

**CITY OF PICKERINGTON**  
**FAIRFIELD COUNTY**  
**REGULAR AUDIT**  
**JANUARY 1, 2018 – DECEMBER 31, 2018**





OHIO AUDITOR OF STATE  
KEITH FABER



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City Council and Management  
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 Wilson, Shannon & Snow, Inc., for the audit period January 1, 2018 through December 31, 2018. 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 "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

July 1, 2019

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**CITY OF PICKERINGTON  
FAIRFIELD COUNTY**

**TABLE OF CONTENTS**

<b><u>TITLE</u></b>	<b><u>PAGE</u></b>
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY <i>GOVERNMENT AUDITING STANDARDS</i>	1

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**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 City Council and Management:

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, (the City) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 13, 2019, wherein we noted the City adopted GASB Statement No. 75 "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*" as disclosed in Note 3.

***Internal Control Over Financial Reporting***

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

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

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

City of Pickerington  
Fairfield County  
Independent Auditor's Report on Internal Control  
Over Financial Reporting and on Compliance and Other Matters  
Required By *Government Auditing Standards*

***Compliance and Other Matters***

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

***Purpose of this Report***

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

*Wilson, Shuman & Snow, Inc.*

Newark, Ohio  
June 13, 2019



# CAFR

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2018



# 2018

## City of Pickerington, Ohio



# City of Pickerington, Ohio

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

**Comprehensive Annual  
Financial Report  
For The Year Ended December 31, 2018**



## Introductory Section

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**City of Pickerington, Ohio**  
 Comprehensive Annual Financial Report  
 For the Year Ended December 31, 2018  
 Table of Contents

	<u>Page</u>
<b><u>Introductory Section</u></b>	
Table of Contents.....	i
Letter of Transmittal.....	v
City Officials.....	xiii
Organizational Chart.....	xiv
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	xv
<b><u>Financial Section</u></b>	
Independent Auditor's Report.....	1
Management's Discussion and Analysis.....	5
<b>Basic Financial Statements</b>	
<b>Government-Wide Financial Statements</b>	
Statement of Net Position.....	22
Statement of Activities.....	24
<b>Fund Financial Statements</b>	
Balance Sheet—Governmental Funds.....	26
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities.....	28
Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds.....	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	32
Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget (Non-GAAP Basis) and Actual:	
General Fund.....	34
Police Fund.....	35
Statement of Fund Net Position — Enterprise Funds.....	36
Statement of Revenues, Expenses, and Changes in Fund Net Position — Enterprise Funds.....	38
Statement of Cash Flows — Enterprise Funds.....	40
Statement of Fiduciary Assets and Liabilities - Agency Fund.....	44
<b>Notes to the Basic Financial Statements</b>	
Notes to the Basic Financial Statements.....	45

(continued)

**City of Pickerington, Ohio**  
 Comprehensive Annual Financial Report  
 For the Year Ended December 31, 2018  
 Table of Contents (Continued)

	<u>Page</u>
<b>Required Supplementary Information</b>	
Schedule of the City's Proportionate Share of the Net Pension Liability/(Asset):	
Ohio Public Employees Retirement System - Traditional Plan - Last Five Years.....	104
Ohio Public Employees Retirement System - Combined Plan - 2018.....	105
Schedule of the City's Proportionate Share of the Net OPEB Liability:	
Ohio Public Employees Retirement System - OPEB Plan - Last Two Years.....	106
Schedule of the City's Proportionate Share of the Net Position Liability:	
Ohio Police and Fire Pension Fund - Last Five Years.....	107
Schedule of the City's Proportionate Share of the Net OPEB Liability:	
Ohio Police and Fire Pension Fund - OPEB Plan - Last Two Years.....	108
Schedule of City Contributions:	
Ohio Public Employees Retirement System - Last Six Years.....	110
Ohio Police and Fire Pension Fund - Last Ten Years.....	112
Notes to the Required Supplementary Information.....	114
<b>Combining Statements and Individual Fund Schedules</b>	
<b>General Fund</b>	
Fund Description.....	118
Schedule of Revenues, Expenditures, and Changes in Fund Balance — Budget (Non-GAAP Basis) and Actual.....	119
<b>Nonmajor Governmental Funds</b>	
Fund Descriptions.....	123
Combining Balance Sheet—Nonmajor Governmental Funds.....	124
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Nonmajor Governmental Funds.....	125
<b>Special Revenue Funds</b>	
Fund Descriptions.....	126
Schedules of Revenues, Expenditures, and Changes in Fund Balance—Budget (Non-GAAP Basis) and Actual - Major Special Revenue Fund:	
Police Fund.....	129
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	130
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	132
Schedules of Revenues, Expenditures, and Changes in Fund Balance—Budget (Non-GAAP Basis) and Actual - Individual Nonmajor Special Revenue Funds:	
Street Fund .....	134
State Highway Fund.....	135
Parks and Recreation Fund.....	136
Computer Fund.....	137
Operation of a Motor Vehicle Under the Influence Enforcement and Education Fund.....	138
Law Enforcement Assistance Fund.....	139
Law Enforcement Trust Fund.....	140

(continued)

**City of Pickerington, Ohio**  
 Comprehensive Annual Financial Report  
 For the Year Ended December 31, 2018  
 Table of Contents (Continued)

	<u>Page</u>
Mandatory Drug Law Enforcement Fund.....	141
Immobilization Fund.....	142
Urban Forestry Fund.....	143
Community Development Block Grant Revolving Loan Fund.....	144
<b>Debt Service Fund</b>	
Fund Description.....	145
Schedule of Revenues, Expenditures, and Changes in Fund Balance — Budget (Non-GAAP Basis) and Actual - Major Debt Service Fund.....	146
<b>Capital Projects Funds</b>	
Fund Descriptions.....	147
Schedules of Revenues, Expenditures, and Changes in Fund Balance—Budget (Non-GAAP Basis) and Actual - Major Capital Projects Fund:	
Community Economic Development Improvement Fund.....	149
Combining Balance Sheet - Nonmajor Capital Projects Funds.....	150
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Capital Projects Funds.....	153
Schedules of Revenues, Expenditures, and Changes in Fund Balance—Budget (Non-GAAP Basis) and Actual - Individual Nonmajor Capital Projects Funds:	
State Route 256 Highway Fund.....	156
Street Construction Fund.....	157
Street Impact Fee Fund.....	158
Police Impact Fee Fund.....	159
Safe Routes to Schools Fund.....	160
State Route 256 Safety Grant Fund.....	161
Tax Increment Financing Agreement Equity Construction Fund.....	162
Street Improvement Trust Fund.....	163
Sidewalk Improvement Trust Fund.....	164
Park Impact Fee Fund.....	165
Municipal Facility Impact Fee Fund.....	166
Ohio Health Medical Office Building Tax Increment Financing Fund.....	167
Hill/Diley Road Tax Increment Financing Fund.....	168
Diley/Refugee Road Tax Increment Financing Fund.....	169
<b>Permanent Fund</b>	
Fund Description.....	170
Schedules of Revenues, Expenditures, and Changes in Fund Balance—Budget (Non-GAAP Basis) and Actual - Permanent Fund:	
Cemetery Fund.....	171
<b>Enterprise Funds</b>	
Fund Descriptions.....	172
Schedules of Revenues, Expenditures, and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual - Individual Major Enterprise Funds:	
Water Fund.....	173
Sewer Fund.....	174
Stormwater Fund.....	175

(continued)

**City of Pickerington, Ohio**  
 Comprehensive Annual Financial Report  
 For the Year Ended December 31, 2018  
 Table of Contents (Continued)

	<u>Page</u>
Schedules of Revenues, Expenditures, and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual - Individual Nonmajor Enterprise Fund:	
Aquatic Recreation Center Fund.....	176
<b>Agency Fund</b>	
Fund Description.....	177
Statement of Changes in Assets and Liabilities—Agency Fund.....	178
<b><u>Statistical Section</u></b>	
Statistical Section Description.....	S1
Financial Trends	
Net Position by Component.....	S2
Changes in Net Position.....	S4
Program Revenues by Function/Program.....	S10
Fund Balances, Governmental Funds.....	S12
Changes in Fund Balances, Governmental Funds.....	S14
Revenue Capacity	
Income Tax Revenue Base and Collections.....	S17
Assessed and Estimated Actual Value of Taxable Property.....	S18
Property Tax Rates, Direct and Overlapping Governments.....	S20
Principal Taxpayers - Real Estate Tax.....	S23
Principal Taxpayers - Public Utilities Tax.....	S24
Principal Taxpayers - Tangible Personal Property Tax.....	S25
Property Tax Levies and Collections - Real, Public Utility, and Tangible Personal Property.....	S26
Debt Capacity	
Ratio of Outstanding Debt to Total Personal Income and Debt Per Capita.....	S28
Ratio of General Obligation Bonded Debt to Estimated Actual Property Value and Per Capita.....	S30
Computation of Direct and Overlapping Governmental Activities Debt.....	S31
Pledged Revenue Coverage - Revenue Debt - Water.....	S32
Pledged Revenue Coverage - Revenue Debt - Sewer.....	S33
Legal Debt Margin.....	S34
Economic and Demographic Information	
Demographic and Economic Statistics.....	S36
Principal Employers.....	S38
Operating Information	
Full-time Equivalent City Government Employees by Function/Program.....	S40
Operating Indicators by Function/Program.....	S42
Capital Asset Statistics by Function/Program.....	S48





# CITY OF PICKERINGTON

June 13, 2019

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, 2018 is submitted herewith. State law requires that each general-purpose local government publish within 150 days of the close of each year a complete set of financial statements. This report is published to fulfill that requirement for the year ended December 31, 2018. 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 2018 population as estimated by the United States Census Bureau was 20,402. The unincorporated Violet Township estimated population (excluding Pickerington) was 21,234. 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, operation of an aquatic recreation center, 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 and the Police Major Special Revenue Fund are presented as part of the basic financial statements beginning on page 26. For other funds, this comparison is presented in the supplementary section of this report, which starts on page 117.

### **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 4.3 percent and 4.0 percent respectively, are both lower than the State's average unemployment rate of 4.6 percent in 2018. This trend has continued for the last two decades.

Commercial development over the last year has seen a steady growth in the City, and appears to be outpacing the state and national commercial growth rates. Over the past few years, many projects have been completed, new projects have begun, and a number of existing facilities are renovating their buildings. With some new development announcements being made in the last year the City has seen a strong growth in business development interest in the community and expects growth over the next few years. In 2018, nearly \$21 million was invested in new construction and expansion in the City. The following residential and commercial projects occurred during 2018:

- In April 2018, Violet Township Fire Department completed work on its \$5 million state of the art facility for the firefighters and the community.
- In 2018, AR Workshop, a new DIY design studio, opened its doors for classes, parties and other events. The 1,388 square foot arts and crafts workshop is located at 1039 Hill Road N. inside the Windmill Square Plaza.
- In July 2018, Changes, a division of Columbus Springs LLC, completed its \$750,000 building alteration at 1310 Hill Road North. Changes is a state-of-the-art outpatient facility that offers mental health and addiction treatment for adults, adolescents, and children.
- In 2018, Get Air Trampoline Park, began its \$100,000 renovation at 1075 Hill Road North. The 25,413 square foot tenant space will be the first destination of its kind for the Pickerington area.
- In July 2018, the Kroger Company, invested \$4,000,000 in its remodel at its Hill Road North location. The remodel will create an expanded selection of groceries as well as a prepared foods area. The remodel was completed in February 2019.
- In June 2018, the \$400,000 construction project was completed on the new 5,202 square foot office building for Marcoin Business Services on Courtright Drive.
- In September 2018, the Ohio Gastroenterology Group, completed its 25,000 square foot facility at 1025 Refugee Road. Ohio Gastroenterology Group is expected to occupy the first floor and will lease space on the second floor.
- In 2018, Spence Funeral Home built a \$364,000 addition onto its existing Hill Road N. location. The increased space brought the total building square footage to 12,937.

- In August 2018, a Certificate of Appropriateness for site, architecture, landscape, and lighting was approved for Porter’s Coffee House, which will be located at 194 W. Church Street in the Olde Pickerington Village. The proposed renovation includes a new glass storefront as well as a breezeway that will connect the detached garage to the main building.
- In 2018, Roosters, one of the most popular dining spots in the City, nearly doubled the size of its Pickerington location when it converted the 4,751 square foot space next door (formerly Lomonico’s) into a party room with additional dining space.
- Redbud Commons is a new housing community being developed off of Diley Road. It will consist of 19, single-story, Housing for Older Persons Act (HOPA) compliant multi-family buildings with attached garages. The development will also include a single story community center, community garden, and other amenities. Construction completion is estimated for the spring of 2019.
- The \$9,500,000 Trilogy Health Services facility located in the Morehead Farms development on Diley Road, was permitted on July 2, 2018 and construction is currently underway. Once completed, the 88,113 square foot, two-story building will have 103 units for skilled nursing, assisted living, and related health services.
- Lake Forest, a new residential neighborhood of single-family homes is under construction. There have been 74 homes constructed while 97 additional lots still remain to be developed.
- The Reserves at Pickerington Ponds, a residential neighborhood of single-family homes, remains under construction. There have been 60 homes constructed with 320 vacant lots remaining.
- Wellington Park, a single-family residential development remains under construction. There have been 49 homes constructed with 204 vacant lots remaining.

The following residential and commercial projects will begin or began in 2019:

- In March 2019, the newly constructed 19,378 square foot Volunteers of America retail store and donation center opened its doors to the Pickerington community. The \$3,000,000 project is located on Old Diley Road between Kroger and Pediatric Associates.
- Beginning in 2019, OhioHealth is creating a new hybrid outpatient unit on the second floor of its 1010 Refugee Road building. The construction valuation of this expansion project is estimated to be \$2,500,000.
- In late summer 2019, Rule 3, a family entertainment center, will undergo a million dollar plus renovation and upgrade to their current facility. New attractions and spaces will be added to keep pace with market conditions.

Median household incomes within the City of Pickerington are significantly higher than for the State as a whole. According to the 2018 U.S. Census estimates, the City’s median family income was \$85,320, the County’s was \$63,424, while the State’s was \$52,407.

During 2018, the Building Department issued a total of 988 permits, which included 189 single family homes, 331 commercial, and 468 for home improvement projects. Building Department permits and municipal impact fees totaled over \$2.0 million in 2018.

### **Major Initiatives**

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 received an additional \$1.3 million in grant funding for the project. In July 2018, the City received additional funding in the amounts of \$250,000 from the Ohio Department of Commerce and \$404,523 from the Ohio Public Works Commission. The \$250,000 grant was in collaboration with the Fairfield County Transportation Improvement District (TID). The total grant funding in the amount of \$11.1 million along with \$4.4 million in anticipated tax increment financing revenues and \$101,123 in anticipated OPWC loan proceeds 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, right-of-way acquisition services and utility relocation was completed during 2018, right-of-way property acquisition continued during 2018, and construction began in late 2018.

In December 2018, the City purchased several parcels of land located on the City's southern periphery as part of a proactive growth effort to expand the City's boundaries via annexation, and attain direct control of developable sites. The newly acquired land located at 8185 Pickerington Road, will have a mix of land uses. The site will have roughly 80 acres devoted to new commercial and industrial businesses as proposed.

In 2017, the City began designing the removal of Windmill Dam. The dam, which is an Ohio Department of Natural Resources (ODNR) regulated structure, was 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. The City chose to remove the dam. Construction was complete by the spring of 2019.

In 2018, the City completed several park improvement and expansion projects. The City expanded the parking lot at Victory Park and added an additional 45 parking spots including the 35 current parking spots. Sycamore Park also received an expansion and repaving of the existing parking lot. The community pool completed the second phase of the splash pad upgrade to include additional apparatuses and new diving boards were installed at the community pool. New playground equipment was installed at Colony Park. During 2018, capital investments in the parks and recreation department totaled approximately \$400,000.

The 2019 street maintenance project is expected to include a significant improvement to the upper and lower parking lots at the Pickerington Community Pool. The project will also include various streets, curbs, and gutters located throughout the City. The estimated project costs will be in excess of \$1 million.

## 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 2018. This forecast was reviewed by Council and Mayor 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 2017 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, 2017. This was the fourteenth 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 2017 Citizen's Report, a condensed, more user-friendly financial report intended to provide highlights of the City's financial condition. 2017 was the seventh year the City completed the Popular Annual Financial Report and received this prestigious award.

