,646,277</u>	<u>18,948,249</u>	<u>11,698,989</u>	<u>16,464,427</u>	<u>19,093,420</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,798,824)</u>	<u>(702,330)</u>	<u>617,484</u>	<u>(4,287,145)</u>	<u>(6,884,987)</u>
Other Financing Sources (Uses):					
Proceeds from the Sale of Capital Assets	2,111	15,351	23,341	33,075	23,600
Inception of a Capital Lease	122,354	13,998	8,197	0	92,959
Refunding Bonds Issued	0	0	0	4,740,000	1,045,000
Payment to Refunded Bond Escrow Agent	0	0	0	0	(1,085,273)
Premium on Refunding Bond Issuance	0	0	0	226,032	38,621
General Obligation Bonds Issued	0	0	0	0	5,660,000
Premium on General Obligation Bond Issuance	0	0	0	0	191,089
Notes Issued	2,300,000	2,300,000	0	0	2,365,000
Loans Issued	0	0	0	0	0
Transfers In	5,457,378	5,474,568	4,352,066	4,447,291	5,852,225
Transfers Out	(5,457,378)	(5,474,568)	(4,352,066)	(4,447,291)	(5,852,225)
<i>Total Other Financing Sources (Uses)</i>	<u>2,424,465</u>	<u>2,329,349</u>	<u>31,538</u>	<u>4,999,107</u>	<u>8,330,996</u>
<i>Net Change in Fund Balances</i>	<u>\$625,641</u>	<u>\$1,627,019</u>	<u>\$649,022</u>	<u>\$711,962</u>	<u>\$1,446,009</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	24.6%	9.5%	9.1%	38.7%	49.6%

- (1) Includes, General, Special Revenue, Capital Projects, and Debt Service Funds.
(2) Prior to 2007, hotel and motel taxes were combined with property and other taxes.
(3) Includes, General, Special Revenue, Capital Projects, Debt Service, and the Permanent Fund.
The City established the Permanent Fund during 2010.

2011 (3)	2010 (3)	2009 (1)	2008 (1)	2007 (1)
\$2,441,729	\$2,292,735	\$2,265,277	\$2,239,984	\$2,163,962
101,141	104,494	99,378	116,672	120,875
198,064	196,698	192,112	187,372	179,605
5,040,931	4,753,299	4,545,475	4,604,900	4,111,715
545,526	535,238	356,126	399,134	467,173
434,901	429,038	335,713	367,840	391,619
367,399	264,926	323,888	485,964	625,041
191,866	172,465	154,033	129,921	149,039
1,699,146	2,851,331	6,222,723	9,999,439	1,590,508
60,493	99,328	160,969	333,264	474,959
889,381	588,786	655,079	499,189	435,003
0	850	9,200	3,605	750
40,413	39,305	51,317	59,790	108,592
338,685	489,781	513,194	327,351	171,897
12,349,675	12,818,274	15,884,484	19,754,425	10,990,738
2,473,392	2,604,829	2,388,797	2,348,840	2,239,363
4,087,623	4,035,685	4,100,220	3,955,781	3,723,538
706,954	990,005	732,827	714,092	912,332
549,167	532,160	605,402	780,295	802,152
99,073	93,643	103,446	139,550	122,046
505,464	653,044	585,665	751,771	1,223,401
588,452	1,992,242	5,801,436	11,976,399	2,666,657
2,025,000	2,295,000	2,780,000	3,205,000	3,445,000
270,000	485,000	695,000	240,000	200,000
835,877	913,707	792,868	885,687	214,688
383,495	446,075	565,608	628,717	621,508
0	0	0	0	0
12,524,497	15,041,390	19,151,269	25,626,132	16,170,685
(174,822)	(2,223,116)	(3,266,785)	(5,871,707)	(5,179,947)
8,200	0	0	0	124,084
32,724	16,249	0	655,000	22,665
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
2,025,000	2,295,000	2,780,000	3,475,000	3,445,000
58,068	258,967	893,061	1,855,822	1,199,984
4,106,860	4,416,872	4,580,968	3,895,862	3,749,296
(4,106,860)	(4,416,872)	(4,595,165)	(4,045,862)	(3,749,296)
2,123,992	2,570,216	3,658,864	5,835,822	4,791,733
\$1,949,170	\$347,100	\$392,079	(\$35,885)	(\$388,214)

33.6% 31.5% 36.2% 35.3% 31.1%



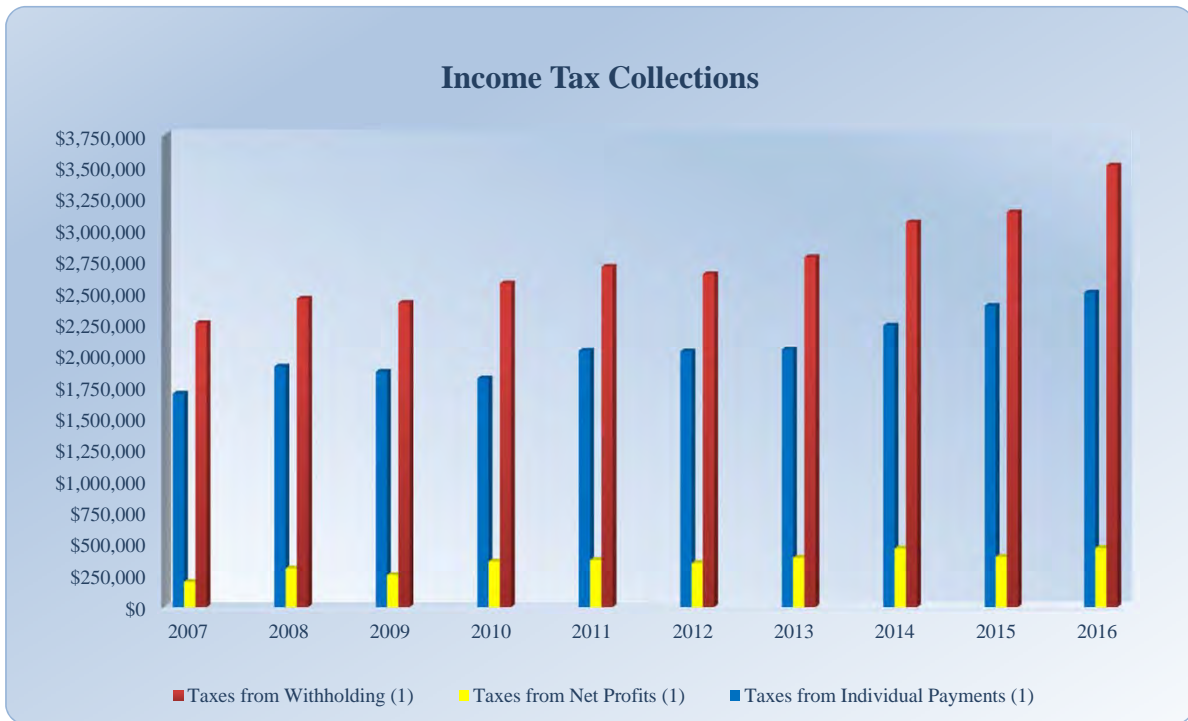
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City of Pickerington, Ohio
Income Tax Revenue Base and Collections
 Last Ten Years

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding (1)	Percentage of Taxes from Withholding	Taxes from Net Profits (1)	Percentage of Taxes from Net Profits	Taxes from Individual Payments (1)	Percentage of Taxes from Individual Payments
2016	1%	\$6,478,485	\$3,508,026	54.15%	\$470,084	7.26%	\$2,500,375	38.60%
2015	1%	5,931,529	3,137,199	52.89%	399,681	6.74%	2,394,649	40.37%
2014	1%	5,760,828	3,057,322	53.07%	466,037	8.09%	2,237,469	38.84%
2013	1%	5,220,794	2,779,983	53.25%	393,592	7.54%	2,047,219	39.21%
2012	1%	5,029,644	2,646,137	52.61%	350,288	6.96%	2,033,219	40.42%
2011	1%	5,117,727	2,704,270	52.84%	374,826	7.32%	2,038,631	39.83%
2010	1%	4,643,326	2,571,767	55.39%	363,204	7.82%	1,818,328	39.16%
2009	1%	4,527,504	2,418,654	53.42%	255,503	5.64%	1,871,318	41.33%
2008	1%	4,671,505	2,450,369	52.45%	308,373	6.60%	1,912,763	40.95%
2007	1%	4,156,569	2,257,671	54.32%	201,113	4.84%	1,697,786	40.85%

(1) Cash basis of accounting.

Source: Income Tax Reports, City Income Tax Department



City of Pickerington, Ohio
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
2016	\$330,813,860	\$115,660,780	\$1,275,641,829	\$2,544,370	\$10,177,480
2015	322,316,580	106,107,190	1,224,067,914	2,432,110	9,728,440
2014	316,206,460	101,475,730	1,193,377,686	2,354,830	9,419,320
2013	330,707,500	100,510,450	1,232,051,286	2,194,040	8,776,160
2012	328,205,010	88,973,120	1,191,937,514	2,128,700	8,514,800
2011	325,334,960	90,181,070	1,187,188,657	2,034,220	8,136,880
2010	336,705,590	88,760,630	1,215,617,771	1,829,700	7,318,800
2009	333,329,450	87,299,750	1,201,797,714	1,798,870	7,195,480
2008	323,467,550	94,060,140	1,192,936,257	1,798,370	7,193,480
2007	296,541,550	74,459,960	1,060,004,314	2,404,130	9,616,520

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property has been phased out, and during the phase out period, all general business tangible personal property was assessed at 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies, at 5 percent for 2010. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax was 2010).

The tangible personal property values associated with each year were 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 a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Values are shown net of exempt property.

Source: Fairfield County, Ohio; County Auditor

Tangible Personal Property		Total		Ratio	Weighted Average Tax Rate
General Business					
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$449,019,010	\$1,285,819,309	35%	\$6.419270
0	0	430,855,880	1,233,796,354	35%	\$6.410920
0	0	420,037,020	1,202,797,006	35%	\$6.426140
0	0	433,411,990	1,240,827,446	35%	\$6.245325
0	0	419,306,830	1,200,452,314	35%	\$6.251845
0	0	417,550,250	1,195,325,537	35%	\$6.235038
160,660	3,213,200	427,456,580	1,226,149,771	35%	\$6.079482
301,040	3,010,400	422,729,110	1,212,003,594	35%	\$6.075933
366,870	5,869,920	419,692,930	1,205,999,657	35%	\$6.018366
2,416,455	19,331,640	375,822,095	1,088,952,474	35%	\$6.343404



City of Pickerington, Ohio
Property Tax Rates, Direct and Overlapping Governments
(per \$1,000 of assessed value)
Last Ten Years (1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Unvoted Millage					
Operating	2.300000	2.300000	2.300000	2.300000	2.300000
Voted Millage - by levy					
2000 Police					
Residential/Agricultural Real	4.179654	4.183113	4.188839	3.949935	3.930394
Commercial/Industrial/Public Utility/Mineral Real	3.916187	3.859785	3.898884	3.896222	3.993935
General Business/Public Utility Personal	5.500000	5.500000	5.500000	5.500000	5.500000
Total Millage By Type of Property					
Residential/Agricultural Real	6.479654	6.483113	6.488839	6.249935	6.230394
Commercial/Industrial/Public Utility/Mineral Real	6.216187	6.159785	6.198884	6.196222	6.293935
General Business/Public Utility Personal	7.800000	7.800000	7.800000	7.800000	7.800000
Total Direct Rate	<u>6.419270</u>	<u>6.410920</u>	<u>6.426140</u>	<u>6.245325</u>	<u>6.251845</u>
Overlapping Rates by Taxing District					
Fairfield County					
Residential/Agricultural Real	9.702280	7.859879	7.857379	7.940718	7.935674
Commercial/Industrial/Public Utility/Mineral Real	9.780568	7.901993	7.768445	7.796534	7.834249
General Business/Public Utility Personal	10.400000	8.550000	8.550000	8.550000	8.550000
Violet Township					
Residential/Agricultural Real	11.722621	11.741320	7.951975	7.711161	7.691960
Commercial/Industrial/Public Utility/Mineral Real	10.857629	10.806266	6.877246	6.897248	6.972694
General Business/Public Utility Personal	16.150000	16.150000	12.350000	12.350000	12.350000
Pickerington Local School District					
Residential/Agricultural Real	46.209015	47.347988	47.362613	47.352162	47.688395
Commercial/Industrial/Public Utility/Mineral Real	44.462280	45.314184	44.732973	46.307840	46.719990
General Business/Public Utility Personal	83.600000	84.700000	84.700000	85.500000	85.900000
Eastland Joint Vocational School					
Residential/Agricultural Real	2.000000	2.000000	2.000000	2.000000	2.000000
Commercial/Industrial/Public Utility/Mineral Real	2.000000	2.000000	2.000000	2.000000	2.000000
General Business/Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000

(1) Property tax rates shown are based on collection 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 reappraisal.

Rates may only be raised by obtaining the approval of the majority of the voters at a public election.

Source: Fairfield County, Ohio; County Auditor

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>
3.921990	3.735578	3.729792	3.724974	3.860104
3.946811	3.907448	3.910638	3.654629	4.679109
<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>
6.221990	6.035578	6.029792	6.024974	6.160104
6.246811	6.207448	6.210638	5.954629	6.979109
<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>
<u>6.235038</u>	<u>6.079482</u>	<u>6.075933</u>	<u>6.018366</u>	<u>6.343404</u>
7.933207	7.833735	6.752542	6.759145	7.061557
7.832841	7.774519	6.569894	6.388102	7.097903
8.550000	8.550000	7.550000	7.550000	7.550000
7.680260	7.366401	7.364177	7.174830	7.578948
6.827467	6.555080	6.466813	6.115701	7.538961
12.350000	12.350000	12.350000	12.150000	12.150000
42.555875	40.828533	40.400605	40.924329	40.400316
41.097131	40.291587	39.210458	38.406104	41.717053
80.820000	80.250000	79.850000	80.350000	80.750000
2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000

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City of Pickerington, Ohio
Principal Taxpayers
Real Estate Tax
2016 and 2007 (1)

Name of Taxpayer	2016	
	Assessed Value	Percent of Real Property Assessed Value
Pickerington Apartments LLC	\$5,946,260	1.33%
Lakes Edge LLC	4,725,000	1.06%
The Kroger Company	4,704,350	1.05%
AERC Turnberry Holdings LLC	4,685,330	1.05%
Pickerington Square LP	4,227,630	0.95%
Pickerington Plaza Limited Partnership	3,691,120	0.83%
B&G Realty LLC	3,675,790	0.82%
Walker's Corner II LLC	2,478,720	0.56%
Pickerington Assisted Living LLC	2,436,010	0.54%
Ohio Health Corporation	2,083,760	0.47%
Totals	<u>\$38,653,970</u>	<u>8.66%</u>
Total Assessed Valuation	<u>\$446,474,640</u>	

Name of Taxpayer	2007	
	Assessed Value	Percent of Real Property Assessed Value
Pickerington Apartments LLC	\$5,922,760	1.59%
Dominion Homes Inc.	4,183,440	1.13%
Regency Centers LP	4,126,610	1.11%
Lakes Edge Partnership	3,325,000	0.90%
M/I Homes of Central Ohio	2,981,320	0.80%
Pickerington Plaza Limited Par	2,933,820	0.79%
Centex Homes	2,295,540	0.62%
Homewood Corporation	2,266,540	0.61%
Hill Road Plaza	2,229,290	0.60%
DDR Commercial LP	2,139,730	0.58%
Totals	<u>\$32,404,050</u>	<u>8.73%</u>
Total Assessed Valuation	<u>\$371,001,510</u>	

(1) The amounts presented represent the assessed values upon which 2016 and 2007 collections were based.