The City received its 26<sup>th</sup> Tree City USA Award for the year ended December 31, 2018. 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, 2018**

**City Council**

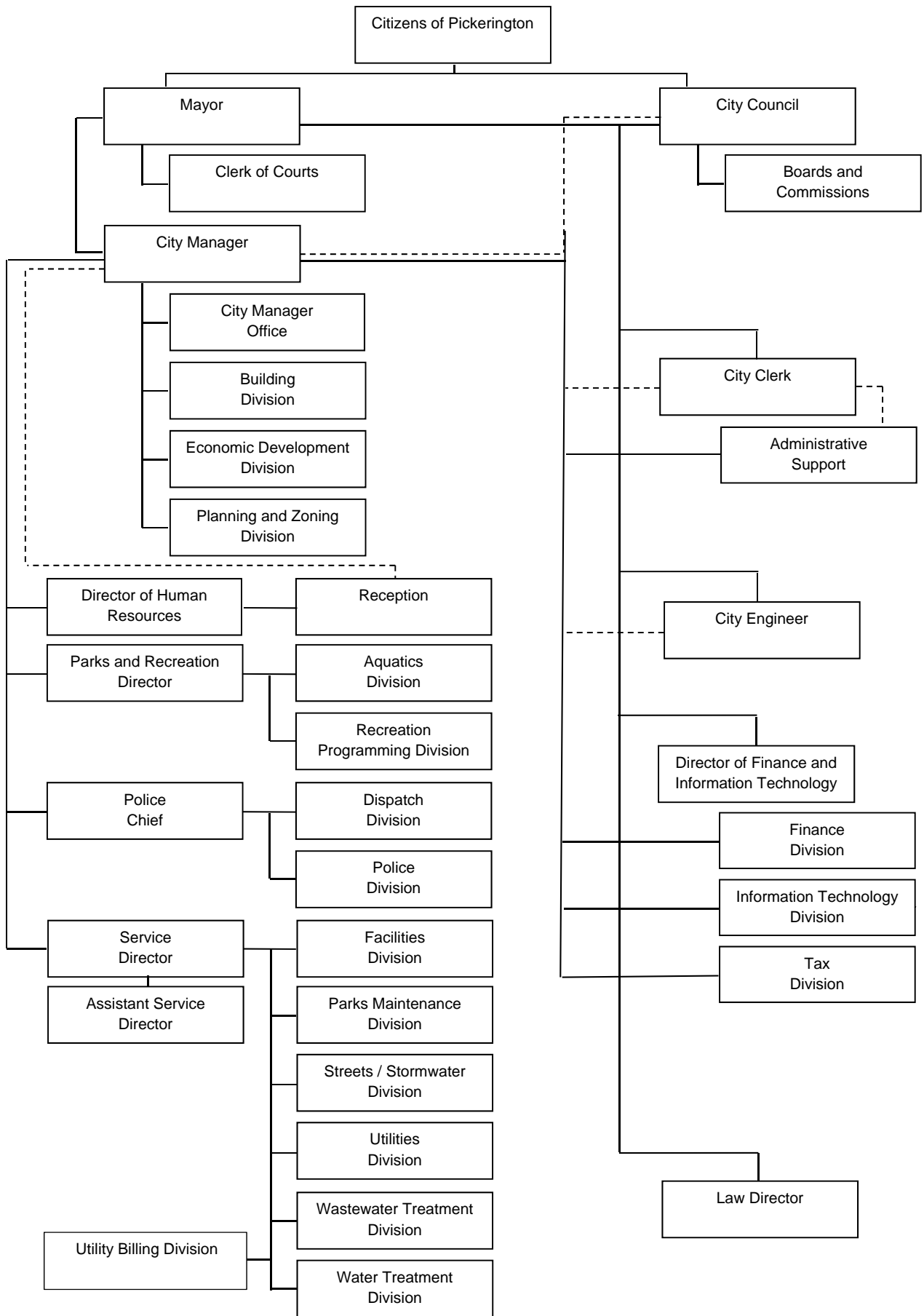
Mayor	Lee Gray
President Pro Tempore	Jeff Fix
Vice President Pro Tempore	Michael Sabatino
Council Member	Tony Barletta
Council Member	Jerry Dailey
Council Member	Crystal Hicks
Council Member	Tom Romine
Council Member	Tricia Sanders

**Appointed Officials**

City Manager	Frank Wiseman
Law Director	Frost Brown Todd LLC
Municipal Clerk	Heather Moore
City Engineer	American Structurepoint Inc.
Finance Director	Christopher Schornack

**Executive Staff**

Deputy Finance Director	Stephanie Spencer
Income Tax Administrator	Jenni Fausnaugh
Clerk of Court	Molly Schwartz
Parks and Recreation Director	Rebecca Medinger
Human Resource Director	Stephanie Albanese
Economic Development Director	vacant
Chief of Police	Michael Taylor
Service Director	Edward Drobina





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, 2017**

*Christopher P. Morrell*

Executive Director/CEO

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## Financial Section

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



## INDEPENDENT AUDITOR'S REPORT

To the City Council and Management:

### *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 (the City), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, Ohio, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Police funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 3 to the financial statements, during 2018, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75 "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*". We did not modify our opinion regarding this matter.

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

***Supplementary and Other Information***

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

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

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



City of Pickerington  
Fairfield County  
Independent Auditor's Report

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2019, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Wilson, Shannon & Sons, Inc.*

Newark, Ohio  
June 13, 2019

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**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

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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, 2018. 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 2018 are as follows:

- The City's total net position increased by \$6,751,064, from the total net position at the beginning of the year 2018.
- At the end of the current year, the City's governmental activities reported total net position of \$54,479,708, an increase of \$2,066,493 from the prior year.
- At the end of the current year, unassigned fund balance for the General Fund was \$7,081,842 which represents a thirty-six 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 2018?" 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.

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

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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.

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, Police Special Revenue Fund, Debt Service Fund, and the Community Economic Development Improvements Capital Projects 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.

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

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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 26 through 35 of this report.

***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. 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.

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**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

**The City as a Whole**

Recall that the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2018 compared to 2017.

**Table 1 - Net Position**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2018	2017	2018	2017	2018	2017
<b>Assets</b>						
Current and Other Assets	\$20,262,373	\$17,008,547	\$14,248,594	\$11,491,469	\$34,510,967	\$28,500,016
Capital Assets, Net	69,884,646	65,402,319	64,278,977	63,092,474	134,163,623	128,494,793
<i>Total Assets</i>	<u>90,147,019</u>	<u>82,410,866</u>	<u>78,527,571</u>	<u>74,583,943</u>	<u>168,674,590</u>	<u>156,994,809</u>
<b>Deferred Outflows of Resources</b>						
Deferred Charge on Refunding	52,551	61,309	10,941	13,130	63,492	74,439
Pension	1,811,684	2,380,207	461,785	908,539	2,268,373	3,288,746
OPEB	1,057,733	35,530	132,464	16,575	1,190,197	52,105
<i>Total Deferred Outflows of Resources</i>	<u>2,921,968</u>	<u>2,477,046</u>	<u>605,190</u>	<u>938,244</u>	<u>3,522,062</u>	<u>3,415,290</u>
<b>Liabilities</b>						
Current and Other Liabilities	4,913,877	876,045	551,605	583,319	5,465,482	1,459,364
Long-term Liabilities:						
Due Within One Year	5,474,384	1,062,591	1,095,675	1,073,918	6,570,059	2,136,509
Due Within More than One Year:						
Net Pension Liability	8,948,406	9,766,965	1,710,877	2,349,913	10,659,283	12,116,878
Net OPEB Liability	7,658,721	6,178,689	1,178,012	1,031,659	8,836,733	7,210,348
Other Amounts	7,470,152	11,606,525	9,883,619	10,896,547	17,353,771	22,503,072
<i>Total Liabilities</i>	<u>34,465,540</u>	<u>29,490,815</u>	<u>14,419,788</u>	<u>15,935,356</u>	<u>48,885,328</u>	<u>45,426,171</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes	2,612,000	2,564,000	0	0	2,612,000	2,564,000
Payment in Lieu of Taxes	413,844	315,617	0	0	413,844	315,617
Pension	897,766	104,265	444,730	90,912	1,337,400	195,177
OPEB	200,129	0	87,753	0	287,882	0
<i>Total Deferred Inflows of Resources</i>	<u>4,123,739</u>	<u>2,983,882</u>	<u>532,483</u>	<u>90,912</u>	<u>4,651,126</u>	<u>3,074,794</u>
<b>Net Position</b>						
Net Investment in Capital Assets	56,962,956	55,036,788	53,361,251	51,147,010	110,324,207	106,183,798
Restricted	4,319,818	3,876,411	0	0	4,319,818	3,876,411
Unrestricted (Deficits)	(6,803,066)	(6,499,984)	10,819,239	8,348,909	4,016,173	1,848,925
<i>Total Net Position</i>	<u>\$54,479,708</u>	<u>\$52,413,215</u>	<u>\$64,180,490</u>	<u>\$59,495,919</u>	<u>\$118,660,198</u>	<u>\$111,909,134</u>

The net pension liability (NPL) is one of the largest liabilities reported by the City at December 31, 2018 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27". For 2018, the City adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). 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 OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the net pension/OPEB asset and deferred outflows related to pension and OPEB.

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

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Governmental Accounting Standards Board standards are national and apply to all governmental financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability or net OPEB liability*. GASB 68 and GASB 75 takes an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability (asset) and the net OPEB liability to equal the City's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB 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 and other postemployment benefits. 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 these liabilities. 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 Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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/OPEB plan *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 retirement system is responsible for the administration of the pension and OPEB plans.

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 or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, 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 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 and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

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In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability (asset) and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2017 from \$58,556,374 to \$52,413,215 for governmental activities and from \$60,511,003 to \$59,495,919 for business-type activities,

Total governmental activities assets increased \$7,736,153. This increase is primarily due to an increase in cash and cash equivalents and cash and cash equivalents with fiscal agents in the amount of \$3,035,009 and capital assets in the amount of \$4,482,327. The increase in cash and cash equivalents is due to the City issuing an additional \$1.1 million in general obligation bond anticipation notes for the purpose of paying the costs to design, construct, improve, and widen Refugee Road. As of December 31, 2018, the City has issued the total allotted \$4.4 million in general obligation bond anticipation notes for the Refugee Road Widening Project.

The increase in cash and cash equivalents with fiscal agents in the amount of \$1,694,990 is directly related to the City depositing funds with the Ohio Department of Transportation for their local share of the utility relocation and construction phases of the Refugee Road widening project.

The increase in capital assets is a direct result of the City, accepting \$1,555,238 in capital contributions from developers, investing \$4 million in the purchase of 214 acres of land for future residential and commercial development, and expending \$2,045,342 in federal and local monies for the right of way acquisition and construction phases of the Refugee Road Widening Project.

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 an additional \$7.3 million in grant funding from the Mid-Ohio Regional Planning Commission for corridor improvements to Refugee Road. The City bore the entire preliminary and final design costs of the project while the right-of-way acquisition, utility relocation, and construction phases will be split between federal and local funding.

Total governmental activities long-term liabilities increased \$936,893. This increase is primarily due the increase in net OPEB liability in the amount of \$1,480,032. The net OPEB liability increase represents the City's proportionate share of the OPERS traditional plan's and OP&F's unfunded postemployment benefits. Changes in pension postemployment benefits and contribution rates 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 \$745,000. The City retired \$440,000 in general obligation bonds and \$305,000 in general obligation refunding bonds. During 2018, the City issued an additional \$1.1 million in street improvement bond anticipation notes and retired and reissued \$3.3 million in street improvement bond anticipation notes for a total issuance of \$4.4 million for the Refugee Road Widening Project.



**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

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Total business-type activities assets increased \$3,943,628. This increase is primarily due to an increase in cash and cash equivalents and investments in the amount of \$2,780,874 and capital assets in the amount of \$1,186,503. The increase in cash and cash equivalents is directly related to an increase in capacity fees in the amount of \$1,020,217. During 2018, the City realized an increase in commercial capacity fees due to the development of Redbud Commons, a 55 and older senior living community consisting of 19 single story multi-family buildings with attached garages and Trilogy Health Services, a two-story assisted living facility consisting of 103 units.

The increase in business-type activities capital assets is primarily due to capital contributions from developers in the amount \$1,690,800. The increase in capital assets is offset by current year depreciation.

Total business-type activities liabilities decreased \$1,515,568. This decrease is primarily due to decreases in long-term liabilities in the amount of \$1,483,854. During 2018, the City made principal payments in the amount of \$260,000 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 \$715,217 on the outstanding Ohio Water Development Authority loans. In addition, the net pension liability decreased in the amount of \$639,036. 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.

Total governmental and business-type activities restricted net position was \$4,319,818 and unrestricted net position was \$4,016,173. Net position is restricted when constraints on the use are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments. Unrestricted net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets".

The City's net position, when viewed over time, may provide the reader with a useful indicator of the City's economic condition.

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**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

Table 2 shows the changes in net position for 2018, compared to the changes in net position for 2017.

**Table 2 - Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$2,358,258	\$1,994,166	\$6,986,968	\$7,027,958	\$9,345,226	\$9,022,124
Operating Grants and Contributions	1,054,325	1,092,307	0	0	1,054,325	1,092,307
Capital Grants and Contributions	2,886,219	2,869,144	3,856,949	2,480,825	6,743,168	5,349,969
<i>Total Program Revenues</i>	<u>6,298,802</u>	<u>5,955,617</u>	<u>10,843,917</u>	<u>9,508,783</u>	<u>17,142,719</u>	<u>15,464,400</u>
General Revenues						
Property and Other Taxes	2,821,276	2,777,108	0	0	2,821,276	2,777,108
Income Taxes	6,993,683	7,348,344	0	0	6,993,683	7,348,344
Franchise Taxes	216,933	223,141	0	0	216,933	223,141
Grants and Entitlements	337,101	328,677	0	0	337,101	328,677
Investment Earnings	509,148	250,502	17,813	10,253	526,961	260,755
Payment in Lieu of Taxes	329,517	252,208	0	0	329,517	252,208
Impact Fees	1,382,772	784,292	0	0	1,382,772	784,292
Gain on Sale of Capital Assets	0	24,126	0	0	0	24,126
Miscellaneous	320,757	175,017	85,690	26,754	406,447	201,771
<i>Total General Revenues</i>	<u>12,911,187</u>	<u>12,163,415</u>	<u>103,503</u>	<u>37,007</u>	<u>13,014,690</u>	<u>12,200,422</u>
<i>Total Revenues</i>	<u>19,209,989</u>	<u>18,119,032</u>	<u>10,947,420</u>	<u>9,545,790</u>	<u>30,157,409</u>	<u>27,664,822</u>
<b>Program Expenses</b>						
General Government	3,218,547	3,041,585	0	0	3,218,547	3,041,585
Security of Persons and Property	6,752,600	5,850,092	0	0	6,752,600	5,850,092
Transportation	4,847,026	3,678,218	0	0	4,847,026	3,678,218
Leisure Time Activities	888,853	344,442	0	0	888,853	344,442
Public Health Services	182,928	171,960	0	0	182,928	171,960
Community Environment	840,218	1,346,118	0	0	840,218	1,346,118
Interest and Fiscal Charges	346,124	279,674	0	0	346,124	279,674
Water	0	0	2,433,164	2,689,472	2,433,164	2,689,472
Sewer	0	0	2,797,039	3,350,807	2,797,039	3,350,807
Stormwater	0	0	877,678	711,749	877,678	711,749
Aquatic Recreation	0	0	222,168	249,072	222,168	249,072
<i>Total Program Expenses</i>	<u>17,076,296</u>	<u>14,712,089</u>	<u>6,330,049</u>	<u>7,001,100</u>	<u>23,406,345</u>	<u>21,713,189</u>
Increase before transfers	2,133,693	3,406,943	4,617,371	2,544,690	6,751,064	5,951,633
Transfers	(67,200)	0	67,200	0	0	0
<i>Change in Net Position</i>	<u>2,066,493</u>	<u>3,406,943</u>	<u>4,684,571</u>	<u>2,544,690</u>	<u>6,751,064</u>	<u>5,951,633</u>
Net Position						
Beginning of Year	52,413,215	n/a	59,495,919	n/a	111,909,134	n/a
<i>Net Position End of Year</i>	<u>\$54,479,708</u>	<u>\$52,413,215</u>	<u>\$64,180,490</u>	<u>\$59,495,919</u>	<u>\$118,660,198</u>	<u>\$111,909,134</u>

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

---

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$35,530 for governmental activities and \$16,575 for business-type activities computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report negative OPEB expense of \$793,693. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

	Governmental Activities	Business-Type Activities	Total
Total 2018 program expenses under GASB 75	\$17,076,296	\$6,330,049	\$23,406,345
OPEB expense under GASB 75	(673,020)	(120,673)	(793,693)
2018 contractually required contribution	15,062	2,456	17,518
Adjusted 2018 program expenses	16,418,338	6,211,832	22,630,170
Less: Total 2017 program expenses under GASB 45	(14,712,089)	(7,001,100)	(21,713,189)
Increase (Decrease) in program expenses not related to OPEB	<u>\$1,706,249</u>	<u>(\$789,268)</u>	<u>\$916,981</u>

***Governmental Activities***

Charges for services accounted for 12 percent of total governmental revenues while operating and capital grants and contributions accounted for 21 percent of total governmental revenues. During 2018, charges for services increased in the amount of \$364,092. This increase is primarily due to an increase in residential and commercial permits. During 2018, the City issued 189 new residential permits and 331 commercial permits. During 2017, the City issued 130 new residential permits and 224 commercial permits. The increase in permits is a direct result of the new development consisting of Redbud Commons, a 55 and older senior living community, and Tri-logy Health Services.

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 51 percent of total governmental revenues. Of the 51 percent, 36 percent of total governmental revenues were generated from income taxes and 15 percent was generated from property and other local taxes. These revenue sources comprise the largest components of City revenues. Income taxes, property and other taxes, and grants and contributions combined together, provided 72 percent of the City's total governmental revenues.

Miscellaneous revenues primarily consists of worker's compensation refunds, Volunteer Energy gas aggregate funds, and developer as-built plan escrow deposits.

The City's security of persons and property activities accounted for \$6,752,600, or 40 percent, of total program expenses. Transportation services expenses were \$4,847,026, or 28 percent, of total program expenses.

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

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.

**Table 3**  
**Governmental Activities**

	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2018	2018	2017	2017
General Government	\$3,218,547	\$3,018,008	\$3,041,585	\$2,852,255
Security of Persons and Property	6,752,600	6,057,395	5,850,092	5,224,231
Transportation	4,847,026	968,071	3,678,218	(65,009)
Leisure Time Activities	888,853	598,803	344,442	(69,987)
Public Health Services	182,928	182,928	171,960	171,960
Community Environment	840,218	(393,835)	1,346,118	363,348
Interest and Fiscal Charges	346,124	346,124	279,674	279,674
<b>Totals</b>	<b>\$17,076,296</b>	<b>\$10,777,494</b>	<b>\$14,712,089</b>	<b>\$8,756,472</b>

***Business-Type Activities***

The City's business-type activities are for water, sewer, stormwater, and aquatic recreation services. During 2018, program revenues exceeded expenses by \$4,513,868.

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 2018, unassigned fund balance was \$7,081,842, while total fund balance was \$7,983,095. 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

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

---

and other financing uses. Unassigned fund balance represents 71 percent of total General Fund expenditures and other financing uses, while total fund balance represents 80 percent of General Fund expenditures and other financing uses.

The fund balance of the City's General Fund increased by \$1,019,254 during the current year. The key factors for the increase in fund balance were primarily due to an increase in licenses and permits in the amount of \$290,449, an increase in interest income in the amount of \$212,823, and a decrease in community environment expenditures in the amount of \$480,922. The increase in licenses and permits was due an increase in residential and commercial building permits. During 2018, the City issued 189 residential building permits and 331 commercial building permits. During 2017, the City only issued 130 residential building permits and 224 commercial building permits. The increase in interest income is a direct result from an increase in interest rates on investments. At December 31, 2018, the average rate of return for investments was 2.21 percent compared to December 31, 2017 average rate of return on investments of 1.42 percent. The decrease in community environment expenditures is primarily due to the City issuing an economic development job retention and expansion grant in December 2017 to R.G. Barry Corporation in the amount of \$400,000. An economic development job retention and expansion grant did not reoccur during 2018.

***Other Major Governmental Funds***

***Police Fund***

The fund balance of the Police Fund at December 31, 2018 is \$552,975, an increase of \$81,155 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 \$550,000. The increase in transfers is offset by an increase in expenditures in the amount of \$479,475. The increase in 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, 2018 is \$44,810, a decrease of \$47,649 from the prior year. The decrease is primarily due to an increase in principal and interest expenditures in the amount of \$65,067.

***Community Economic Development Improvements Fund***

The fund balance of the Community Economic Development Improvements Fund at December 31, 2018 is (\$3,739,196). The negative fund balance is a direct result of the City issuing \$4 million in special obligation nontax revenue bond anticipation notes on December 5, 2018. The bond anticipation notes were issued for the purpose of acquiring approximately 214 acres of real property in support of housing development, economic development, and job creation within the City.

***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 \$1,159,727, the Sewer Fund's net position increased \$1,900,832, and the Stormwater Fund's net position increased \$1,574,349.

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

---

The increase in the Water Fund's net position is primarily due to an increase in capital contributions from customers in the amount of \$476,437 and a decrease in long-term liabilities in the amount of \$83,557. During 2018, the City received commercial capacity fees from Redbud Commons 55 and older senior living community and Trilogy Health Services assisted living facility.

The increase in the Sewer Fund's net position is primarily due to an increase in cash and cash equivalents in the amount of \$1,258,525 and a decrease in the loss on disposal of capital assets in the amount of \$441,360. During 2018, the City collected \$793,756 in residential and commercial capacity fees. During 2017, the City collected \$398,903 in residential and commercial capacity fees. These increases were offset by a decrease in long-term liabilities in the amount of \$463,973. During 2018, the City made principal payments in the amounts of \$150,000 on outstanding general obligation refunding bonds for the sewer treatment system and \$549,969 on the outstanding Ohio Water Development Authority loans.

The increase in the Stormwater Fund's net position is primarily due to capital contributions from customers in the amount of \$452,949 and developers in the amount of \$1,240,840. During 2018, the City accepted capital contributions from developers for storm sewers within Lake Forest Section 2 subdivision, Preston Trails Section 8.2 subdivision, Wellington Park Section 1 subdivision, and Wellington Park Section 5 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 \$1,341,222. The majority of this increase was due to an increase in general government operating expenditures in the amount of \$496,872, and advances out in the amount of \$650,000. The increase in general government operating expenditures is primarily due to the transition and appointment of a new City Manager, conservative income tax refund estimates, conservative residential and commercial inspection fee estimates, and a deposit on the purchase of land. The increase in advances out are a direct result of additional local funds necessary for the construction phase of the Refugee Road Widening Project.

Actual expenditures and other financing uses were less than the final budgeted expenditures and other financing uses by \$2,506,331; general government actual expenditures were \$544,022 less than budgeted, community environment expenditures were \$316,380 less than budgeted, advances out were \$244,000 less than budgeted, and transfers out were \$1,371,398 less than budgeted. General government actual expenditures differences are based upon the following factors: a decrease in the engineering consulting services and construction inspection services in the amounts of \$88,501 and \$29,466, respectively, due to conservative estimates, a decrease in the legal department in the amounts of \$27,247, \$35,000, and \$17,000; respectively, due to conservative union negotiation estimates, eminent domain filings, and annexation costs; and a decrease in the finance director's department in the amount of \$19,541 and \$10,087; respectively, due to the transition period related to the hiring of a replacement income tax clerk and conservative material and supply estimates.

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

Community environment actual expenditures were \$316,380 less than budgeted primarily due to the transition period related to the hiring of a replacement economic development director in the amount of \$84,635, an Economic Development Strategic Plan budgeted but not completed in the amount of \$60,000, conservative residential and commercial plan review and construction inspection estimates in the building department in the amount of \$23,893, and conservative developer deposit refund estimates in the amount of \$88,215.

Advances out were \$244,000 less than budgeted due to conservative estimates for the remaining local funds necessary for the construction phase of the Refugee Road Widening Project.

Transfers out were \$1,371,398 less than budgeted due to conservative parks, police, and street fund operating estimates. In addition to conservative capital improvement fund capital estimates for projects that were budgeted but did not occur during 2018.

The City's actual revenues and other financing sources were greater than the final budgeted revenues and other financing sources by \$459,031. This increase is primarily due to an increase in license and permits in the amount of \$438,030 and interest revenue in the amount of \$287,387 due to conservative estimates.

At December 31, 2018, the fund balance on a budgetary basis is \$1,653,704 better than initially projected in the original budget.

**Capital Assets and Debt Administration**

*Capital Assets*

As of December 31, 2018, the City had \$134,163,623 invested in capital assets, net of accumulated depreciation. Table 4 shows 2018 balances compared to 2017.

**Table 4**  
**Capital Assets at December 31, 2018 with comparative as of December 31, 2017**  
**(Net of Accumulated Depreciation)**

	<u>Government Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	2018	2017	2018	2017	2018	2017
Land	\$10,281,835	\$6,728,126	\$1,883,347	\$1,883,347	\$12,165,182	\$8,611,473
Construction in Progress	3,254,998	3,200,494	462,047	274,028	3,717,045	3,474,522
Land Improvements	2,017,112	1,692,650	510,899	438,286	2,528,011	2,130,936
Buildings	3,592,562	3,349,341	23,035,999	23,076,211	26,628,561	26,425,552
Equipment	726,827	589,981	1,407,741	1,447,459	2,134,568	2,037,440
Infrastructure	49,609,604	49,396,667	36,841,200	35,804,048	86,450,804	85,200,715
Vehicles	401,708	445,060	137,744	169,095	539,452	614,155
<b>Totals</b>	<b>\$69,884,646</b>	<b>\$65,402,319</b>	<b>\$64,278,977</b>	<b>\$63,092,474</b>	<b>\$134,163,623</b>	<b>\$128,494,793</b>

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

The total increase of \$5,668,830 in the City's capital assets, net of accumulated depreciation, for the current year was primarily due to the acquisition of land and 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, 2018*  
*Unaudited*

For information on commitments made by the City as of December 31, 2018, see Note 20 to the basic financial statements.

***Debt***

As of December 31, 2018 and December 31, 2017, the City had total long-term debt of \$23,014,848 and \$23,721,666, respectively, as follows:

**Table 5**  
**Outstanding Debt**  
**As of December 31, 2018, with comparative for December 31, 2017**

	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
General Obligation Bonds	\$7,636,298	\$8,405,372	\$2,681,443	\$2,946,551	\$10,317,741	\$11,351,923
Bond Anticipation Notes	4,400,000	3,300,000	0	0	4,400,000	3,300,000
OWDA Loans	0	0	8,128,410	8,843,627	8,128,410	8,843,627
Capital Leases	159,429	212,236	9,268	13,880	168,697	226,116
<b>Totals</b>	<b>\$12,195,727</b>	<b>\$11,917,608</b>	<b>\$10,819,121</b>	<b>\$11,804,058</b>	<b>\$23,014,848</b>	<b>\$23,721,666</b>

During 2018, the City retired \$715,217 in OWDA loans and \$1,005,000 in general obligation bonds and refunding bonds. During 2018, the City repaid \$57,419 in capital leases. In addition, the City retired the \$3,300,000 street improvement general obligation bond anticipation notes issued on February 8, 2017 and issued an additional \$1,100,000 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 \$39,854,185 at December 31, 2018. See Note 18 for more detailed information of the City's outstanding debt. The net pension/OPEB liability under GASB 68 and GASB 75 are also reported as a long-term obligations 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.



**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*Unaudited*

---

- 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.
- 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.

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# Basic Financial Statements

**City of Pickerington, Ohio**

Statement of Net Position

December 31, 2018

	<u>Governmental</u> <u>Activities</u>	<u>Business - Type</u> <u>Activities</u>	<u>* Total</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$12,526,813	\$12,442,732	\$24,969,545
Cash and Cash Equivalents with Fiscal Agents	2,084,626	0	2,084,626
Investments	0	743,088	743,088
Permissive Motor Vehicle Registration Fees Receivable	19,145	0	19,145
Hotel and Motel Taxes Receivable	9,588	0	9,588
Income Taxes Receivable	1,313,661	0	1,313,661
Franchise Taxes Receivable	55,938	0	55,938
Accounts Receivable	104,727	625,857	730,584
Materials and Supplies Inventory	119,943	297,240	417,183
Prepaid Items	165,723	78,637	244,360
Intergovernmental Receivable	770,899	46,462	817,361
Accrued Interest Receivable	22,935	1,011	23,946
Property Taxes Receivable	2,634,181	0	2,634,181
Payments in Lieu of Taxes Receivable	413,844	0	413,844
Net Pension Asset	20,350	13,567	33,917
Non-Depreciable Capital Assets	13,536,833	2,345,394	15,882,227
Depreciable Capital Assets, Net	<u>56,347,813</u>	<u>61,933,583</u>	<u>118,281,396</u>
<i>Total Assets</i>	<u>90,147,019</u>	<u>78,527,571</u>	<u>168,674,590</u>
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding	52,551	10,941	63,492
Pension	1,811,684	461,785	2,268,373
OPEB	<u>1,057,733</u>	<u>132,464</u>	<u>1,190,197</u>
<i>Total Deferred Outflows of Resources</i>	<u>\$2,921,968</u>	<u>\$605,190</u>	<u>\$3,522,062</u>

(continued)

**City of Pickerington, Ohio**  
Statement of Net Position (Continued)  
December 31, 2018

	Governmental Activities	Business - Type Activities	* Total
<b>Liabilities</b>			
Matured Capital Leases Payable	\$175	\$0	\$175
Matured Interest Payable	30	0	30
Accrued Wages and Benefits	202,706	59,347	262,053
Intergovernmental Payable	164,981	98,741	263,722
Accounts Payable	394,718	85,434	480,152
Contracts Payable	31,065	145,240	176,305
Retainage Payable	0	14,407	14,407
Accrued Interest Payable	120,202	127,140	247,342
Notes Payable	4,000,000	0	4,000,000
Customer Deposits Payable	0	21,296	21,296
Long-Term Liabilities:			
Due Within One Year	5,474,384	1,095,675	6,570,059
Due In More Than One Year			
Net Pension Liability (See Note 13)	8,948,406	1,710,877	10,659,283
Net OPEB Liability (See Note 14)	7,658,721	1,178,012	8,836,733
Other Amounts Due in More Than One Year	7,470,152	9,883,619	17,353,771
<i>Total Liabilities</i>	<u>34,465,540</u>	<u>14,419,788</u>	<u>48,885,328</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	2,612,000	0	2,612,000
Payment in Lieu of Taxes	413,844	0	413,844
Pension	897,766	444,730	1,337,400
OPEB	200,129	87,753	287,882
<i>Total Deferred Inflows of Resources</i>	<u>4,123,739</u>	<u>532,483</u>	<u>4,651,126</u>
<b>Net Position</b>			
Net Investment in Capital Assets	56,962,956	53,361,251	110,324,207
Restricted for:			
Capital Projects	2,182,702	0	2,182,702
Security of Persons and Property	140,068	0	140,068
Transportation Services	1,240,341	0	1,240,341
Other Purposes	752,328	0	752,328
Perpetual Care:			
Expendable	2,834	0	2,834
Non-Expendable	1,545	0	1,545
Unrestricted (Deficit)	<u>(6,803,066)</u>	<u>10,819,239</u>	<u>4,016,173</u>
<i>Total Net Position</i>	<u>\$54,479,708</u>	<u>\$64,180,490</u>	<u>\$118,660,198</u>

\* After deferred inflows and deferred outflows related to the change in internal proportionate share of pension-related items have been eliminated.