Source: Fairfield County, Ohio; County Auditor

City of Pickerington, Ohio

Principal Taxpayers

Public Utilities Tax

2016 and 2007 (1)

Name of Taxpayer	2016	
	Assessed Value	Percent of Public Utility Assessed Value
Columbia Gas of Ohio Inc.	\$1,090,470	42.86%
South Central Power Co.	620,780	24.40%
Ohio Power Company	551,140	21.66%
Total	\$2,262,390	88.92%
Total Assessed Valuation	\$2,544,370	

Name of Taxpayer	2007	
	Assessed Value	Percent of Public Utility Assessed Value
Columbia Gas of Ohio Inc.	\$543,720	22.62%
South Central Power Co.	527,540	21.94%
Ohio Bell Telephone Company	497,070	20.67%
Columbus Southern Power Company	345,370	14.37%
Total	\$1,913,700	79.60%
Total Assessed Valuation	\$2,404,130	

(1) The amounts presented represent the assessed values upon which 2016 and 2007 collections were based.

Source: Fairfield County, Ohio; County Auditor

City of Pickerington, Ohio
Principal Taxpayers
Tangible Personal Property Tax
2010 and 2007 (1)

Name of Taxpayer	2010	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Ohio Bell Telephone Company	\$96,880	60.30%
New Par	26,380	16.42%
Cincinnati SMSA Ltd Partnership	20,100	12.51%
T-Mobile Central LLC	15,910	9.90%
Sprint Nextel Corporation	1,250	0.78%
Total	<u>\$160,520</u>	<u>99.91%</u>
Total Assessed Valuation	<u><u>\$160,660</u></u>	

Name of Taxpayer	2007	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Insight Communication of Central Ohio	\$803,420	33.25%
Kroger Co.	543,800	22.50%
Barnes & Noble Booksellers, Inc.	399,480	16.53%
Bed, Bath & Beyond Inc.	304,720	12.61%
Discount Drug Mart, Inc.	274,620	11.36%
Kohl's Department Stores Inc.	256,480	10.61%
Hook Superx Inc.	191,110	7.91%
Sears Roebuck & Co.	184,450	7.63%
Pickerington Apartments	175,874	7.28%
GE Commercial Finance Business	175,080	7.25%
Total	<u>\$3,309,034</u>	<u>136.93%</u>
Total Assessed Valuation	<u><u>\$2,416,455</u></u>	

(1) The amounts presented represent the assessed values upon which 2010 and 2007 collections were based. 2010 was the final year of collection for tangible personal property taxes.

Source: Fairfield County, Ohio; County Auditor

City of Pickerington, Ohio
Property Tax Levies and Collections (1)
Real, Public Utility, and Tangible Personal Property
Last Ten Years (3)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Real and Public Utility Property</u>					
Current Tax Levy	\$2,879,015	\$2,758,980	\$2,696,129	\$2,688,390	\$2,611,468
Current Tax Collections	2,764,518	2,717,953	2,619,187	2,626,923	2,544,501
Percent of Current Collections to Levy	96.02%	98.51%	97.15%	97.71%	97.44%
Delinquent Tax Collections (2)	57,220	73,859	59,347	63,832	39,601
Total Tax Collections	2,821,738	2,791,812	2,678,534	2,690,755	2,584,102
Ratio of Total Collections to Levy	98.01%	101.19%	99.35%	100.09%	98.95%
Outstanding Delinquent Taxes (4)	47,655	55,727	76,927	132,697	152,358
Ratio of Outstanding Delinquent Taxes to Tax Levy	1.66%	2.02%	2.85%	4.94%	5.83%
<u>Tangible Personal Property</u>					
Current Tax Levy	\$0	\$0	\$0	\$0	\$0
Current Tax Collections	0	0	0	0	0
Percent of Current Collections to Levy	0.00%	0.00%	0.00%	0.00%	0.00%
Delinquent Tax Collections (2)	0	0	0	0	0
Total Tax Collections	0	0	0	0	0
Ratio of Total Collections to Levy	0.00%	0.00%	0.00%	0.00%	0.00%
Outstanding Delinquent Taxes	0	0	0	0	0
Ratio of Outstanding Delinquent Taxes to Tax Levy	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Fairfield County, Ohio; County Auditor

- (1) Includes State reimbursements of homestead and rollback exemptions.
- (2) Delinquent tax collections include amounts collected from penalties, interest, and other delinquent collections.
The County does not identify delinquent tax collections by tax year.
- (3) The year presented represents the collection year.
- (4) Outstanding Delinquent Taxes exclude penalties and other additional delinquent charges.

Note: Fairfield County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

2011	2010	2009	2008	2007
\$2,596,780	\$2,498,285	\$2,546,399	\$2,347,367	\$2,389,961
2,527,996	2,366,863	2,426,968	2,242,048	2,243,689
97.35%	94.74%	95.31%	95.51%	93.88%
164,598	91,961	69,636	67,304	75,769
2,692,594	2,458,824	2,496,604	2,309,352	2,319,458
103.69%	98.42%	98.04%	98.38%	97.05%
158,337	249,895	209,255	168,310	146,272
6.10%	10.00%	8.22%	7.17%	6.12%
\$0	\$1,256	\$2,308	\$22,147	\$37,284
0	0	2,308	18,345	34,016
0.00%	0.00%	100.00%	82.83%	91.23%
0	0	2,370	499	326
0	0	4,678	18,844	34,341
0.00%	0.00%	202.69%	85.09%	92.11%
0	2,593	2,130	9,707	8,858
0.00%	206.45%	92.29%	43.83%	23.76%

City of Pickerington, Ohio
Ratio of Outstanding Debt to Total
Personal Income and Debt Per Capita
Last Ten Years

Governmental Activities				
Year	General Obligation Bonds (3)	Bond Anticipation Notes (6) & (8)	State Infrastructure Bank Loan (4) & (7)	Capital Leases (5) & (6)
2016	\$9,164,446	\$2,300,000	\$0	\$141,325
2015	9,913,520	2,300,000	0	25,854
2014	10,632,594	0	0	44,457
2013	11,342,171	0	0	68,964
2012 (2)	7,075,716	0	4,875,204	98,240
2011	1,187,077	2,025,000	5,480,929	2,998,858
2010	1,252,974	2,295,000	5,997,677	3,162,195
2009	1,313,871	2,780,000	6,283,561	3,454,802
2008	1,369,768	3,475,000	6,070,951	3,746,958
2007	1,420,665	3,445,000	4,459,206	3,683,568

Note: Details regarding the City's outstanding debt can be found in the Notes to the Basic Financial Statements.