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, 2018

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$3,218,547	\$141,314	\$20,725	\$38,500
Security of Persons and Property	6,752,600	449,946	201,929	43,330
Transportation	4,847,026	246,695	827,871	2,804,389
Leisure Time Activities	888,853	286,250	3,800	0
Public Health Services	182,928	0	0	0
Community Environment	840,218	1,234,053	0	0
Interest and Fiscal Charges	346,124	0	0	0
<i>Total Governmental Activities</i>	17,076,296	2,358,258	1,054,325	2,886,219
<b>Business-Type Activities:</b>				
Water	2,433,164	2,416,234	0	1,146,284
Sewer	2,797,039	3,666,020	0	1,016,876
Stormwater	877,678	708,522	0	1,693,789
Aquatic Recreation Center	222,168	196,192	0	0
<i>Total Business-Type Activities</i>	6,330,049	6,986,968	0	3,856,949
<i>Total</i>	\$23,406,345	\$9,345,226	\$1,054,325	\$6,743,168

**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  
Miscellaneous  
*Total General Revenues*

Transfers

*Total General Revenues and Transfers*

*Change in Net Position*

Net Position Beginning of Year (Restated)

*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
(\$3,018,008)	\$0	(\$3,018,008)
(6,057,395)	0	(6,057,395)
(968,071)	0	(968,071)
(598,803)	0	(598,803)
(182,928)	0	(182,928)
393,835	0	393,835
(346,124)	0	(346,124)
<u>(10,777,494)</u>	<u>0</u>	<u>(10,777,494)</u>
0	1,129,354	1,129,354
0	1,885,857	1,885,857
0	1,524,633	1,524,633
0	(25,976)	(25,976)
<u>0</u>	<u>4,513,868</u>	<u>4,513,868</u>
<u>(10,777,494)</u>	<u>4,513,868</u>	<u>(6,263,626)</u>
1,143,417	0	1,143,417
1,677,859	0	1,677,859
6,993,683	0	6,993,683
216,933	0	216,933
337,101	0	337,101
509,148	17,813	526,961
329,517	0	329,517
1,382,772	0	1,382,772
320,757	85,690	406,447
<u>12,911,187</u>	<u>103,503</u>	<u>13,014,690</u>
<u>(67,200)</u>	<u>67,200</u>	<u>0</u>
<u>12,843,987</u>	<u>170,703</u>	<u>13,014,690</u>
2,066,493	4,684,571	6,751,064
<u>52,413,215</u>	<u>59,495,919</u>	<u>111,909,134</u>
<u>\$54,479,708</u>	<u>\$64,180,490</u>	<u>\$118,660,198</u>

**City of Pickerington, Ohio**

Balance Sheet

Governmental Funds

December 31, 2018

	<u>General</u>	<u>Police</u>	<u>Debt Service</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$6,538,914	\$741,585	\$44,810
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables:			
Permissive Motor Vehicle Registration Fees	0	0	0
Property Taxes	988,405	1,645,776	0
Income Taxes	1,313,661	0	0
Franchise Taxes	55,938	0	0
Hotel and Motel Taxes	9,588	0	0
Payments in Lieu of Taxes	0	0	0
Accounts	97,667	4,004	0
Accrued Interest	22,935	0	0
Intergovernmental	191,876	99,049	0
Interfund	406,000	0	0
Materials and Supplies Inventory	25,048	26,590	0
Prepaid Items	51,686	80,183	0
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	86,363	0	0
<i>Total Assets</i>	<u><u>\$9,788,081</u></u>	<u><u>\$2,597,187</u></u>	<u><u>\$44,810</u></u>
<b>Liabilities</b>			
Matured Interest Payable	\$30	\$0	\$0
Matured Capital Leases Payable	175	0	0
Accrued Wages and Benefits	47,057	133,953	0
Accounts Payable	165,134	26,783	0
Contracts Payable	0	26,236	0
Intergovernmental Payable	38,439	113,464	0
Accrued Interest Payable	0	0	0
Interfund Payable	0	0	0
Notes Payable	0	0	0
<i>Total Liabilities</i>	<u>250,835</u>	<u>300,436</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	980,000	1,632,000	0
Payment in Lieu of Taxes	0	0	0
Unavailable Revenue	574,151	111,776	0
<i>Total Deferred Inflows of Resources</i>	<u>1,554,151</u>	<u>1,743,776</u>	<u>0</u>
<b>Fund Balances</b>			
Nonspendable	163,097	106,773	0
Restricted	0	446,202	44,810
Committed	0	0	0
Assigned	738,156	0	0
Unassigned (Deficits)	7,081,842	0	0
<i>Total Fund Balances</i>	<u>7,983,095</u>	<u>552,975</u>	<u>44,810</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u><u>\$9,788,081</u></u>	<u><u>\$2,597,187</u></u>	<u><u>\$44,810</u></u>

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



<u>Community Economic Development Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$287,690	\$4,825,906	\$12,438,905
0	2,084,626	2,084,626
0	19,145	19,145
0	0	2,634,181
0	0	1,313,661
0	0	55,938
0	0	9,588
0	413,844	413,844
80	2,976	104,727
0	0	22,935
0	479,974	770,899
0	0	406,000
0	68,305	119,943
0	33,854	165,723
0	1,545	87,908
<u>\$287,770</u>	<u>\$7,930,175</u>	<u>\$20,648,023</u>
\$0	\$0	\$30
0	0	175
0	21,696	202,706
16,281	186,520	394,718
0	4,829	31,065
0	13,078	164,981
10,685	0	10,685
0	406,000	406,000
<u>4,000,000</u>	<u>0</u>	<u>4,000,000</u>
<u>4,026,966</u>	<u>632,123</u>	<u>5,210,360</u>
0	0	2,612,000
0	413,844	413,844
0	338,871	1,024,798
0	752,715	4,050,642
0	103,704	373,574
0	4,231,018	4,722,030
0	2,324,296	2,324,296
0	0	738,156
<u>(3,739,196)</u>	<u>(113,681)</u>	<u>3,228,965</u>
<u>(3,739,196)</u>	<u>6,545,337</u>	<u>11,387,021</u>
<u>\$287,770</u>	<u>\$7,930,175</u>	<u>\$20,648,023</u>

**City of Pickerington, Ohio**  
 Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2018

<b>Total Fund Balances for Governmental Funds</b>		<b>\$11,387,021</b>
<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.		69,884,646
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	22,181	
Municipal Income Taxes	380,568	
Charges for Services	20,398	
Intergovernmental	549,738	
Interest	8,103	
Franchise Taxes	25,026	
Other	18,784	
<b>Total</b>	<b>1,024,798</b>	1,024,798
Accrued Interest Payable is not due and payable in the current period and therefore is not reported in the funds.		(109,517)
Deferred Outflows of Resources represent deferred charges on refundings which are not reported in the funds.		52,551
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	(3,288,765)	
General Obligation Refunding Bonds and Unamortized Premiums	(4,347,533)	
Long-Term Notes Payable	(4,400,000)	
Compensated Absences	(748,809)	
Capital Leases	(159,429)	
<b>Total</b>	<b>(12,944,536)</b>	(12,944,536)
The net pension asset, net pension liability and net OPEB liability are not due and payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds:		
Net Pension Asset	20,350	
Deferred Outflows - Pension	1,811,684	
Deferred Inflows - Pension	(897,766)	
Net Pension Liability	(8,948,406)	
Deferred Outflows - OPEB	1,057,733	
Deferred Inflows - OPEB	(200,129)	
Net OPEB Liability	(7,658,721)	
<b>Total</b>	<b>(14,815,255)</b>	(14,815,255)
<b>Net Position of Governmental Activities</b>		<b>\$54,479,708</b>

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, 2018

	<u>General</u>	<u>Police</u>	<u>Debt Service</u>
<b>Revenues</b>			
Property Taxes	\$1,013,098	\$1,685,894	\$0
Hotel and Motel Taxes	134,947	0	0
Permissive Motor Vehicle Registration Fees	0	0	0
Municipal Income Taxes	7,082,357	0	0
Franchise Taxes	214,670	0	0
Charges for Services	272,041	203,710	0
Licenses and Permits	1,083,120	0	0
Impact Fees	0	0	0
Fines and Forfeitures	245,224	0	0
Intergovernmental	351,234	198,928	0
Interest	437,335	0	61,929
Payments in Lieu of Taxes	0	0	1,613
Rent	0	0	0
Contributions and Donations	20,725	1,070	0
Other	93,263	60,412	0
<i>Total Revenues</i>	<u>10,948,014</u>	<u>2,150,014</u>	<u>63,542</u>
<b>Expenditures</b>			
Current:			
General Government	3,020,045	0	0
Security of Persons and Property	109,544	5,721,264	0
Transportation	0	0	0
Leisure Time Activities	62,503	0	0
Public Health Services	182,928	0	0
Community Environment	782,512	0	0
Capital Outlay	0	0	0
Debt Service:			
Refunded Notes	0	0	3,300,000
Principal Retirement	4,750	0	745,000
Interest and Fiscal Charges	751	0	311,990
<i>Total Expenditures</i>	<u>4,163,033</u>	<u>5,721,264</u>	<u>4,356,990</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,784,981</u>	<u>(3,571,250)</u>	<u>(4,293,448)</u>
<b>Other Financing Sources (Use):</b>			
Proceeds from the Sale of Capital Assets	0	2,405	0
Bond Anticipation Notes Issued	0	0	3,300,000
Transfers In	0	3,650,000	945,799
Transfers Out	(5,765,727)	0	0
<i>Total Other Financing Sources (Use)</i>	<u>(5,765,727)</u>	<u>3,652,405</u>	<u>4,245,799</u>
<i>Net Change in Fund Balances</i>	1,019,254	81,155	(47,649)
Fund Balances at Beginning of Year	<u>6,963,841</u>	<u>471,820</u>	<u>92,459</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$7,983,095</u></u>	<u><u>\$552,975</u></u>	<u><u>\$44,810</u></u>

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

Community Economic Development Improvements	Other Governmental Funds	Total Governmental Funds
\$0	\$0	\$2,698,992
0	0	134,947
0	246,695	246,695
0	0	7,082,357
0	0	214,670
0	180,308	656,059
0	105,942	1,189,062
0	1,382,772	1,382,772
0	13,429	258,653
0	2,080,279	2,630,441
0	6,577	505,841
0	327,904	329,517
80	0	80
0	3,800	25,595
15,221	133,077	301,973
<u>15,301</u>	<u>4,480,783</u>	<u>17,657,654</u>
0	12,591	3,032,636
0	82,636	5,913,444
0	2,014,654	2,014,654
0	702,129	764,632
0	0	182,928
0	0	782,512
3,743,812	2,035,998	5,779,810
0	0	3,300,000
0	48,057	797,807
10,685	5,267	328,693
<u>3,754,497</u>	<u>4,901,332</u>	<u>22,897,116</u>
<u>(3,739,196)</u>	<u>(420,549)</u>	<u>(5,239,462)</u>
0	3,954	6,359
0	1,100,000	4,400,000
0	1,845,000	6,440,799
0	(675,072)	(6,440,799)
<u>0</u>	<u>2,273,882</u>	<u>4,406,359</u>
(3,739,196)	1,853,333	(833,103)
<u>0</u>	<u>4,692,004</u>	<u>12,220,124</u>
<u>(\$3,739,196)</u>	<u>\$6,545,337</u>	<u>\$11,387,021</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, 2018

**Net Change in Fund Balances - Total Governmental Funds** (\$833,103)

*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	5,731,069	
Capital Contributions	81,830	
Capital Contributions from Developers	1,555,238	
Transferred Assets	(67,200)	
Depreciation Expense	<u>(2,786,811)</u>	4,514,126

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 loss on disposal of assets:

Proceeds from Sale of Capital Assets	(6,359)	
Loss on Disposal of Capital Assets	<u>(25,440)</u>	(31,799)

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

Property Taxes	(12,663)	
Income Taxes	(88,674)	
Charges for Services	7,709	
Intergovernmental	(15,459)	
Interest	3,307	
Franchise Taxes	2,263	
Other	<u>18,784</u>	(84,733)

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	440,000	
General Obligation Refunding Bonds	305,000	
Long-Term Bond Anticipation Notes	3,300,000	
Capital Leases	<u>52,807</u>	4,097,807

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	(32,747)	
Amortization on Premium of General Obligation Bonds	9,554	
Amortization on Premium of General Obligation Refunding Bonds	<u>14,520</u>	(\$8,673)

(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, 2018

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		\$2,699
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.		(4,400,000)
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	726,439	
OPEB	<u>15,062</u>	741,501
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(1,249,554)	
OPEB	<u>(673,020)</u>	<u>(1,922,574)</u>
<i>Change in Net Position of Governmental Activities</i>		<u><u>\$2,066,493</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, 2018

	<u>Budgeted Amounts</u>		Actual	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Property and Other Taxes	\$1,102,040	\$1,102,040	\$1,146,677	\$44,637
Municipal Income Taxes	7,161,540	7,161,540	6,985,603	(175,937)
Franchise Taxes	230,000	230,000	215,566	(14,434)
Charges for Services	376,957	376,957	250,863	(126,094)
Licenses and Permits	641,287	641,287	1,079,317	438,030
Fines and Forfeitures	170,000	170,000	239,950	69,950
Intergovernmental	309,697	309,697	349,001	39,304
Interest	125,000	154,564	441,951	287,387
Contributions and Donations	17,500	17,500	20,725	3,225
Other	64,000	64,000	61,963	(2,037)
<i>Total Revenues</i>	<u>10,198,021</u>	<u>10,227,585</u>	<u>10,791,616</u>	<u>564,031</u>
<b>Expenditures</b>				
Current:				
General Government	3,323,025	3,819,897	3,275,875	544,022
Security of Persons and Property	120,043	120,043	96,497	23,546
Leisure Time Activities	52,400	64,400	62,503	1,897
Public Health Services	188,016	188,016	182,928	5,088
Community Environment	1,068,060	1,196,410	880,030	316,380
<i>Total Expenditures</i>	<u>4,751,544</u>	<u>5,388,766</u>	<u>4,497,833</u>	<u>890,933</u>
<i>Excess of Revenues Over Expenditures</i>	<u>5,446,477</u>	<u>4,838,819</u>	<u>6,293,783</u>	<u>1,454,964</u>
<b>Other Financing Source (Uses)</b>				
Advances In	105,000	105,000	0	(105,000)
Advances Out	0	(650,000)	(406,000)	244,000
Transfers Out	(7,083,125)	(7,137,125)	(5,765,727)	1,371,398
<i>Total Other Financing Source (Uses)</i>	<u>(6,978,125)</u>	<u>(7,682,125)</u>	<u>(6,171,727)</u>	<u>1,510,398</u>
<i>Net Change in Fund Balance</i>	(1,531,648)	(2,843,306)	122,056	2,965,362
Fund Balance at Beginning of Year	5,934,249	5,934,249	5,934,249	0
Prior Year Encumbrances Appropriated	291,470	291,470	291,470	0
<i>Fund Balance at End of Year</i>	<u>\$4,694,071</u>	<u>\$3,382,413</u>	<u>\$6,347,775</u>	<u>\$2,965,362</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, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$1,656,000	\$1,656,000	\$1,685,894	\$29,894
Charges for Services	197,136	197,136	203,465	6,329
Intergovernmental	189,668	189,668	198,928	9,260
Contributions and Donations	0	0	100	100
Other	109,310	109,310	56,390	(52,920)
<i>Total Revenues</i>	<u>2,152,114</u>	<u>2,152,114</u>	<u>2,144,777</u>	<u>(7,337)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	<u>6,384,505</u>	<u>6,445,407</u>	<u>5,787,533</u>	<u>657,874</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(4,232,391)</u>	<u>(4,293,293)</u>	<u>(3,642,756)</u>	<u>650,537</u>
<b>Other Financing Sources</b>				
Proceeds from the Sale of Capital Assets	0	0	2,405	2,405
Transfers In	<u>4,290,000</u>	<u>4,290,000</u>	<u>3,650,000</u>	<u>(640,000)</u>
Total Other Financing Sources	<u>4,290,000</u>	<u>4,290,000</u>	<u>3,652,405</u>	<u>(637,595)</u>
<i>Net Change in Fund Balance</i>	57,609	(3,293)	9,649	12,942
Fund Balance at Beginning of Year	560,333	560,333	560,333	0
Prior Year Encumbrances Appropriated	<u>56,902</u>	<u>56,902</u>	<u>56,902</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$674,844</u>	<u>\$613,942</u>	<u>\$626,884</u>	<u>\$12,942</u>