- (1) See S36 and S37 for personal income and population data
- (2) The City implemented Governmental Accounting Standards Board Statement No. 63 in 2012.
- (3) 2004 was the first year general obligation bonds payable from property taxes were issued.
- (4) During 2005, the City entered into a State Infrastructure Bank Loan agreement with the Ohio Department of Transportation in the amount of \$7,737,113 for the purpose of financing the Diley Road Widening and Realignment Project.
- (5) During 2002, the City entered into a lease with First Star Bank for the construction of a new police facility.
- (6) During 2012, the City retired all outstanding bond anticipation notes, and the police facility capital lease with proceeds from the issuance of general obligation bonds.
- (7) During 2013, the City retired the outstanding State Infrastructure Bank Loan with proceeds from the issuance of general obligation bonds.
- (8) During 2015, the City issued \$2,300,000 in general obligation bond anticipation notes for the Refugee Road widening project.

Business-Type Activities

General Obligation Bonds (6)	Bond Anticipation Notes (6)	Revenue Note	OWDA Loan	Issue Two Notes	Capital Leases	Total Debt	Percentage of Personal Income (1)	Per Capita (1)
\$3,206,659	\$0	\$0	\$9,534,607	\$0	\$18,345	\$24,365,382	3.82%	\$1,234
3,461,767	0	0	10,202,178	0	22,667	25,925,986	4.20%	1,336
3,903,131	0	0	10,847,143	0	1,627	25,428,952	4.25%	1,332
4,464,996	0	0	11,470,272	0	2,765	27,349,168	4.73%	1,463
5,006,375	0	0	12,087,014	0	12,173	29,154,722	5.07%	1,584
2,960,645	2,780,000	0	12,565,368	0	25,152	30,023,029	5.54%	1,641
3,160,584	3,989,000	0	11,530,965	0	31,678	31,420,073	5.96%	1,767
3,506,230	3,682,000	0	7,596,594	0	42,123	28,659,181	7.59%	1,960
3,846,876	4,325,000	0	974,369	6,299	75,563	23,890,784	6.28%	1,650
4,167,522	5,150,000	0	783,965	18,903	85,037	23,213,866	6.18%	1,598

City of Pickerington, Ohio
Ratio of General Obligation Bonded Debt
to Estimated Actual Property Value and Per Capita
Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Estimated Actual Property Value</u>	<u>General Obligation Bonded Debt (2) (3)</u>	<u>General Obligation Bonded Debt to Actual Property Value</u>	<u>General Obligation Bonded Debt Per Capita</u>
2016	19,745	\$1,285,819,309	\$12,371,105	0.96%	\$626.54
2015	19,408	1,233,796,354	13,375,287	1.08%	689.16
2014	19,085	1,202,797,006	14,535,725	1.21%	761.63
2013	18,692	1,240,827,446	15,807,167	1.27%	845.66
2012	18,408	1,200,452,314	12,082,091	1.01%	656.35
2011	18,291	1,195,325,537	4,147,722	0.35%	226.76
2010	17,780	1,226,149,771	4,413,558	0.36%	248.23
2009	14,621	1,212,003,594	4,820,101	0.40%	329.67
2008	14,476	1,205,999,657	5,216,644	0.43%	360.37
2007	14,526	1,088,952,474	5,588,187	0.51%	384.70

- (1) Population estimates from Mid Ohio Regional Planning Commission for years 2006-2009.
Population estimates from the U.S. Census Bureau for years 2010-2016.
- (2) The City implemented Governmental Accounting Standards Board Statement No. 63 in 2012.
- (3) Although the general obligation debt service fund is restricted for debt service, it is not specifically restricted to the payment of principal; therefore, these resources are not shown as a deduction from general obligation bonded debt.

Source: City financial records

City of Pickerington, Ohio
 Computation of Direct and Overlapping Governmental Activities Debt
 December 31, 2016

<u>Jurisdiction</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to City of Pickerington</u>	<u>Amount Applicable to the City of Pickerington</u>
<u>Direct - City of Pickerington</u>			
General Obligation Bonds	\$9,164,446	100%	\$9,164,446
Bond Anticipation Notes	2,300,000	100%	2,300,000
Capital Leases	141,325	100%	141,325
Total Direct Debt	<u>11,605,771</u>		<u>11,605,771</u>
<u>Overlapping Debt</u>			
Fairfield County	40,676,643	13.09%	5,324,573
Violet Township	2,270,000	43.77%	993,579
Pickerington Local School District	<u>112,364,052</u>	39.32%	<u>44,181,545</u>
Total Overlapping Debt	<u>155,310,695</u>		<u>50,499,697</u>
Total Direct and Overlapping Debt	<u><u>\$166,916,466</u></u>		<u><u>\$62,105,468</u></u>

Note: The percentage of gross indebtedness of the City's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed value within the City by the subdivision's total assessed valuation.

City of Pickerington, Ohio
Pledged Revenue Coverage
Revenue Debt - Water
Last Ten Years

Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Issue Two (3)	OWDA		Total		Coverage
				Debt Service	Debt Service		Debt Service		
				Principal	Principal	Interest	Principal	Interest	
2016	\$2,438,526	\$1,968,980	\$469,546	\$0	\$153,746	\$29,201	\$153,746	\$29,201	2.57
2015	2,355,625	1,953,712	401,913	0	148,299	40,877	148,299	40,877	2.12
2014	2,311,279	1,807,845	503,434	0	143,044	46,132	143,044	46,132	2.66
2013	2,351,312	1,840,132	511,180	0	137,976	51,200	137,976	51,200	2.70
2012	2,417,945	1,548,311	869,634	0	133,088	56,088	133,088	56,088	4.60
2011 (4)	0	0	0	0	0	0	0	0	0.00
2010	0	0	0	0	0	0	0	0	0.00
2009	1,855,965	1,343,124	512,841	6,299	0	0	6,299	0	81.42
2008	1,711,350	1,349,980	361,370	12,604	0	0	12,604	0	28.67
2007	1,885,694	1,262,435	623,259	12,604	0	0	12,604	0	49.45

- (1) Includes investment income and other non-operating revenues.
- (2) Direct operating expenses does not include depreciation.
- (3) The Issue Two notes were issued interest free.
- (4) In 2011, the City issued \$1,493,755 in OWDA loans. Principal and interest payments were not due until January 2012.

City of Pickerington, Ohio
Pledged Revenue Coverage
Revenue Debt - Sewer
Last Ten Years

Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Sewer OWDA Debt Service		Coverage
				Principal	Interest	
2016	\$3,662,584	\$1,849,766	\$1,812,818	\$513,825	\$271,902	2.31
2015	3,479,463	1,880,252	1,599,211	496,666	320,490	1.96
2014	3,449,685	2,096,017	1,353,668	480,085	337,070	1.66
2013	3,456,971	2,176,523	1,280,448	478,766	353,503	1.54
2012	3,454,126	1,947,285	1,506,841	425,366	325,049	2.01
2011	3,464,112	1,736,827	1,727,285	510,394	433,953	1.83
2010	3,327,414	1,466,376	1,861,038	61,373	32,173	19.89
2009	2,831,561	1,495,676	1,335,885	58,280	35,266	14.28
2008	2,327,131	1,571,812	755,319	55,345	38,201	8.07
2007	1,872,509	1,256,262	616,247	52,561	40,985	6.59

(1) Includes investment income and other non-operating revenues.

(2) Direct operating expenses does not include depreciation.

City of Pickerington, Ohio
Legal Debt Margin
Last Ten Years

	2016	2015	2014	2013
Total Assessed Property Value	<u>\$449,019,010</u>	<u>\$430,855,880</u>	<u>\$420,037,020</u>	<u>\$433,411,990</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>47,146,996</u>	<u>45,239,867</u>	<u>44,103,887</u>	<u>45,508,259</u>
Debt Outstanding:				
General Obligation Bonds Payable	\$11,945,000	\$12,920,000	\$14,050,000	\$15,290,000
Notes Payable	2,300,000	2,300,000	0	0
Loans Payable (1)	0	0	0	0
Issue Two Notes Payable	0	0	0	0
OWDA Loans Payable	<u>9,534,607</u>	<u>10,202,178</u>	<u>10,847,143</u>	<u>11,470,272</u>
Total Gross Indebtedness Outstanding	23,779,607	25,422,178	24,897,143	26,760,272
Less: Debt Exempt from Limitation				
General Obligation Bonds Payable	(3,140,000)	(3,390,000)	(3,825,000)	(4,380,000)
Notes Payable	0	0	0	0
Issue Two Notes Payable	0	0	0	0
OWDA Loans Payable	(9,534,607)	(10,202,178)	(10,847,143)	(11,470,272)
Amount Available in Debt Service Fund for General Obligations	<u>(129,537)</u>	<u>(194,339)</u>	<u>(207,093)</u>	<u>(274,430)</u>
Total Net Debt Applicable to Debt Limit	<u>10,975,463</u>	<u>11,635,661</u>	<u>10,017,907</u>	<u>10,635,570</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$36,171,533</u>	<u>\$33,604,206</u>	<u>\$34,085,980</u>	<u>\$34,872,689</u>
Legal Debt Margin as a Percentage of the Debt Limit	76.72%	74.28%	77.29%	76.63%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$24,696,046</u>	<u>\$23,697,073</u>	<u>\$23,102,036</u>	<u>\$23,837,659</u>
Total Gross Indebtedness	23,779,607	25,422,178	24,897,143	26,760,272
Less:				
General Obligation Bonds Payable	(3,140,000)	(3,390,000)	(3,825,000)	(4,380,000)
Notes Payable	0	0	0	0
Issue Two Notes Payable	0	0	0	0
OWDA Loans Payable	(9,534,607)	(10,202,178)	(10,847,143)	(11,470,272)
Amount Available in Debt Service Fund for General Obligations	<u>(129,537)</u>	<u>(194,339)</u>	<u>(207,093)</u>	<u>(274,430)</u>
Net Debt Within 5 ½ % Limitations	<u>10,975,463</u>	<u>11,635,661</u>	<u>10,017,907</u>	<u>10,635,570</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$13,720,583</u>	<u>\$12,061,412</u>	<u>\$13,084,129</u>	<u>\$13,202,089</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	55.56%	50.90%	56.64%	55.38%

(1) During 2008 and 2010, the State Infrastructure Bank Loan was restated.

Sources: Fairfield County, Ohio; County Auditor, and City financial records.

2012	2011	2010	2009	2008	2007
<u>\$419,306,830</u>	<u>\$417,550,250</u>	<u>\$427,456,580</u>	<u>\$422,729,110</u>	<u>\$419,692,930</u>	<u>\$375,822,095</u>
44,027,217	43,842,776	44,882,941	44,386,557	44,067,758	39,461,320
\$11,760,000	\$4,110,000	\$4,535,000	\$4,965,000	\$5,385,000	\$5,780,000
0	8,373,750	10,720,500	10,966,250	11,801,000	12,664,250
4,875,204	5,480,929	5,997,677	6,283,561	6,070,951	4,459,206
0	0	0	0	6,299	18,903
<u>12,087,014</u>	<u>12,565,368</u>	<u>11,530,965</u>	<u>7,596,594</u>	<u>974,369</u>	<u>783,965</u>
28,722,218	30,530,047	32,784,142	29,811,405	24,237,619	23,706,324
(4,915,000)	(2,935,000)	(3,295,000)	(3,665,000)	(4,030,000)	(4,375,000)
0	(3,989,000)	(5,682,000)	(4,864,000)	(5,150,000)	(5,762,500)
0	0	0	0	(6,299)	(18,903)
<u>(12,087,014)</u>	<u>(12,565,368)</u>	<u>(11,530,965)</u>	<u>(7,596,594)</u>	<u>(974,369)</u>	<u>(783,965)</u>
<u>(347,654)</u>	<u>(44,039)</u>	<u>(18,122)</u>	<u>(68,407)</u>	<u>(64,721)</u>	<u>(99,649)</u>
<u>11,372,550</u>	<u>10,996,640</u>	<u>12,258,055</u>	<u>13,617,404</u>	<u>14,012,230</u>	<u>12,666,307</u>
<u>\$32,654,667</u>	<u>\$32,846,136</u>	<u>\$32,624,886</u>	<u>\$30,769,153</u>	<u>\$30,055,528</u>	<u>\$26,795,013</u>
74.17%	74.92%	72.69%	69.32%	68.20%	67.90%
<u>\$23,061,876</u>	<u>\$22,965,264</u>	<u>\$23,510,112</u>	<u>\$23,250,101</u>	<u>\$23,083,111</u>	<u>\$20,670,215</u>
28,722,218	30,530,047	32,784,142	29,811,405	24,237,619	23,706,324
(4,915,000)	(2,935,000)	(3,295,000)	(3,665,000)	(4,030,000)	(4,375,000)
0	(3,989,000)	(5,682,000)	(4,864,000)	(5,150,000)	(5,762,500)
0	0	0	0	(6,299)	(18,903)
<u>(12,087,014)</u>	<u>(12,565,368)</u>	<u>(11,530,965)</u>	<u>(7,596,594)</u>	<u>(974,369)</u>	<u>(783,965)</u>
<u>(347,654)</u>	<u>(44,039)</u>	<u>(18,122)</u>	<u>(68,407)</u>	<u>(64,721)</u>	<u>(99,649)</u>
<u>11,372,550</u>	<u>10,996,640</u>	<u>12,258,055</u>	<u>13,617,404</u>	<u>14,012,230</u>	<u>12,666,307</u>
<u>\$11,689,326</u>	<u>\$11,968,624</u>	<u>\$11,252,057</u>	<u>\$9,632,697</u>	<u>\$9,070,881</u>	<u>\$8,003,908</u>
50.69%	52.12%	47.86%	41.43%	39.30%	38.72%

City of Pickerington, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (6)	Personal Income Per Capita (2)	Median Household Income (2)	Median Age (2)
2016	19,745	\$637,368,600	\$32,280	\$82,569	35.9
2015	19,408	616,922,096	31,787	82,247	35.3
2014	19,085	598,257,495	31,347	81,540	36
2013	18,692	578,087,484	30,927	81,480	35.3
2012	18,408	574,826,616	31,227	80,783	32.9
2011	18,291	542,072,076	29,636	75,985	34
2010	17,780	526,928,080	29,636	75,985	34
2009	14,621	377,792,019	25,839	63,664	32.7
2008	14,476	374,045,364	25,839	63,664	32.7
2007	14,526	375,337,314	25,839	63,664	32.7

- (1) Population estimates from Mid Ohio Regional Planning Commission for years 2006-2009. Population estimates from the U.S. Census Bureau for years 2010-2016.
- (2) Source: U.S. Census Estimates
- (3) Source: Ohio Department of Education.
- (4) Source: Ohio Bureau of Employment Services. The unemployment rate for the City is not available; therefore, the County rate was used.
- (5) Source: Fairfield County, Ohio; County Auditor
- (6) Computation of per capita personal income multiplied by population.