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

**City of Pickerington, Ohio**  
Statement of Fund Net Position  
Enterprise Funds  
December 31, 2018

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>
<b>Assets:</b>			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$4,098,673	\$6,477,441	\$1,786,652
Investments	743,088	0	0
Accounts Receivable	209,845	351,340	64,672
Intergovernmental Receivable	106	101	46,228
Accrued Interest Receivable	1,011	0	0
Materials and Supplies Inventory	170,329	126,911	0
Prepaid Items	32,271	39,951	2,167
<i>Total Current Assets</i>	<u>5,255,323</u>	<u>6,995,744</u>	<u>1,899,719</u>
Noncurrent Assets:			
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	10,648	10,648	0
Net Pension Asset	5,766	5,766	2,035
Non-Depreciable Capital Assets	992,695	541,020	236,329
Depreciable Capital Assets, net	21,840,376	27,115,865	12,270,302
<i>Total Noncurrent Assets</i>	<u>22,849,485</u>	<u>27,673,299</u>	<u>12,508,666</u>
<i>Total Assets</i>	<u>28,104,808</u>	<u>34,669,043</u>	<u>14,408,385</u>
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Refunding	0	10,941	0
Pension	184,450	212,235	65,100
OPEB	48,691	66,588	17,185
<i>Total Deferred Outflows of Resources</i>	<u>233,141</u>	<u>289,764</u>	<u>82,285</u>
<b>Liabilities:</b>			
Current Liabilities:			
Accrued Wages and Benefits	25,177	25,763	8,407
Intergovernmental Payable	13,869	78,970	5,804
Accounts Payable	37,227	36,621	10,468
Contracts Payable	138,315	0	6,925
Retainage Payable	14,407	0	0
Accrued Interest Payable	11,602	115,538	0
Current Portion of:			
Compensated Absences Payable	38,428	41,494	5,675
General Obligation Bonds Payable	110,000	155,000	0
Capital Leases Payable	2,382	2,382	0
OWDA Loans Payable	171,317	568,997	0
<i>Total Current Liabilities</i>	<u>562,724</u>	<u>1,024,765</u>	<u>37,279</u>
Long-Term Liabilities (Net of Current Portion):			
Customer Deposits Payable from Restricted Assets	10,648	10,648	0
Compensated Absences Payable	30,456	42,654	1,466
General Obligation Bonds Payable	1,733,071	683,372	0
Capital Leases Payable	2,252	2,252	0
OWDA Loans Payable	361,744	7,026,352	0
Net Pension Liability	727,123	727,123	256,631
Net OPEB Liability	500,655	500,655	176,702
<i>Total Long-Term Liabilities</i>	<u>3,365,949</u>	<u>8,993,056</u>	<u>434,799</u>
<i>Total Liabilities</i>	<u>3,928,673</u>	<u>10,017,821</u>	<u>472,078</u>
<b>Deferred Inflows of Resources:</b>			
Pension	178,847	202,761	63,122
OPEB	37,295	37,295	13,163
<i>Total Deferred Inflows of Resources</i>	<u>216,142</u>	<u>240,056</u>	<u>76,285</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	20,347,654	19,229,471	12,501,736
Unrestricted	3,845,480	5,471,459	1,440,571
<i>Total Net Position</i>	<u>\$24,193,134</u>	<u>\$24,700,930</u>	<u>\$13,942,307</u>

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

Nonmajor Aquatic Recreation Center	Total Enterprise Funds
\$58,670	\$12,421,436
0	743,088
0	625,857
27	46,462
0	1,011
0	297,240
4,248	78,637
<u>62,945</u>	<u>14,213,731</u>
0	21,296
0	13,567
575,350	2,345,394
707,040	61,933,583
<u>1,282,390</u>	<u>64,313,840</u>
<u>1,345,335</u>	<u>78,527,571</u>
0	10,941
0	461,785
0	132,464
<u>0</u>	<u>605,190</u>
0	59,347
98	98,741
1,118	85,434
0	145,240
0	14,407
0	127,140
0	85,597
0	265,000
0	4,764
0	740,314
<u>1,216</u>	<u>1,625,984</u>
0	21,296
0	74,576
0	2,416,443
0	4,504
0	7,388,096
0	1,710,877
0	1,178,012
<u>0</u>	<u>12,793,804</u>
<u>1,216</u>	<u>14,419,788</u>
0	444,730
<u>0</u>	<u>87,753</u>
<u>0</u>	<u>532,483</u>
1,282,390	53,361,251
61,729	10,819,239
<u>\$1,344,119</u>	<u>\$64,180,490</u>

**City of Pickerington, Ohio**  
Statement of Revenues, Expenses, and Changes in Fund Net Position  
Enterprise Funds  
For the Year Ended December 31, 2018

	Water	Sewer	Stormwater
<b>Operating Revenues</b>			
Charges for Services	\$2,416,234	\$3,666,020	\$708,522
<i>Total Operating Revenues</i>	<u>2,416,234</u>	<u>3,666,020</u>	<u>708,522</u>
<b>Operating Expenses</b>			
Personal Services	1,010,918	997,293	349,844
Contractual Services	556,175	1,081,756	280,665
Materials and Supplies	316,293	54,207	24,119
Utility Deposits Returned	50	50	0
Depreciation	489,449	389,856	223,050
<i>Total Operating Expenses</i>	<u>2,372,885</u>	<u>2,523,162</u>	<u>877,678</u>
<i>Operating Income (Loss)</i>	<u>43,349</u>	<u>1,142,858</u>	<u>(169,156)</u>
<b>Non-Operating Revenues (Expenses)</b>			
Interest	10,359	5,634	1,820
Interest and Fiscal Charges	(60,279)	(263,612)	0
Loss on Disposal of Capital Assets	0	(10,265)	0
Other Non-Operating Revenues	20,014	9,341	47,896
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(29,906)</u>	<u>(258,902)</u>	<u>49,716</u>
<i>Operating Income (Loss)</i>			
<i>Before Contributions and Transfers</i>	13,443	883,956	(119,440)
Capital Contributions from Developers	226,840	223,120	1,240,840
Capital Contributions from Customers	919,444	793,756	452,949
Transfers In	0	0	0
<i>Change in Net Position</i>	1,159,727	1,900,832	1,574,349
Net Position Beginning of Year (Restated)	<u>23,033,407</u>	<u>22,800,098</u>	<u>12,367,958</u>
<i>Net Position End of Year</i>	<u>\$24,193,134</u>	<u>\$24,700,930</u>	<u>\$13,942,307</u>

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

<u>Nonmajor Aquatic Recreation Center</u>	<u>Total Enterprise Funds</u>
<u>\$196,192</u>	<u>\$6,986,968</u>
<u>196,192</u>	<u>6,986,968</u>
106,759	2,464,814
49,504	1,968,100
24,421	419,040
0	100
<u>41,484</u>	<u>1,143,839</u>
<u>222,168</u>	<u>5,995,893</u>
<u>(25,976)</u>	<u>991,075</u>
0	17,813
0	(323,891)
0	(10,265)
<u>8,439</u>	<u>85,690</u>
<u>8,439</u>	<u>(230,653)</u>
(17,537)	760,422
0	1,690,800
0	2,166,149
<u>67,200</u>	<u>67,200</u>
49,663	4,684,571
<u>1,294,456</u>	<u>59,495,919</u>
<u><u>\$1,344,119</u></u>	<u><u>\$64,180,490</u></u>

**City of Pickerington, Ohio**  
Statement of Cash Flows  
Enterprise Funds  
For the Year Ended December 31, 2018

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>			
<b>Cash Flows from Operating Activities</b>			
Cash Received from Customers	\$2,431,778	\$3,690,710	\$710,707
Cash Payments for Employee Services and Benefits	(899,644)	(884,736)	(312,530)
Cash Payments for Goods and Services	(849,176)	(1,094,773)	(297,607)
Utility Deposits Received	2,937	2,938	0
Utility Deposits Returned	(3,756)	(3,757)	0
Other Non-Operating Revenues	19,039	8,227	1,699
<i>Net Cash Provided by Operating Activities</i>	<u>701,178</u>	<u>1,718,609</u>	<u>102,269</u>
<b>Cash Flows from Investing Activities</b>			
Purchase of Investments	(743,088)	0	0
Interest on Investments	10,359	5,634	1,820
<i>Net Cash Provided by (Used for) Investing Activities</i>	<u>(732,729)</u>	<u>5,634</u>	<u>1,820</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Acquisition of Capital Assets	(88,016)	(290,172)	(216,961)
Proceeds from Sale of Capital Assets	0	3,805	0
Tap-In Fees	919,444	793,756	452,949
Principal Paid on General Obligation Refunding Bonds	0	(150,000)	0
Principal Paid on General Obligation Bonds	(110,000)	0	0
Principal Paid on OWDA Loans	(165,248)	(549,969)	0
Principal Paid on Capital Leases	(2,306)	(2,306)	0
Interest Paid on General Obligation Refunding Bonds	0	(31,190)	0
Interest Paid on General Obligation Bonds	(46,450)	0	0
Interest Paid on OWDA Loans	(19,721)	(240,269)	0
Interest Paid on Capital Leases	(191)	(192)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>487,512</u>	<u>(466,537)</u>	<u>235,988</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	455,961	1,257,706	340,077
Cash and Cash Equivalents Beginning of Year	<u>3,653,360</u>	<u>5,230,383</u>	<u>1,446,575</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$4,109,321</u></u>	<u><u>\$6,488,089</u></u>	<u><u>\$1,786,652</u></u>

Nonmajor Aquatic Recreation Center	Total Enterprise Funds
\$196,192	\$7,029,387
(106,652)	(2,203,562)
(74,242)	(2,315,798)
0	5,875
0	(7,513)
8,431	37,396
<u>23,729</u>	<u>2,545,785</u>
0	(743,088)
0	17,813
<u>0</u>	<u>(725,275)</u>
(39,687)	(634,836)
0	3,805
0	2,166,149
0	(150,000)
0	(110,000)
0	(715,217)
0	(4,612)
0	(31,190)
0	(46,450)
0	(259,990)
0	(383)
<u>(39,687)</u>	<u>217,276</u>
(15,958)	2,037,786
<u>74,628</u>	<u>10,404,946</u>
<u>\$58,670</u>	<u>\$12,442,732</u>

(continued)

**City of Pickerington, Ohio**  
Statement of Cash Flows  
Enterprise Funds (Continued)  
For the Year Ended December 31, 2018

	Water	Sewer	Stormwater
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>			
Operating Income (Loss)	\$43,349	\$1,142,858	(\$169,156)
Adjustments:			
Other Non-Operating Revenues	19,039	8,227	1,699
Depreciation	489,449	389,856	223,050
(Increases) Decreases in Assets and Deferred Outflows:			
Accounts Receivable	15,544	24,690	2,185
Prepaid Items	(4,099)	(4,922)	(110)
Materials and Supplies Inventory	24,760	28,059	0
Net Pension Asset	(3,286)	(3,155)	(1,159)
Deferred Outflows - Pension	144,849	154,380	51,124
Deferred Outflows - OPEB	28,961	37,092	10,222
Increases (Decreases) in Liabilities and Deferred Inflows:			
Accounts Payable	1,613	(41,536)	5,011
Accrued Wages and Benefits Payable	562	1,774	151
Contracts Payable	0	0	2,030
Compensated Absences Payable	(3,009)	(118)	(3,107)
Customer Deposits Payable	(819)	(819)	0
Intergovernmental Payable	(154)	59,865	(52)
Net Pension Liability	15,814	15,815	5,581
Net OPEB Liability	27,150	27,149	9,582
Deferred Inflows - Pension	(89,221)	(111,282)	(31,491)
Deferred Inflows - OPEB	(9,324)	(9,324)	(3,291)
<i>Net Cash Provided by Operating Activities</i>	<u>\$701,178</u>	<u>\$1,718,609</u>	<u>\$102,269</u>

**Noncash Capital Financing Activities:**

During 2018, developers contributed \$226,840, \$223,120, and \$1,240,840 in the form of water, sewer, and stormwater lines, respectively.

During 2018, governmental activities contributed \$67,200 for phase two of the splash pad to the aquatic recreation fund.

During 2018, the water enterprise fund had \$318 in unrecorded cash for charges for services, \$4,665 in unrecorded cash for tap-in fees, and a decrease in fair value of \$8,666.

During 2018, the stormwater enterprise fund had \$992 in unrecorded cash for tap-in fees.

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



Nonmajor Aquatic Recreation Center	Total Enterprise Funds
(\$25,976)	\$991,075
8,431	37,396
41,484	1,143,839
0	42,419
(497)	(9,628)
0	52,819
0	(7,600)
0	350,353
0	76,275
189	(34,723)
0	2,487
0	2,030
0	(6,234)
0	(1,638)
98	59,757
0	37,210
0	63,881
0	(231,994)
0	(21,939)
<u>\$23,729</u>	<u>\$2,545,785</u>

**City of Pickerington, Ohio**  
Statement of Fiduciary Assets and Liabilities  
Agency Fund  
December 31, 2018

<b>Assets</b>	
Cash and Cash Equivalents in Segregated Accounts	<u>\$8,709</u>
<i>Total Assets</i>	<u><u>\$8,709</u></u>
<b>Liabilities</b>	
Undistributed Monies	<u>\$8,709</u>
<i>Total Liabilities</i>	<u><u>\$8,709</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, 2018

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**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. The City has one component unit, the Pickerington Community Improvement Corporation (CIC).

The CIC was formed pursuant to Ordinance 2018-31 passed November 6, 2018. The CIC was designated as a nonprofit organization of the City under Ohio Revised Code Section 1724.10; authorizing the execution of an agreement and plan for industrial, commercial, distribution and research development. The CIC is governed by a five member board, three are appointed by the City, including: the Mayor, the City Manager, a member of City Council, and the remaining two seats by citizens recommended by those appointed. The CIC does not operate with substantively the same governing body as the primary government. The CIC through its economic development activities exists to benefit the citizens of Pickerington. The CIC will be presented as a discretely presented component unit of the City. There was no activity during 2018 for the CIC.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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 21 and 22 to the basic financial statements.

**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.

**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. Fiduciary funds are reported by type.

**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.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**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.

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.

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.

Community Economic Development Improvements Fund – This fund is used to account for the issuance and sale of notes in the anticipation of the issuance of bonds, for the purpose of paying the costs associated with the acquisition of real property for housing development, economic development, and job creation within the City.

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.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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.

***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.

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 position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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.

The non-exchange transactions, in which the City receives value without directly giving equal value in return, includes income taxes, property taxes, hotel and motel taxes, franchise taxes, impact fees, intergovernmental grants, payment in lieu of taxes, and donations. Revenue from income taxes, hotel and motel taxes, and franchise taxes are 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, 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, pension and OPEB. 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 and OPEB plans are explained in Notes 13 and 14.

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, payment in lieu of taxes, pension, OPEB, and unavailable revenue. Property taxes and payment in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance 2019 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, 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 28. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 13 and 14)

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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.

Budgetary Process

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The Indigent Drivers Interlock and Alcohol Monitoring Special Revenue Fund and the Park Capital Improvement Capital Projects Fund were not budgeted because the City did not anticipate any financial activity within these funds. The Cemetery Permanent Fund was not budgeted because the City did not anticipate any financial activity, however, activity did occur. 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.

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.

Cash with fiscal agents represents monies on deposit with the Ohio Department of Transportation for the utility relocation and construction phases of the Refugee Road Widening Project.

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 2018, investments were limited to federal agency securities, commercial paper, money markets, negotiable certificates of deposit, and the State Treasury Asset Reserve of Ohio (STAR Ohio).



**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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, 2018.

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 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$25 million or more. STAR Ohio reserves the right to limit the transactions to \$100 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Provisions of the Ohio Revised Code restrict investment procedures. During 2018, interest was distributed to the General 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 2018 amounted to \$437,335, which includes \$271,148 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.

#### 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.

#### 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.

#### Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2018 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.

#### 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.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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.

Capital Assets and Depreciation

General capital assets are capital assets which are associated with and generally arise from governmental activities. These generally result from expenditures in the governmental funds. General capital 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 respective funds.

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.

All 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
Buildings	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	10-75 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.

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, 2018

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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, 2018. 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.

Pensions/Other Postemployment Benefits (OPEB)

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

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 judgements and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that these liabilities are due for payment during the current year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan’s fiduciary net position is not sufficient for payment of those benefits.

Bonds, long-term notes, and capital leases are recognized as a liability on the fund financial statements when due.

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, 2018

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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 2019’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, 2018

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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.

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 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.

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.

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.

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.

Deferred inflows of resources and deferred outflows of resources from the change in internal proportionate share related to pension items are eliminated in the governmental and business-type activities column of the

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position. For 2018, there were no required pension items eliminated in the governmental and business-type activities columns.

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.

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, stormwater utility services, and aquatic recreation pool passes. 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.

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 2018.

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET POSITION

For 2018, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 85, *Omnibus 2017*, Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, and related guidance from (GASB) Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*.

For 2018, the City also implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2017-1*. These changes were incorporated in the City's 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). These changes were incorporated in the City's 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 89 establishes accounting requirements for interest cost incurred before the end of a construction period. These changes were incorporated in the City's 2018 financial statements; however, there was no effect on beginning net position.