Educational Attainment: Bachelor's Degree or Higher (2)	School Enrollment (3)	Fairfield County Unemployment Rate (4)	Average Sales Price of Residential Property (5)	Total Assessed Property Value (5)
36.3%	10,236	4.2%	\$187,500	\$449,019,010
39.3	10,042	4.3	187,300	430,855,880
38.8	10,080	4.8	187,400	420,037,020
40.1	10,116	5.6	184,500	433,411,990
41.2	10,285	5.8	188,600	419,306,830
41.0	10,326	7.7	190,985	417,550,250
41.0	10,287	7.9	159,126	427,456,580
31.6	9,867	8.5	158,224	422,729,110
31.6	9,820	5.8	176,570	419,692,930
31.6	10,016	5.0	203,188	375,822,095



City of Pickerington, Ohio
Principal Employers
2016 and 2007

2016

Employer	Nature of Business	Employees	Percentage of Total City Employment
Pickerington Local School District	School System	1,232	12.96%
Ohio Health Corporation	Health Care Facility	403	4.24%
Kroger Company, Inc.	Supermarket	389	4.09%
Kohl's Department Stores	Retail	377	3.96%
Cracker Barrel Restaurant	Restaurant	268	2.82%
Roosters	Restaurant	230	2.42%
Tamarkin Co Inc.	Supermarket	228	2.40%
Pickerington Nursing and Rehab	Health Care Facility	216	2.27%
Max and Erma's Restaurant	Restaurant	182	1.91%
Bob Evans Farms, Inc.	Restaurant	165	1.74%
Total		3,690	38.81%
Total Employment within the City		9,509	

2007

Employer	Nature of Business	Employees	Percentage of Total City Employment
Pickerington Local School District	School System	1,123	12.52%
Kroger Company, Inc.	Supermarket	313	3.49%
Cracker Barrel Restaurant	Restaurant	290	3.23%
Kohl's Department Stores	Retail	273	3.04%
Kindred Nursing Center	Health Care Facility	228	2.54%
Bob Evans Farms, Inc.	Restaurant	172	1.92%
Max & Erma's Restaurants, Inc.	Restaurant	151	1.68%
City of Pickerington	Government	118	1.32%
American Motorcycle Association	Museum and Organization	110	1.23%
R.G. Barry Corporation	Manufacturing	102	1.14%
Total		2,880	32.11%
Total Employment within the City		8,968	

Source: City Income Tax Department and US Census.

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City of Pickerington, Ohio
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Years

Function/Program	2016	2015	2014	2013	2012
General Government					
Council	7.00	7.00	7.00	7.00	7.00
Mayor	1.00	1.00	1.00	1.00	1.00
Clerk of Courts	1.00	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00	1.00
Finance Director	1.00	1.00	1.00	1.00	1.00
Human Resources	1.00	1.50	1.50	1.50	1.00
Income Tax	3.50	3.50	3.50	3.50	4.50
Municipal Records	3.00	2.00	2.00	2.00	2.00
Finance Department	2.00	2.00	2.00	2.00	2.00
Facilities Operations	2.00	2.00	2.00	2.00	1.00
Secretary/ Administrative	3.00	2.50	2.50	2.50	2.50
City Engineer	1.00	1.00	1.00	1.00	1.00
Staff Engineer	0.00	0.00	0.00	0.00	1.00
Engineer Inspectors	0.00	0.00	0.00	0.00	2.00
Security of Persons and Property					
Police Chief	1.00	1.00	1.00	1.00	1.00
Police Commanders	2.00	2.00	2.00	2.00	2.00
Police Patrol Officers	23.00	22.00	22.00	22.00	21.00
Police Detectives	3.00	3.00	3.00	3.00	3.00
Police Dispatchers/Office	9.00	11.00	11.00	11.00	8.50
Leisure Time Activities					
Parks & Recreation Director	1.00	1.00	1.00	1.00	1.00
Recreation	1.00	1.00	1.00	1.00	1.00
Parks	2.00	2.00	2.00	2.00	2.00
Community Development					
Building	2.00	2.00	2.00	2.00	2.00
Economic Development	4.00	4.00	4.00	4.00	3.00
Transportation					
Equipment Maintenance	0.00	0.00	0.00	0.00	0.00
Street Maintenance & Repair	5.00	5.00	5.00	5.00	5.00
Basic Utility Services					
Service Director	1.00	1.00	1.00	1.00	1.00
Secretary/ Administrative	5.00	4.00	4.00	4.00	4.00
Water	6.00	6.00	6.00	6.00	6.00
Sewer	3.00	4.00	5.00	6.00	6.00
Stormwater	3.00	3.00	3.00	2.00	2.00
Totals:	<u>97.50</u>	<u>97.50</u>	<u>98.50</u>	<u>98.50</u>	<u>96.50</u>

Source: City financial records

Method: Using 1.0 for each full-time employee and 0.50 for each permanent part-time employee at year end (excludes temporary and seasonal employees). Amounts include elected officials.

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
7.00	7.00	7.00	7.00	7.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
4.00	3.00	3.00	4.00	4.00
2.00	1.00	1.00	1.50	1.50
2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00
3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	0.00	0.00
1.00	1.00	1.00	0.00	0.00
2.00	2.00	2.00	0.00	0.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
19.00	20.00	19.00	20.00	20.00
3.00	3.00	2.00	3.00	3.00
10.50	9.50	11.50	10.00	10.00
1.00	1.00	1.00	1.00	1.00
0.50	2.00	2.00	2.00	2.00
2.00	2.00	3.00	3.00	3.00
3.00	3.00	3.00	7.00	7.00
2.50	3.00	3.00	4.00	4.00
0.00	0.00	0.00	1.00	1.00
5.00	5.00	5.00	5.00	6.00
1.00	1.00	1.00	1.00	1.00
3.00	3.00	3.00	2.00	2.00
5.00	5.00	5.00	5.00	5.00
6.00	6.00	5.00	5.00	5.00
2.00	2.00	2.00	2.00	2.00
<u>94.50</u>	<u>94.50</u>	<u>94.50</u>	<u>97.50</u>	<u>98.50</u>

City of Pickerington, Ohio
 Operating Indicators by Function/Program
 Last Ten Years

Function/Program	2016	2015	2014	2013
General Government				
<i>Council and Clerk</i>				
Number of Ordinances Passed	52	44	67	81
Number of Resolutions Passed	25	50	41	30
<i>Finance Department</i>				
Number of checks/ vouchers issued	4,139	4,286	4,346	4,158
Number of P.O.'s issued	2,570	3,255	3,279	3,285
Interest earnings for fiscal year (1)	\$141,459	\$74,285	\$60,953	\$40,631
General Fund Receipts (1)	\$9,314,280	\$9,019,315	\$8,376,598	\$7,973,116
General Fund Expenditures (1)	\$9,028,000	\$8,559,589	\$7,965,622	\$8,116,822
General Fund Cash Balances	\$4,624,365	\$4,223,426	\$3,726,214	\$3,185,607
<i>Income Tax Department</i>				
Forms Prepared/ Mailed				
Number of Tax Returns (4)	12,441	10,754	10,439	10,346
Withholding Forms (4)	1,655	1,535	3,005	2,684
Estimate Statements	2,552	2,986	3,007	2,686
Federal 1099-G	2,020	2,003	2,220	2,217
Collections				
Tax (2)	\$6,478,485	\$5,931,529	\$5,760,828	\$5,220,794
Refunds	\$278,748	\$245,768	\$298,232	\$223,352
<i>Utilities Billing</i>				
Shut-off notices processed	4,436	3,977	3,940	3,651
Work Orders Processed	1,456	1,744	1,808	2,138
New Accounts Added	161	137	138	102
Utility Bills Mailed	71,440	70,067	67,624	66,795
<i>Building Department Indicators</i>				
Construction Permits Issued				
New Residential	85	104	108	104
Commercial	213	165	213	172
Minor	322	396	335	319
Inspection Statistics				
Residential	2,361	2,970	2,564	2,343
Commercial	820	708	914	697
Contractor Registration Statistics				
Registrations	461	445	427	468

- (1) Cash basis of accounting.
- (2) 2006 through 2013 are on an accrual basis. Collections include delinquencies, penalties, interest, and late fees.
- (3) For 2006 information was not available.
- (4) Beginning for the 2009 Tax Returns, tax notices for the electronic form was sent out in lieu of actual.
- (5) During 2008, the City purchased an Aquatic Recreation Center.
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- (9) During 2015, the City began tracking the amount of caustic and bisulfite used annually.