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2018**

GASB 75 established standards for measuring and recognizing Postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported December 31, 2017:

	Governmental Activities	Business - Type Activities
Net Position December 31, 2017	\$58,556,374	\$60,511,003
Adjustments:		
Net OPEB Liability	(6,178,689)	(1,031,659)
Deferred Outflow - Payments Subsequent to Measurement Date	35,530	16,575
Restated Net Position December 31, 2017	\$52,413,215	\$59,495,919

	Water	Sewer	Stormwater	Aquatic Recreation Center	Total Enterprise
Net Position December 31, 2017	\$23,475,879	\$23,216,543	\$12,524,125	\$1,294,456	\$60,511,003
Adjustments:					
Net OPEB Liability	(449,697)	(423,245)	(158,717)	0	(1,031,659)
Deferred Outflow - Payments Subsequent to Measurement Date	7,225	6,800	2,550	0	16,575
Restated Net Position December 31, 2017	\$23,033,407	\$22,800,098	\$12,367,958	\$1,294,456	\$59,495,919

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

**NOTE 4 – ACCOUNTABILITY**

The Community Economic Development Improvements Capital Projects Fund and the Tax Increment Financing Agreement Equity Construction Capital Projects Fund had deficit fund balances in the amounts of \$3,736,196 and \$113,681; respectively, as of December 31, 2018.

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**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2018**

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

Fund Balances	General	Police	Debt Service	Community Economic Development Improvements	Other Governmental Funds	Total
<u>Nonspendable:</u>						
Prepays	\$51,686	\$80,183	\$0	\$0	\$33,854	\$165,723
Materials and Supplies Inventory	25,048	26,590	0	0	68,305	119,943
Unclaimed Monies	16,737	0	0	0	0	16,737
Developer Deposits	69,626	0	0	0	0	69,626
Perpetual Care	0	0	0	0	1,545	1,545
<i>Total Nonspendable</i>	<u>163,097</u>	<u>106,773</u>	<u>0</u>	<u>0</u>	<u>103,704</u>	<u>373,574</u>
<u>Restricted for:</u>						
Security of Persons and Property	0	446,202	0	0	31,588	477,790
Transportation Services	0	0	0	0	4,169,762	4,169,762
Debt Service	0	0	44,810	0	0	44,810
Perpetual Care	0	0	0	0	2,834	2,834
Other Purposes	0	0	0	0	26,834	26,834
<i>Total Restricted</i>	<u>0</u>	<u>446,202</u>	<u>44,810</u>	<u>0</u>	<u>4,231,018</u>	<u>4,722,030</u>
<u>Committed to:</u>						
Security of Persons and Property	0	0	0	0	360,726	360,726
Transportation Services	0	0	0	0	734,757	734,757
Parks and Recreation	0	0	0	0	852,189	852,189
Urban Forestry	0	0	0	0	130,789	130,789
Municipal Improvements	0	0	0	0	245,835	245,835
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,324,296</u>	<u>2,324,296</u>
<u>Assigned to:</u>						
<u>Purchases on Order:</u>						
General Government Administration	73,798	0	0	0	0	73,798
Security of Persons and Property	466	0	0	0	0	466
Engineering Services	92,248	0	0	0	0	92,248
Building Services	50,876	0	0	0	0	50,876
Planning and Zoning Services	7,965	0	0	0	0	7,965
Subsequent Year's Appropriations	512,803	0	0	0	0	512,803
<i>Total Assigned</i>	<u>738,156</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>738,156</u>
<u>Unassigned (Deficits):</u>	<u>7,081,842</u>	<u>0</u>	<u>0</u>	<u>(3,739,196)</u>	<u>(113,681)</u>	<u>3,228,965</u>
<b>Total Fund Balances</b>	<u><u>\$7,983,095</u></u>	<u><u>\$552,975</u></u>	<u><u>\$44,810</u></u>	<u><u>(\$3,739,196)</u></u>	<u><u>\$6,545,337</u></u>	<u><u>\$11,387,021</u></u>

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



**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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.

**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. Unreported cash and fair 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:

	General	Police
GAAP Basis	\$1,019,254	\$81,155
Net Adjustment for Revenue Accruals	(154,125)	(4,262)
Net Adjustment for Expenditure Accruals	(36,260)	46,832
Beginning of Year:		
Unreported Cash	16,781	625
Fair Value Adjustment for Investments	(40,092)	0
End of Year:		
Unreported Cash	(19,820)	(1,600)
Fair Value Adjustment for Investments	40,858	0
Advances Out	(406,000)	0
Encumbrances	(298,540)	(113,101)
Budget Basis	\$122,056	\$9,649

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**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.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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 including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) 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.

The City has passed an ordinance allowing the City to invest monies not required to be used for a period of six months or more in the following:

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

At December 31, 2018, the City's Ohio Health Medical Office Building Tax Increment Financing Capital Projects Fund had a balance of \$2,084,626 with fiscal agents. The cash balance was held in a bank account under the control of the Ohio Department of Transportation. The City deposited money into the account for the utility relocation and construction phases of the Refugee Road Widening Project.

**Cash on Hand**

At year end, the City had \$34,147 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 December 31, 2018, the City was not exposed to custodial credit risk.

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:

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

**Investments:** Investments are reported at fair value. As of December 31, 2018, 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	\$7,358,396	Average 45 Days	30.56%	Aaa
Fair Value - Level One Inputs				
First American Treasury Money Market	15,695	Less than one year	0.07%	n/a
Fair Value - Level Two Inputs				
Federal Home Loan Mortgage Corporation Notes	2,349,783	Less than three years	9.76%	Aaa
Federal National Mortgage Association Notes	3,237,549	Less than three years	13.45%	Aaa
Federal Home Loan Bank Notes	603,760	Less than one year	2.51%	Aaa
Commercial Paper	9,537,332	Less than one year	39.61%	P-1
Negotiable Certificates of Deposit	972,243	Less than three years	4.04%	n/a
Total Fair Value - Level Two Inputs	<u>16,700,667</u>			
Total Investments	<u>\$24,074,758</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, 2018. The First American Treasury Money Market is measured at fair value and is valued using quoted market prices (Level 1 inputs). Other than Star Ohio and the First American Treasury Money Market, all of the City's remaining 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.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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.

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 2018 for real and public utility property taxes represents collections of 2017 taxes.

2018 real property taxes are levied after October 1, 2018 on assessed value as of January 1, 2018, the lien date. Real property taxes which are levied in 2018 are collected in and intended to finance 2019. 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 2018 represent the collection of 2017 taxes. Public utility property taxes received in 2018 became a lien on December 31, 2017, were levied after October 1, 2018, 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, 2018 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2018 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, 2018, was \$7.80 per \$1,000 of assessed value. The assessed values of real and public utility tangible personal property upon which 2018 property tax receipts were based are as follows:

	2018
Real Property/ Public Utility Real	\$487,814,060
Public Utility Personal	2,989,510
Total Assessed Value	<u>\$490,803,570</u>

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 9 – TAX ABATEMENT DISCLOSURES**

As of December 31, 2018, 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 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, 2018.

Tax Abatement Program	Amount of 2018 Taxes Abated
<i>Community Reinvestment Area (CRA)</i>	
Professional Buildings	\$49,229

**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 2018, the proceeds were receipted into the General Fund.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 11 - RECEIVABLES**

Receivables at December 31, 2018 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.

A summary of intergovernmental receivables follows:

<u>Governmental Activities</u>	
Homestead and Rollback	\$152,500
Local Government Subsidies	86,665
Gasoline Tax	331,475
Motor Vehicle License Tax	68,015
State Route 256 Safety Grant Reimbursement	52,081
Refugee Road Widening Project Safety Grant	3,426
Drug Use Prevention Grant	3,000
OPWC - Urban Paving Project Grant	70,916
Miscellaneous Reimbursements	2,821
Total Governmental Activities	<u>770,899</u>
<u>Business-Type Activities</u>	
State Route 256 Safety Grant Reimbursement	46,185
Miscellaneous Reimbursements	277
Total Business-Type Activities	<u>46,462</u>
 Total	 <u><u>\$817,361</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 Hill/Diley Road Tax Increment Financing Capital Projects Fund in the amount of \$126,564 which represents the amount measurable at December 31, 2018. 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, 2018, 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 \$113,681 which represents amounts measurable at December 31, 2018.

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2018**

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 \$173,599.

**NOTE 12– CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2018, was as follows:

	Balance December 31, 2017	Additions	Reductions	Transfers	Balance December 31, 2018
<b><u>Governmental Activities:</u></b>					
Non-Depreciable Capital Assets:					
Land	\$6,728,126	\$3,553,709	\$0	\$0	\$10,281,835
Construction in Progress	3,200,494	54,504	0	0	3,254,998
Total Non Depreciable Capital Assets	9,928,620	3,608,213	0	0	13,536,833
Depreciable Capital Assets:					
Land Improvements	3,182,802	459,781	0	(67,200)	3,575,383
Buildings	5,303,839	346,503	0	0	5,650,342
Equipment	1,943,866	298,932	(110,534)	0	2,132,264
Infrastructure	80,571,764	2,551,645	(741,503)	0	82,381,906
Vehicles	1,154,674	103,063	(74,802)	0	1,182,935
Total Depreciable Capital Assets	92,156,945	3,759,924	(926,839)	(67,200)	94,922,830
Accumulated Depreciation:					
Land Improvements	(1,490,152)	(68,119)	0	0	(1,558,271)
Buildings	(1,954,498)	(103,282)	0	0	(2,057,780)
Equipment	(1,353,885)	(130,287)	78,735	0	(1,405,437)
Infrastructure	(31,175,097)	(2,338,708)	741,503	0	(32,772,302)
Vehicles	(709,614)	(146,415)	74,802	0	(781,227)
Total Accumulated Depreciation	(36,683,246)	(2,786,811) *	895,040	0	(38,575,017)
Total Depreciable Capital Assets, Net	55,473,699	973,113	(31,799)	(67,200)	56,347,813
Governmental Capital Assets, Net	\$65,402,319	\$4,581,326	(\$31,799)	(\$67,200)	\$69,884,646

During 2018, developers contributed \$1,555,238 in infrastructure and \$38,500 in land, Pickerington Local School District contributed \$23,330 in equipment for a building amplifier for the new MARCS system, and Violet Township contributed a medic truck valued at \$20,000. These amounts are reflected within Capital Grants and Contributions on the Statement of Activities. During 2018, the Park Impact Fee Fund contributed \$67,200 for phase two of the splash pad to the business-type activities.



**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

\*Depreciation expense was charged to governmental activities as follows:

<b><u>Governmental Activities:</u></b>	
General Government	\$50,528
Security of Persons and Property	211,757
Transportation	2,422,871
Leisure Time Activities	97,205
Community Environment	4,450
Total Depreciation Expense	<u>\$2,786,811</u>

	Balance December 31, 2017	Additions	Reductions	Transfers	Balance December 31, 2018
<b><u>Business - Type Activities:</u></b>					
Non-Depreciable Capital Assets:					
Land	\$1,883,347	\$0	\$0	\$0	\$1,883,347
Construction in Progress	274,028	188,019	0	0	462,047
Total Non Depreciable Capital Assets	<u>2,157,375</u>	<u>188,019</u>	<u>0</u>	<u>0</u>	<u>2,345,394</u>
Depreciable Capital Assets:					
Land Improvements	603,788	39,687	0	67,200	710,675
Buildings	27,731,866	170,727	(16,985)	0	27,885,608
Equipment	5,127,667	154,572	(84,250)	0	5,197,989
Infrastructure	46,540,312	1,724,207	0	0	48,264,519
Vehicles	540,824	0	0	0	540,824
Total Depreciable Capital Assets	<u>80,544,457</u>	<u>2,089,193</u>	<u>(101,235)</u>	<u>67,200</u>	<u>82,599,615</u>
Accumulated Depreciation:					
Land Improvements	(165,502)	(34,274)	0	0	(199,776)
Buildings	(4,655,655)	(200,408)	6,454	0	(4,849,609)
Equipment	(3,680,208)	(190,751)	80,711	0	(3,790,248)
Infrastructure	(10,736,264)	(687,055)	0	0	(11,423,319)
Vehicles	(371,729)	(31,351)	0	0	(403,080)
Total Accumulated Depreciation	<u>(19,609,358)</u>	<u>(1,143,839)</u>	<u>87,165</u>	<u>0</u>	<u>(20,666,032)</u>
Total Depreciable Capital Assets, Net	<u>60,935,099</u>	<u>945,354</u>	<u>(14,070)</u>	<u>67,200</u>	<u>61,933,583</u>
Business - Type Activities Capital Assets, Net	<u>\$63,092,474</u>	<u>\$1,133,373</u>	<u>(\$14,070)</u>	<u>\$67,200</u>	<u>\$64,278,977</u>

During 2018, developers contributed \$226,840, \$223,120, and \$1,240,840 in the form of water, sewer, and stormwater infrastructure, respectively.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS**

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset)/Net OPEB Liability

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

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

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 and OPEB.

GASB 68/75 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 pension contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan’s unfunded benefits is presented as a *net pension asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 14 for the required OPEB disclosures.

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

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2018**

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a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit/defined contribution 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 in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% 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 traditional plan 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. Members retiring under the combined plan receive a cost-of-living adjustment of the defined benefit portion of their pension benefit. 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.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

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

	State and Local
<b>2018 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee *	10.0 %
 <b>2018 Actual Contribution Rates</b>	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	0.0
Total Employer	14.0 %
Employee	10.0 %

\* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

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

For 2018, the City's contractually required contribution was \$475,366 for the traditional plan, \$14,713 for the combined plan, and \$15,348 for the member-directed plan. Of these amounts, \$71,544 is reported as an intergovernmental payable for the traditional plan, \$2,217 for the combined plan, and \$2,302 for the member-directed plan.

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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](http://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. (See OP&F CAFR referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits.)

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, surviving beneficiaries, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will receive a COLA equal to a percentage of the member’s base pension benefit where the percentage is the lesser of three percent or the percentage increase in the consumer price index, if any, over the 12 month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

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

	Police
<b>2018 Statutory Maximum Contribution Rates</b>	
Employer	19.50 %
Employee:	12.25 %
<b>2018 Actual Contribution Rates</b>	
Employer:	
Pension	19.00 %
Post-employment Health Care Benefits	0.50
Total Employer	19.50 %
Employee:	12.25 %

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$432,391 for 2018. Of this amount, \$87,523 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 (asset) for OPERS was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2017, and was determined by rolling forward the total pension liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net pension liability (asset) 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 of the City's defined benefit pension plans:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.02726400%	0.02491500%	0.10398600%	
Prior Measurement Date	<u>0.02653400%</u>	<u>0.02418900%</u>	<u>0.09617200%</u>	
Change in Proportionate Share	<u>0.00073000%</u>	<u>0.00072600%</u>	<u>0.00781400%</u>	
Proportionate Share of the:				
Net Pension Liability	\$4,277,193	\$0	\$6,382,090	\$10,659,283
Net Pension Asset	0	33,917	0	33,917
Pension Expense	912,072	(21,074)	702,556	1,593,554

2018 pension expense for the member-directed defined contribution plan was \$15,348.

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2018**

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
<b>Deferred Outflows of Resources</b>				
Differences between expected and actual experience	\$4,368	\$0	\$96,852	\$101,220
Changes of assumptions	511,154	2,964	278,101	792,219
Changes in proportion and differences between City contributions and proportionate share of contributions	76,443	0	376,021	452,464
City contributions subsequent to the measurement date	475,366	14,713	432,391	922,470
<b>Total Deferred Outflows of Resources</b>	<b>\$1,067,331</b>	<b>\$17,677</b>	<b>\$1,183,365</b>	<b>\$2,268,373</b>
<b>Deferred Inflows of Resources</b>				
Differences between expected and actual experience	\$84,290	\$10,104	\$11,546	\$105,940
Net difference between projected and actual earnings on pension plan investments	918,257	5,351	220,771	1,144,379
Changes in proportion and differences between City contributions and proportionate share of contributions	33,691	352	53,038	87,081
<b>Total Deferred Inflows of Resources</b>	<b>\$1,036,238</b>	<b>\$15,807</b>	<b>\$285,355</b>	<b>\$1,337,400</b>

\$922,470 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 or increase to the net pension asset in 2019. 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 Traditional Plan	OPERS Combined Plan	OP&F	Total
Year Ending December 31:				
2019	\$390,994	(\$1,743)	\$217,800	\$607,051
2020	(53,593)	(1,891)	159,758	104,274
2021	(404,352)	(3,087)	(68,908)	(476,347)
2022	(377,322)	(2,961)	(19,693)	(399,976)
2023	0	(1,083)	142,338	141,255
Thereafter	0	(2,078)	34,324	32,246
<b>Total</b>	<b>(\$444,273)</b>	<b>(\$12,843)</b>	<b>\$465,619</b>	<b>\$8,503</b>

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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***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 was determined by an actuarial valuation as of December 31, 2017, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2017, are presented below.

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.15 percent, simple
Investment Rate of Return	7.5 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

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.

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. 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.



**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 16.82 percent for 2017.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2017 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 %	2.20 %
Domestic Equities	19.00	6.37
Real Estate	10.00	5.26
Private Equity	10.00	8.97
International Equities	20.00	7.88
Other investments	18.00	5.26
<b>Total</b>	<b>100.00 %</b>	<b>5.66 %</b>

**Discount Rate** The discount rate used to measure the total pension liability was 7.5 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments 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 (Asset) to Changes in the Discount Rate** The following table presents the City’s proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.5 percent, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
<b>City's proportionate share of the net pension liability (asset)</b>			
OPERS Traditional Plan	\$7,595,205	\$4,277,193	\$1,510,971
OPERS Combined Plan	(18,437)	(33,917)	(44,598)

**Changes between Measurement Date and Report Date**

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 7.5 percent to 7.2 percent. This change will be effective for the 2018 valuation. The exact amount of the impact to the City’s net pension liability is not known.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**Actuarial Assumptions – OP&F**

OP&F’s total pension liability as of December 31, 2017, is based on the results of an actuarial valuation date of January 1, 2017, 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. 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. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2017, compared with January 1, 2016, are presented below.

	January 1, 2017	January 1, 2016
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increased based on the lesser of the increase in CPI and 3 percent

For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police
67 or less	77 %
68-77	105
78 and up	115

For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

Age	Police
59 or less	35 %
60-69	60
70-79	75
80 and up	100

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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The most recent experience study was completed for the five year period ended December 31, 2016, the prior experience study was completed December 31, 2011.

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 expected. 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, 2017, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	- %	0.00 %
Domestic Equity	16.00	5.21
Non-US Equity	16.00	5.40
Core Fixed Income *	20.00	2.37
Global Inflation Protected Securities*	20.00	2.33
High Yield	15.00	4.48
Real Estate	12.00	5.65
Private Markets	8.00	7.99
Timber	5.00	6.87
Master Limited Partnerships	8.00	7.36
Total	<u>120.00 %</u>	

Note: Assumptions are geometric.

\* levered 2x

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

**Discount Rate** For 2017, the total pension liability was calculated using the discount rate of 8.00 percent. The discount rate used for 2016 was 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 8.00 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 8.00 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 (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$8,847,251	\$6,382,090	\$4,371,527

**NOTE 14 – DEFINED BENEFIT OPEB PLANS**

See Note 13 for a description of the net OPEB liability

**Plan Description - Ohio Public Employees Retirement System (OPERS)**

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care 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. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, 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 postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, state and local employers contributed at a rate of 14.0 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 employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2017. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0 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 coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2018 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$6,139 for 2018. Of this amount, \$677 is reported as an intergovernmental payable.

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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OP&F maintains funds for health care in two separate accounts. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

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. For 2018, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that 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 contractually required contribution to OP&F was \$11,379 for 2018. Of this amount, \$2,303 is reported as an intergovernmental payable.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2017, and was determined by rolling forward the total OPEB liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.027120%	0.1039860%	
Prior Measurement Date	<u>0.026190%</u>	<u>0.0961720%</u>	
Change in Proportionate Share	<u>0.0009300%</u>	<u>0.0078140%</u>	
			<u>Total</u>
Proportionate Share of the Net Pension Liability	\$2,945,032	\$5,891,701	\$8,836,733
OPEB Expense	\$281,362	\$512,331	\$793,693

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$2,294	\$0	\$2,294
Changes of assumptions	214,430	574,905	789,335
Changes in proportion and differences between City contributions and proportionate share of contributions	63,550	317,500	381,050
City contributions subsequent to the measurement date	<u>6,139</u>	<u>11,379</u>	<u>17,518</u>
Total Deferred Outflows of Resources	<u>\$286,413</u>	<u>\$903,784</u>	<u>\$1,190,197</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$0	\$29,715	\$29,715
Net difference between projected and actual earnings on OPEB plan investments	<u>219,385</u>	<u>38,782</u>	<u>258,167</u>
Total Deferred Inflows of Resources	<u>\$219,385</u>	<u>\$68,497</u>	<u>\$287,882</u>

\$17,518 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
2019	\$79,153	\$116,428	\$195,581
2020	79,153	116,428	195,581
2021	(42,571)	116,428	73,857
2022	(54,846)	116,428	61,582
2023	0	126,124	126,124
Thereafter	<u>0</u>	<u>232,072</u>	<u>232,072</u>
Total	<u>\$60,889</u>	<u>\$823,908</u>	<u>\$884,797</u>

***Actuarial Assumptions - OPERS***

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.85 percent
Prior Measurement date	4.23 percent
Investment Rate of Return	6.50 percent
Municipal Bond Rate	3.31 percent
Health Care Cost Trend Rate	7.5 percent, initial 3.25 percent, ultimate in 2028
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

The long-term expected rate of return on health care 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.

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 15.2 percent for 2017.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal



**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2017 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	34.00 %	1.88 %
Domestic Equities	21.00	6.37
Real Estate Investment Trust	6.00	5.91
International Equities	22.00	7.88
Other investments	17.00	5.39
Total	100.00 %	4.98 %

**Discount Rate** A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. A single discount rate of 4.23 percent was used to measure the OPEB liability on the measurement date of December 31, 2016. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.50 percent and a municipal bond rate of 3.31 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate***

The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.85 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.85 percent) or one-percentage-point higher (4.85 percent) than the current rate:

	1% Decrease (2.85%)	Discount Rate (3.85%)	1% Increase (4.85%)
City's proportionate share of the net OPEB liability	\$3,912,602	\$2,945,032	\$2,162,278

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate***

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2018 is 7.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$2,817,768	\$2,945,032	\$3,076,493

***Changes between Measurement Date and Report Date***

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 6.5 percent to 6.0 percent. This change will be effective for the 2018 valuation. The exact amount of the impact to the City's net OPEB liability is not known.

***Actuarial Assumptions – OP&F***

OP&F's total OPEB liability as of December 31, 2017, is based on the results of an actuarial valuation date of January 1, 2017, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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 and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single discount rate:	
Current measurement date	3.24 percent
Prior measurement date	3.79 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>
67 or less	77 %
68-77	105
78 and up	115

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>
59 or less	35 %
60-69	60
70-79	75
80 and up	100

The most recent experience study was completed for the five year period ended December 31, 2016, the prior experience study was completed December 31, 2011.

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 13.

**Discount Rate** The total OPEB liability was calculated using the discount rate of 3.24 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

return 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 3.16 percent at December 31, 2017 and 3.71 percent at December 31, 2016, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.24 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2025. The long-term expected rate of return on health care investments was applied to projected costs through 2025, and the municipal bond rate was applied to all health care costs after that date.

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate***  
Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.24 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.24 percent), or one percentage point higher (4.24 percent) than the current rate.

	1% Decrease (2.24%)	Current Discount Rate (3.24%)	1% Increase (4.24%)
City's proportionate share of the net OPEB liability	\$7,364,697	\$5,891,701	\$4,758,285

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate***  
Net OPEB liability is sensitive to changes in the health care cost trend rate. The trend rate is the annual rate at which the cost of covered medical services is assumed to increase from the current year to the next year. Beginning in 2017, the per-capita costs are assumed to change by the following percentages each year:

	Non-Medicare	Non-AARP	AARP	Rx Drug	Medicare Part B
Year					
2017	-0.47%	-2.50%	4.50%	-0.47%	5.20%
2018	7.00%	7.00%	4.50%	7.00%	5.10%
2019	6.50%	6.50%	4.50%	6.50%	5.00%
2020	6.00%	6.00%	4.50%	6.00%	5.00%
2021	5.50%	5.50%	4.50%	5.50%	5.00%
2022	5.00%	5.00%	4.50%	5.00%	5.00%
2023 and Later	4.50%	4.50%	4.50%	4.50%	5.00%

To illustrate the potential impact, the following table presents the net OPEB liability calculated using the current healthcare cost trend current rates as outlined in the table above, a one percent decrease in the trend rates and a one percent increase in the trend rates.

	1% Decrease	Current Rates	1% Increase
City's proportionate share of the net OPEB liability	\$4,576,779	\$5,891,701	\$7,663,771

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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***Changes between Measurement Date and Report Date***

In March 2018, the OP&F Board of Trustees approved the implementation date and framework for a new health care model. Beginning January 1, 2019, the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. The impact to the City's NOL is not known.

**NOTE 15 – OTHER EMPLOYEE BENEFITS**

**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.

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.

**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 Superior Dental, life insurance coverage through The Hartford, and vision coverage through the Vision Service Plan, Inc.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**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.

During 2018, 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
Cyber Liability Policy		
Cyber Extortion	1,000,000	5,000
Event Management Event Expenses	1,000,000	5,000
Reputation Guard	50,000	0

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.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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The City participates in the Ohio Municipal League Workers' Compensation Group Rating Program (the Program), an insurance purchasing pool (see Note 22). The Program is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants.

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 dump trucks. 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.

Dump trucks and equipment acquired by lease has been capitalized in the government-wide statements governmental activities in the amount of \$272,358 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 \$157,062. Business-type capitalized lease assets are reflected net of accumulated depreciation in the amount of \$9,209. Principal payments toward governmental activities capital leases during 2018 totaled \$52,807. Principal payments toward business-type activities capital leases during 2018 totaled \$4,612.

The following is a schedule of the future minimum lease payments at December 31, 2018 for governmental and business-type activities:

Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2019	\$54,119	\$4,296	\$4,764	\$231
2020	53,356	2,752	4,504	74
2021	51,954	1,525	0	0
Total	<u>\$159,429</u>	<u>\$8,573</u>	<u>\$9,268</u>	<u>\$305</u>

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2018**

**NOTE 18 - LONG-TERM OBLIGATIONS**

Changes in the City's long-term obligations during 2018 consist of the following:

	Outstanding 12/31/2017	Additions	Reductions	Outstanding 12/31/2018	Amounts Due Within One Year
<b><u>Governmental Activities:</u></b>					
<b><u>General Obligation Bonds:</u></b>					
Street Improvement Advance Refunding Bonds					
2012 - \$1,045,000					
Serial Bonds - 2.0%-2.25%	\$735,000	\$0	\$100,000	\$635,000	\$100,000
Unamortized Premium on Serial Bonds	22,531	0	3,218	19,313	0
Various Purpose General Obligation Bonds					
2012 - \$5,660,000					
Police Facility Serial Bonds - 2.0%	1,425,000	0	275,000	1,150,000	280,000
Courtight Road Street Improvement Serial Bonds - 2.0%-2.5%	950,000	0	95,000	855,000	100,000
Windmill/Diley TIF Serial Bonds - 2.0%-2.5%	545,000	0	55,000	490,000	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%	135,000	0	15,000	120,000	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	143,319	0	9,554	133,765	0
Street Improvement Refunding Bonds					
2013 - \$4,740,000					
Serial Bonds - 1.25%-3.75%	1,165,000	0	205,000	960,000	215,000
Term Bonds - 2.25%-3.0%	2,575,000	0	0	2,575,000	0
Unamortized Premium on Serial and Term Bonds	169,522	0	11,302	158,220	0
<b>Total General Obligation Bonds</b>	<b>8,405,372</b>	<b>0</b>	<b>769,074</b>	<b>7,636,298</b>	<b>765,000</b>
<b><u>Long-Term Bond Anticipation Notes:</u></b>					
Street Improvement Notes					
2017 - \$3,300,000 - 2.0%					
	3,300,000	4,400,000	3,300,000	4,400,000	0
<b>Total Long-Term Bond Anticipation Notes</b>	<b>3,300,000</b>	<b>4,400,000</b>	<b>3,300,000</b>	<b>4,400,000</b>	<b>0</b>
<b><u>Net Pension Liability:</u></b>					
OPERS	3,675,506	0	1,109,190	2,566,316	0
OP&F	6,091,459	290,631	0	6,382,090	0
<b>Total Net Pension Liability</b>	<b>\$9,766,965</b>	<b>\$290,631</b>	<b>\$1,109,190</b>	<b>\$8,948,406</b>	<b>\$0</b>

(continued)



**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2018**

(continued)

	Outstanding 12/31/17	Additions	Reductions	Outstanding 12/31/18	Amounts Due Within One Year
<b><u>Governmental Activities:</u></b>					
<u>Net OPEB Liability</u>					
OPERS	\$1,613,620	\$153,400	\$0	\$1,767,020	\$0
OP&F	4,565,069	1,326,632	0	5,891,701	0
Total Net OPEB Liability	6,178,689	1,480,032	0	7,658,721	0
Compensated Absences	751,508	69,553	72,252	748,809	255,265
Capital Leases Payable	212,236	0	52,807	159,429	54,119
Total Governmental Activities	<u>\$28,614,770</u>	<u>\$6,240,216</u>	<u>\$5,303,323</u>	<u>\$29,551,663</u>	<u>\$5,474,384</u>
<b><u>Business-Type Activities:</u></b>					
<u>General Obligation Bonds:</u>					
<u>Sanitary Sewer Current Refunding Bonds</u>					
2011 - \$1,955,000					
Term Bonds - 2.8%-3.5%	\$980,000	\$0	\$150,000	\$830,000	\$155,000
Unamortized Premium on Serial Bonds	10,046	0	1,674	8,372	0
<u>Various Purpose General Obligation Bonds</u>					
2012 - \$2,410,000 - Water					
Serial Bonds - 2.0%-2.5%	1,055,000	0	110,000	945,000	110,000
Term Bonds - 2.5%-3.0%	850,000	0	0	850,000	0
Unamortized Premium on Serial and Term Bonds	51,505	0	3,434	48,071	0
Total General Obligation Bonds	2,946,551	0	265,108	2,681,443	265,000
<u>OWDA Loans:</u>					
2001 - OWDA Sewer Loan \$819,398 - 4.64%	228,759	0	53,317	175,442	55,820
2008 - OWDA Sewer Loan \$10,973,040 - 3.30%	7,916,559	0	496,652	7,419,907	513,177
2011 - OWDA Water Loan \$1,573,855 - 3.64%	698,309	0	165,248	533,061	171,317
Total OWDA Loans	8,843,627	0	715,217	8,128,410	740,314
<u>Net Pension Liability - OPERS</u>					
Water	1,024,321	0	297,198	727,123	0
Sewer	964,067	0	236,944	727,123	0
Stormwater	361,525	0	104,894	256,631	0
Total Net Pension Liability - OPERS	2,349,913	0	639,036	1,710,877	0
<u>Net OPEB Liability - OPERS</u>					
Water	449,697	50,958	0	500,655	0
Sewer	423,245	77,410	0	500,655	0
Stormwater	158,717	17,985	0	176,702	0
Total Net OPEB Liability - OPERS	1,031,659	146,353	0	1,178,012	0
Compensated Absences Payable	166,407	26,992	33,226	160,173	85,597
Capital Leases Payable	13,880	0	4,612	9,268	4,764
Total Business-Type Activities	<u>\$15,352,037</u>	<u>\$173,345</u>	<u>\$1,657,199</u>	<u>\$13,868,183</u>	<u>\$1,095,675</u>

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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 2018 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
2019	\$100,000	\$13,250	\$113,250
2020	100,000	11,250	111,250
2021	105,000	9,250	114,250
2022	110,000	7,150	117,150
2023	110,000	4,950	114,950
2024	110,000	2,475	112,475
Total	<u>\$635,000</u>	<u>\$48,325</u>	<u>\$683,325</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**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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 2018 was \$9,554. Issuance costs associated with the bond issue were \$103,716.

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

Year	2012 Various Purpose General Obligation Bonds		
	Principal	Interest	Total
2019	\$450,000	\$70,075	\$520,075
2020	460,000	61,075	521,075
2021	470,000	51,875	521,875
2022	475,000	42,475	517,475
2023	185,000	32,975	217,975
2024-2028	745,000	100,838	845,838
2029-2032	370,000	27,687	397,687
Total	\$3,155,000	\$387,000	\$3,542,000

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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 2018 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
2019	\$215,000	\$94,263	\$309,263
2020	220,000	89,962	309,962
2021	225,000	82,263	307,263
2022	230,000	77,762	307,762
2023	235,000	72,588	307,588
2024-2028	1,265,000	274,875	1,539,875
2029-2032	1,145,000	87,150	1,232,150
Total	<u>\$3,535,000</u>	<u>\$778,863</u>	<u>\$4,313,863</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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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 7, 2018, the City issued \$4,400,000 in street improvement general obligation bond anticipation notes which will mature on February 7, 2019. These general obligation bond anticipation notes retired the \$3,300,000 street improvement general obligation bonds anticipation notes issued on February 8, 2017. On February 7, 2018, the City issued an additional \$1,100,000 in street improvement general obligation bond anticipation notes for the construction phase of the Refugee Road Project. 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.