Source: City financial records

2012	2011	2010	2009	2008	2007
77	82	102	93	96	104
49	27	22	30	18	21
4,612	7,527	7,710	7,765	8,318	8,169
3,028	2,899	2,703	2,609	2,866	2,701
\$43,491	\$50,736	\$92,091	\$150,287	\$189,661	\$280,207
\$7,880,393	\$8,531,965	\$7,714,298	\$7,251,584	\$7,445,994	\$6,523,944
\$8,588,715	\$7,780,851	\$7,448,350	\$3,376,774	\$3,532,008	\$3,769,106
\$3,084,553	\$3,536,083	\$3,145,938	\$2,854,677	\$2,282,464	\$1,455,533
10,035	10,145	9,921	9,643	9,680	9,705
2,362	2,189	1,921	1,865	1,835	1,824
2,914	2,720	2,800	3,071	2,979	2,690
2,153	1,988	1,959	2,336	2,286	2,129
\$5,029,644	\$5,117,727	\$4,643,326	\$4,527,504	\$4,671,505	\$4,156,569
\$249,591	\$226,016	\$205,136	\$213,084	\$235,826	\$190,544
3,739	4,188	3,916	3,761	3,118	2,083
1,714	1,313	1,466	1,211	2,045	1,452
88	75	82	95	75	130
65,907	65,186	64,483	63,554	62,877	60,951
98	52	66	70	50	130
144	169	93	100	98	102
284	230	273	200	93	124
2,175	1,376	1,881	1,749	1,603	3,338
680	861	417	709	732	912
374	328	337	253	337	337

(continued)

City of Pickerington, Ohio
 Operating Indicators by Function/Program (Continued)
 Last Ten Years

Function/Program	2016	2015	2014	2013
Security of Persons & Property				
<i>Police</i>				
Total Calls for Services	32,972	32,735	34,488	32,829
Total Reports Taken	2,462	2,746	2,053	2,031
OMVI/DUI	112	53	66	45
Juvenile/ Adult Traffic Citations	3,082	2,603	2,626	2,516
Juvenile Education				
Enforcement Program	0	0	0	0
Serious Crime/ Incidents				
Accidents	554	595	560	564
Homicides	0	0	1	0
Fatal Accidents	0	1	2	0
Rapes	5	11	2	7
Auto Theft	13	12	17	19
Robbery	8	12	4	6
Burglary	36	39	41	55
Assaults	43	42	40	40
Suicides	4	0	3	3
Leisure Time Activities				
<i>Parks & Recreation</i>				
Park Land and Acreage	158.13	157.33	157.33	157.33
Street Trees				
Number of trees planted	202	503	250	233
Number of trees pruned	280	600	138	262
Number of trees removed	53	233	52	75
Recreation Activities (3)				
Basketball Leagues	0 teams	0 teams	0 teams	0 teams
Co-Rec Volleyball League	8 teams	8 teams	5 teams	5 teams
Softball Leagues	27 teams	29 teams	24 teams	24 teams
Community Development				
<i>Planning & Zoning Indicators</i>				
Comprehensive Sign Plans	9	13	7	17
Rezoning	1	2	0	4
Annexations	0	1	0	0
Certificates of Appropriateness	25	9	8	14
Lot Splits	6	1	1	1
Subdivision Plats	6	3	0	1
Planned Unit Developments	2	1	1	0
Complaints Received	422	383	433	294
Inspections Completed	413	377	424	270
Unresolved Issues	9	6	9	24
Streets and Equipment Maintenance				
Storm Sewers				
Inlets	27	3	17	1
Collapsed Lines	0	0	70	320
Ditches	860	230	969	0

- (1) Cash basis of accounting.
- (2) 2006 through 2013 are on an accrual basis. Collections include delinquencies, penalties, interest, and late fees.
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- (6) During 2011, crack sealing was only available in square yards rather than tons
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- (8) During 2014, the City began offering day passes at the Aquatic Recreation Center.
- (9) During 2015, the City began tracking the amount of caustic and bisulfite used annually.

Source: City financial records

2012	2011	2010	2009	2008	2007
37,792	38,011	31,344	37,243	36,489	35,687
1,998	1,939	1,919	1,999	1,935	2,246
50	35	48	41	39	68
2,701	2,841	2,525	2,431	2,215	2,620
1	10	1	3	3	7
483	432	468	491	493	574
0	0	0	0	0	1
0	1	1	0	0	1
8	5	6	8	4	1
12	11	5	15	25	13
10	8	9	15	2	13
43	52	42	52	55	36
56	51	57	57	54	50
1	1	0	0	3	0
157.33	157.33	157.33	157.33	157.33	157.33
94	148	88	216	176	288
706	940	633	700	265	265
86	39	33	61	61	61
0 teams	0 teams	5 teams	8 teams	8 teams	6 teams
7 teams	9 teams	9 teams	11 teams	11 teams	11 teams
32 teams	35 teams	40 teams	41 teams	41 teams	41 teams
8	19	14	13	17	25
3	2	3	4	1	3
1	1	0	2	0	0
16	13	13	13	15	22
3	1	4	3	7	9
0	3	0	0	0	1
0	1	1	1	1	0
259	272	305	930	792	627
252	238	398	888	731	532
7	34	50	42	61	55
17	17	9	14	12	15
0	65	465	500	600	1,475
0	0	270	300	250	900

(continued)

City of Pickerington, Ohio
 Operating Indicators by Function/Program (Continued)
 Last Ten Years

Function/Program	2016	2015	2014	2013
Streets and Equipment Maintenance (continued)				
Leaf Pick Up				
Loads	118	104	82	98
Days	45	33	44	31
Snow Removal				
Salt (tons)	1,023.20	1,600.00	1,123.75	1,284.62
Hours	647.0	1,125.5	661.0	698.5
Sand/Chloride (gallons)	0.00	0.00	0.00	0.00
Signs				
Repair/Replace	16	10	93	153
New	37	62	43	19
Mosquito Fogging (hrs)	78.00	176.00	104.00	31.50
Street Maintenance				
Striped (miles)	3.44	8.00	12.78	10.80
Street Sweeping (cu. yd.)	22	26	130	21
Berming (miles)	0.00	5.00	0.00	0.00
Crack Sealing (sq. yards or tons) (6)	50,554	153,662	137,703	60,737
Water Department				
Revenue Collected (1)	\$2,421,929	\$2,332,796	\$2,308,794	\$2,327,814
Water Processed (Million Gallons Per Day)				
Raw Water	757.87	693.72	678.22	720.03
Avg./Day	2.07	1.90	1.85	1.97
Water to System	500.53	459.93	483.80	499.60
Avg./Day	1.37	1.26	1.33	1.37
Chemical Usage (in 1000s)				
Chlorine	5,825	5,685	5,577	6,090
Avg./Day	15.91	15.57	15.28	16.68
Fluoride	21,816	20,444	20,290	20,736
Avg./Day	59.60	56.01	55.59	56.81
Phosphate	26,877	25,859	24,371	24,537
Avg./Day	73.43	70.84	66.77	67.22
Potassium	29,696	20,916	21,808	19,967
Avg./Day	81.13	57.30	59.75	54.70
Caustic (9)	14,281	12,930	n/a	n/a
Avg./Day	39.02	35.42	n/a	n/a
Bisulfite (9)	13,804	16,601	n/a	n/a
Avg./Day	37.72	45.48	n/a	n/a
Annual Water Pumpage (in 1000s)				
Raw Water	757.865	693.720	678.223	720.033
Treated Water	500.527	459.929	532.328	546.520
Plant Use	129.900	64.000	277.000	68.000
Sewer Department				
Revenue Collected (1)	\$3,652,695	\$3,489,617	\$3,430,884	\$3,428,190
Treated Water (total for year)	756.14	775.96	716.97	795.42
Average (Gallons Per Day)	2.072	2.130	1.964	2.180
Sludge Hauled (tons)	254.58	241.14	254.33	183.69
Aquatic Recreation Center (5)				
Revenue Collected (1)	\$183,814	\$161,777	\$161,743	\$169,595
Number of Memberships Sold	427	387	457	559
Number of Day Passes Sold (8)	7,493	5,098	1,760	0
Number of Patrons (7)	1,335	1,300	1,588	1,887

(1) Cash basis of accounting.

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(9) During 2015, the City began tracking the amount of caustic and bisulfite used annually.

Source: City financial records

2012	2011	2010	2009	2008	2007
127	95	86	141	115	110
98	44	40	43	42	50
558.00	2,616.00	2,514.33	1,170.00	1,800.00	1,750.00
149.5	374.8	863.5	644.0	389.5	174.0
0.00	0.00	34.28	20	0	0
99	89	58	63	93	75
22	17	25	13	27	37
9.90	32.50	98	68	120	52
2.00	0.44	0.59	18.44	6.00	17.00
98	121	52	211	110	140
2.00	2.00	1.50	5.00	2.00	6.00
87,621	143,890	1.90	3.05	0.00	1.25
\$2,385,321	\$2,174,947	\$1,994,091	\$1,796,125	\$1,604,908	\$1,588,040
721.16	576.69	557.00	549.90	576.40	590.96
1.98	1.58	1.53	1.51	1.58	1.62
508.51	477.90	503.10	501.71	521.72	536.99
1.39	1.30	1.38	1.37	1.43	1.47
5,733	7,247	8,316	7,846	7,813	7,347
15.71	19.85	22.79	21.49	21.40	20.12
20,656	16,798	17,382	16,699	17,535	18,298
56.59	46.02	47.62	45.75	48.04	50.13
26,812	26,134	27,428	26,714	25,420	25,920
73.45	71.60	75.15	73.18	69.64	71.01
18,874	18,632	19,111	19,249	14,499	12,745
51.71	51.04	52.36	52.74	39.72	34.91
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	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
721.164	576.694	557.004	549.900	569.530	590.957
606.241	517.123	503.100	501.709	515.860	536.990
156.500	4.861	61.250	46.538	58.110	50.850
\$3,423,016	\$3,463,565	\$3,260,014	\$2,735,204	\$2,177,967	\$1,731,150
793.90	703.00	440.41	420.74	498.55	456.32
2.170	1.920	1.210	1.152	1.370	1.250
266.00	183.26	278.66	308.27	376.50	304.17
\$191,108	\$185,440	\$201,701	\$267,661	\$269,419	\$0
624	585	636	684	672	0
n/a	n/a	n/a	n/a	n/a	n/a
2,119	2,091	0	0	0	0

City of Pickerington, Ohio
 Capital Assets Statistics by Function/Program
 Last Ten Years

Function/Program	2016	2015	2014	2013
General Government				
Square Footage of Municipal Building	9,280	9,280	9,280	9,280
Square Footage of Building Department	2,547	2,547	2,547	2,547
Vehicles	5	5	5	6
Police				
Stations	1	1	1	1
Square Footage of Building	20,531	20,531	20,531	20,531
Vehicles	18	17	16	17
Motorcycle	0	0	0	0
Leisure Time Activities				
Number of Parks	7	7	7	7
Number of Tennis Courts	3	3	3	5
Number of Skateboarding Areas	1	1	1	1
Number of Baseball and Softball Diamonds	4	4	4	4
Number of Soccer Fields	3	3	3	3
Disc Golf Course	1	1	1	1
Vehicles	2	2	2	4
Basketball Courts	3	3	3	2
Transportation				
Streets (miles)	75.54	74.49	73.80	73.80
Service Vehicles	16	17	20	22
Service Complex (2)				
Square Footage of Cold Storage Building	4,368	4,368	4,368	4,368
Sewer				
Sanitary Sewers (feet)	431,236	424,618	423,945	421,299
Square Footage of Building	800	800	800	800
Vehicles	2	2	2	3
Water				
Square Footage of Building	13,667	13,667	13,667	13,667
Water Lines (feet)	350,921	346,857	345,094	341,101
Vehicles	5	5	3	3
Stormwater				
Storm Sewers (feet)	223,319	218,200	218,072	218,072
Utilities				
Square Footage of Utilities Complex	1,658	1,658	1,658	1,658
Aquatic Recreation Center (1)				
Acreage	3.89	3.89	3.89	3.89
Square Footage of Adult Swimming Pool	9,350	9,350	9,350	9,350
Square Footage of Youth Swimming Pool (3)	0	0	250	250
Square Footage of Splashpad (4)	2,036	2,036	0	0

(1) During 2008, the City purchased the Aquatic Recreation Center.

(2) During 2008, the City constructed a cold storage building to be used by all departments.

(3) During 2015, the City enclosed the youth swimming pool with concrete since it did not meet ADA requirements.

(4) During 2015, the City installed a Splashpad at the Aquatic Recreation Center.

n/a - Information was not available.

Source: City financial records

2012	2011	2010	2009	2008	2007
9,280	9,280	9,280	9,280	9,280	9,280
2,547	2,547	2,547	2,547	2,547	2,547
6	6	6	5	5	5
1	1	1	1	1	1
20,531	20,531	20,531	20,531	20,531	20,531
17	20	18	18	17	16
0	1	1	1	1	1
7	7	7	7	7	7
5	5	5	5	5	5
1	1	1	1	1	1
4	4	4	4	4	4
3	3	3	3	3	4
1	1	1	0	0	0
4	4	5	8	8	8
2	2	2	2	2	2
73.80	73.80	73.80	73.80	73.80	58.23
16	15	17	15	15	15
4,368	4,368	4,368	4,368	4,368	0
421,299	421,299	409,840	409,840	409,840	397,807
800	800	800	800	800	800
3	3	3	3	2	2
13,667	13,667	13,667	13,667	13,667	13,667
341,101	341,101	351,814	312,377	312,377	307,498
3	3	3	3	2	2
218,072	217,687	217,687	214,807	210,987	204,969
1,658	1,658	1,658	1,658	1,658	1,658
3.89	3.89	3.89	3.89	3.89	0
9,350	9,350	9,350	9,350	9,350	0
250	250	250	250	250	0
0	0	0	0	0	0

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**CITY OF PICKERINGTON
FAIRFIELD COUNTY, OHIO**

SUPPLEMENTAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2016

CHRIS SCHORNACK, FINANCE DIRECTOR

**CITY OF PICKERINGTON
FAIRFIELD COUNTY, OHIO**

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Julian & Grube, Inc.
Serving Ohio Local Governments

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

**Independent Auditor's Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Required by *Government Auditing Standards***

City of Pickerington
Fairfield County
100 Lockville Road
Pickerington, Ohio 43147

To the Members of Council and Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, Ohio, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City of Pickerington's basic financial statements and have issued our report thereon dated June 8, 2017.

Internal Control Over Financial Reporting

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

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

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

Members of Council and Mayor
City of Pickerington

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc." The signature is written in black ink and is positioned above the printed name of the firm.

Julian & Grube, Inc.
June 8, 2017



Dave Yost • Auditor of State

CITY OF PICKERINGTON

FAIRFIELD COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 27, 2017**