On January 29, 2019, the City issued \$4,400,000 in street improvement general obligation bonds. These general obligation bonds will be used to refund the \$4,400,000 street improvement general obligation bond anticipation notes which mature on February 7, 2019. There was no pay-down on the general obligation bond anticipation notes. See Note 26 for additional information.

At December 31, 2018, the City had \$3,114,132 in unspent note proceeds.

***Net Pension/OPEB Liability***

There is no repayment schedule for the net pension/OPEB 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/OPEB liability see Notes 13 and 14.

***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 dump trucks. These leases will be repaid through the General Fund and Street Special Revenue Fund.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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**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 2018 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.

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		
	\$155,000	\$325,000	\$350,000
2020	\$0	\$160,000	\$0
2022	0	0	170,000
Total mandatory sinking fund payments	0	160,000	170,000
Amount due at stated maturity	155,000	165,000	180,000
Total	\$155,000	\$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 2018 was \$3,434. Issuance costs associated with the bond issue were \$43,683.

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2018**

Principal and interest requirements to retire the City's general obligation bonds payable from the Sewer and Water Enterprise Funds outstanding at December 31, 2018 were:

Year	Sewer General Obligation Bonds		Water General Obligation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
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	170,000	12,250	115,000	37,550	285,000	49,800
2023	180,000	6,300	120,000	35,250	300,000	41,550
2024-2028	0	0	640,000	132,825	640,000	132,825
2029-2032	0	0	585,000	43,650	585,000	43,650
Total	<u>\$830,000</u>	<u>\$85,720</u>	<u>\$1,795,000</u>	<u>\$375,425</u>	<u>\$2,625,000</u>	<u>\$461,145</u>

***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 33 percent of net revenues. The total principal and interest remaining to be paid on the loan is \$561,467 related to finalized terms and amortization schedules. Principal and interest paid for the current year and total customer net revenues were \$184,969 and \$563,171, 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 51 percent of net revenues. The total principal and interest remaining to be paid on the loans is \$9,083,021 related to finalized terms and amortization schedules. Principal and interest paid for the current year and total customer net revenues were \$790,238 and \$1,547,689, respectively.

Principal and interest requirements to retire the City's OWDA loans outstanding at December 31, 2018 were:

Year	Sewer OWDA		Water OWDA		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$568,997	\$223,629	\$171,317	\$14,719	\$740,314	\$238,348
2020	588,691	206,413	177,610	9,532	766,301	215,945
2021	609,078	188,601	184,134	4,155	793,212	192,756
2022	566,124	170,646	0	0	566,124	170,646
2023	584,960	153,522	0	0	584,960	153,522
2024-2028	3,230,025	490,137	0	0	3,230,025	490,137
2029-2030	1,447,474	54,724	0	0	1,447,474	54,724
Total	<u>\$7,595,349</u>	<u>\$1,487,672</u>	<u>\$533,061</u>	<u>\$28,406</u>	<u>\$8,128,410</u>	<u>\$1,516,078</u>

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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***Net Pension/OPEB Liability***

There is no repayment schedule for the net pension/OPEB liability. However, employer pension contributions are made from the Water, Sewer, and Stormwater Enterprise Funds. For additional information related to the net pension/OPEB liability see Notes 13 and 14.

***Compensated Absences Payable***

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

***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, 2018, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$39,854,185.

**NOTE 19 - SHORT-TERM OBLIGATIONS**

A summary of the short-term note transactions for the year ended December 31, 2018, follows:

	Outstanding 12/31/2017	Additions	Reductions	Outstanding 12/31/2018
<b><u>Governmental Activities:</u></b>				
<u>Nontax Revenue Bond Anticipation Notes</u>				
Special Obligation Nontax Revenue Notes				
2018 - \$4,000,000 - 3.75%	\$0	\$4,000,000	\$0	\$4,000,000
Total Nontax Revenue Bond Anticipation Notes	\$0	\$4,000,000	\$0	\$4,000,000

The special obligation nontax revenue bond anticipation notes issued on December 5, 2018 for \$4,000,000 mature on December 5, 2019. The special obligation nontax revenue bond anticipation notes were issued for the purpose of paying the costs of the acquisition of approximately 214 acres of real property located west of Pickerington Road and south of Busey Road, including buildings and structures located thereon, all in support of housing development, economic development, and job creation within the City.

**NOTE 20 - SIGNIFICANT COMMITMENTS**

**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.



**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2018**

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	\$298,540
Police	113,101
Community Economic Development Improvements	5,339
Other Governmental Funds	<u>581,752</u>
Total Governmental Funds	<u>998,732</u>
<u>Proprietary Funds</u>	
Water	537,717
Sewer	362,035
Stormwater	357,654
Other Enterprise Funds	<u>1,288</u>
Total Proprietary Funds	<u>1,258,694</u>
Total	<u><u>\$2,257,426</u></u>

Contractual Commitments

As of December 31, 2018, 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, 2018	Amount Remaining on Contracts
MARCS Radio System	Police	\$194,000	\$173,999	\$20,001
Ohio Health Refugee Road	Ohio Health MOB TIF	382,326	154,115	228,211
Victory Park Restrooms	Park Impact Fee	80,000	0	80,000
Water Treatment Plant RO Discharge Line	Water	172,080	0	172,080
West Columbus Street 12" Main	Water	127,541	4,500	123,041
Clearwell Tank Painting	Water	192,102	155,063	37,039
Lift Station Telemetry Upgrade	Sewer	79,798	0	79,798
System Wide I/I Study and Repair	Sewer	80,100	0	80,100
D-Line Phase II-A	Sewer	169,841	16,051	153,790
Windmill Dam	Stormwater	440,607	206,436	234,171
Pearl/Losey/Florence Area Stormwater Upgrades	Stormwater	<u>40,600</u>	<u>2,030</u>	<u>38,570</u>
Total		<u><u>\$1,958,995</u></u>	<u><u>\$712,194</u></u>	<u><u>\$1,246,801</u></u>

NOTE 21 - JOINTLY GOVERNED ORGANIZATIONS

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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 2018, 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.

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 2018. Continued existence of the Board is not dependent upon the City's continued participation, no equity interest exists, and no debt is outstanding. Financial statements can be obtained from the Fairfield County Regional Planning Commission 210 East Main Street, Lancaster, Ohio 43130.

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 \$11,777 in membership dues to the Mid-Ohio Regional Planning Commission during 2018.

NOTE 22 - POOLS

Central Ohio Risk Management Association Inc. (CORMA)

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

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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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.

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 23 - CONTINGENT LIABILITIES

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.

Federal and State Grants

For the period January 1, 2018 to December 31, 2018 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 24 - INTERFUND ACTIVITY

Balances

The City uses an internal proportionate share to allocate its net pension liability and corresponding deferred outflows/inflows of resources and pension expense to its various funds. This allocation creates a change in internal proportionate share. The effects of the internal proportionate share are eliminated from the pension deferred outflows/inflows of resources in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position, thus allowing the total column to present the change in proportionate share for the City as a whole.

Eliminations made in the total column of the entity wide statement of net position include deferred outflows of resources for the business-type activities (related to the sewer enterprise fund) and deferred inflows of resources for the governmental type activities in the amount of \$5,096.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018

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Other Internal Balances

Interfund transfers during 2018, consisted of the following:

	Transfer to			Totals
	Major Funds			
	Police	Debt Service	Other Nonmajor Governmental	
<u>Transfer from</u>				
Major Fund:				
General Fund	\$3,650,000	\$270,727	\$1,845,000	\$5,765,727
Other Nonmajor Governmental	0	675,072	0	675,072
Totals	<u>\$3,650,000</u>	<u>\$945,799</u>	<u>\$1,845,000</u>	<u>\$6,440,799</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.

At December 31, 2018 the Ohio Health MOB TIF Capital Projects Fund owed the General Fund \$406,000 for monies advanced during 2018 for the construction phase of the Refugee Road widening project.

NOTE 25 – DONOR RESTRICTED 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 \$2,834 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 26 – SUBSEQUENT EVENT

On January 29, 2019, the City issued \$4,400,000 in street improvement general obligation bonds to refund the \$4,400,000 in 2018 street improvement general obligation bond anticipation notes. The \$4,400,000 street improvement general obligation bonds were issued for a twenty year period with a final maturity at December 1, 2038. The \$4,400,000 street improvement general obligation bonds were issued at a premium in the amount of \$107,809. Issuance costs associated with the bond issuance were \$110,059. These street improvement general obligation bonds 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 Five Years (1)*

	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.027264%	0.026534%	0.027238%	0.027656%	0.027656%
City's Proportionate Share of the Net Pension Liability	\$4,277,193	\$6,025,419	\$4,717,964	\$3,335,622	\$3,260,282
City's Covered Payroll	\$3,603,031	\$3,430,075	\$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	118.71%	175.66%	139.17%	98.38%	101.98%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.66%	77.25%	81.08%	86.45%	86.36%

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

Amounts presented each fiscal 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 Asset*  
*Ohio Public Employees Retirement System - Combined Plan*  
2018 (1)

	2018
City's Proportion of the Net Pension Asset	0.024915%
City's Proportionate Share of the Net Pension Asset	\$33,917
City's Covered Payroll	\$102,038
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	33.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	137.28%

(1) Amounts for the combined plan are not presented prior to 2018 as the City's participation in this plan was considered immaterial in previous years.

Amounts presented for 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 OPEB Liability*  
*Ohio Public Employees Retirement System - OPEB Plan*  
*Last Two Years (1)*

	2018	2017
City's Proportion of the Net OPEB Liability	0.027120%	0.026190%
City's Proportionate Share of the Net OPEB Liability	\$2,945,032	\$2,645,279
City's Covered Payroll	\$3,841,244	\$3,619,508
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	76.67%	73.08%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	54.14%	54.04%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented each fiscal 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 Five Years (1)*

	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.1039860%	0.0961720%	0.0969940%	0.0979014%	0.0979014%
City's Proportionate Share of the Net Pension Liability	\$6,382,090	\$6,091,459	\$6,239,692	\$5,071,701	\$4,768,105
City's Covered Payroll	\$1,921,405	\$2,075,263	\$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	332.16%	293.53%	284.96%	235.20%	228.57%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.91%	68.36%	66.77%	71.71%	73.00%

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

Amounts presented for each fiscal 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 OPEB Liability*  
*Ohio Police and Fire Pension Fund*  
*Last Two Years (1)*

	2018	2017
City's Proportion of the Net OPEB Liability	0.103986%	0.961720%
City's Proportionate Share of the Net OPEB Liability	\$5,891,701	\$4,565,069
City's Covered Payroll	\$1,921,405	\$2,075,263
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	306.64%	219.98%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	14.13%	15.96%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented each fiscal 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*  
*Last Six Years (1) (2)*

	2018	2017	2016
<b>Net Pension Liability - Traditional Plan</b>			
Contractually Required Contribution	\$475,366	\$468,394	\$411,609
Contributions in Relation to the Contractually Required Contribution	<u>(475,366)</u>	<u>(468,394)</u>	<u>(411,609)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$3,395,471	\$3,603,031	\$3,430,075
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>
<b>Net Pension Liability - Combined Plan</b>			
Contractually Required Contribution	\$14,713	\$13,265	\$11,299
Contributions in Relation to the Contractually Required Contribution	<u>(14,713)</u>	<u>(13,265)</u>	<u>(11,299)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$105,093	\$102,038	\$94,158
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>
<b>Net OPEB Liability - OPEB Plan (2)</b>			
Contractually Required Contribution	\$6,139	\$5,447	\$3,811
Contributions in Relation to the Contractually Required Contribution	<u>(6,139)</u>	<u>(5,447)</u>	<u>(3,811)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (3)	\$3,654,039	\$3,841,244	\$3,619,508
OPEB Contributions as a Percentage of Covered Payroll	<u>0.17%</u>	<u>0.14%</u>	<u>0.11%</u>

(1) Information prior to 2013 is not available.

(2) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.

(3) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

<u>2015</u>	<u>2014</u>	<u>2013</u>
\$406,804	\$406,877	\$415,588
<u>(406,804)</u>	<u>(406,877)</u>	<u>(415,588)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$3,390,029	\$3,390,642	\$3,196,831
<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$10,978	\$9,823	\$7,352
<u>(10,978)</u>	<u>(9,823)</u>	<u>(7,352)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$91,483	\$81,858	\$56,554
<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>

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

	2018	2017	2016	2015	2014
<b>Net Pension Liability</b>					
Contractually Required Contribution	\$432,391	\$365,067	\$394,300	\$416,044	\$409,711
Contributions in Relation to the Contractually Required Contribution	<u>(432,391)</u>	<u>(365,067)</u>	<u>(394,300)</u>	<u>(416,044)</u>	<u>(409,711)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$2,275,742	\$1,921,405	\$2,075,263	\$2,189,706	\$2,156,374
Pension Contributions as a Percentage of Covered Payroll	19.00%	19.00%	19.00%	19.00%	19.00%
<b>Net OPEB Liability</b>					
Contractually Required Contribution	\$11,379	\$9,607	\$10,376	\$10,949	\$10,782
Contributions in Relation to the Contractually Required Contribution	<u>(11,379)</u>	<u>(9,607)</u>	<u>(10,376)</u>	<u>(10,949)</u>	<u>(10,782)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%	0.50%
Total Contributions as a Percentage of Covered Payroll	<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>

(1) The City's covered payroll is the same for pension and OPEB.

2013	2012	2011	2010	2009
\$331,332	\$252,738	\$244,601	\$245,279	\$248,202
<u>(331,332)</u>	<u>(252,738)</u>	<u>(244,601)</u>	<u>(245,279)</u>	<u>(248,202)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$2,086,027	\$1,982,259	\$1,918,439	\$1,923,757	\$1,946,682
15.88%	12.75%	12.75%	12.75%	12.75%
\$75,445	\$133,802	\$129,495	\$129,854	\$131,401
<u>(75,445)</u>	<u>(133,802)</u>	<u>(129,495)</u>	<u>(129,854)</u>	<u>(131,401)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
3.62%	6.75%	6.75%	6.75%	6.75%
<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>

**City of Pickerington, Ohio**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2018

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**Changes in Assumptions – OPERS Pension**

Amounts reported beginning in 2017 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2016 and prior are presented below:

	2017	2016 and prior
Wage Inflation	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.



**City of Pickerington, Ohio**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2018

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**Changes in Assumptions – OP&F Pension**

Amounts reported for 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below:

	2018	2017 and Prior
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increased based on the lesser of the increase in CPI and 3 percent

Amounts reported for 2018 use valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Amounts reported for 2018 use valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

Amounts reported for 2017 and prior use valuation, rates of death were based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

**City of Pickerington, Ohio**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2018

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**Changes in Assumptions – OPERS OPEB**

For 2018, the single discount rate changed from 4.23 percent to 3.85 percent.

**Changes in Assumptions – OP&F OPEB**

For 2018, the single discount rate changed from 3.79 percent to 3.24 percent.

**Combining Statements  
and  
Individual Fund Schedules**

## **GENERAL FUND**

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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, 2018

	<u>Budgeted Amounts</u>		Actual	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property and Other Taxes	\$1,102,040	\$1,102,040	\$1,146,677	\$44,637
Municipal Income Taxes	7,161,540	7,161,540	6,985,603	(175,937)
Franchise Taxes	230,000	230,000	215,566	(14,434)
Charges for Services	376,957	376,957	250,863	(126,094)
Licenses and Permits	641,287	641,287	1,079,317	438,030
Fines and Forfeitures	170,000	170,000	239,950	69,950
Intergovernmental	309,697	309,697	349,001	39,304
Interest	125,000	154,564	441,951	287,387
Contributions and Donations	17,500	17,500	20,725	3,225
Other	64,000	64,000	61,963	(2,037)
<i>Total Revenues</i>	<u>10,198,021</u>	<u>10,227,585</u>	<u>10,791,616</u>	<u>564,031</u>
<b>Expenditures</b>				
Current:				
General Government				
Council				
Personal Services	134,772	134,947	116,619	18,328
Contractual Services	13,750	14,021	10,395	3,626
Materials and Supplies	1,500	1,536	435	1,101
Total Council	<u>150,022</u>	<u>150,504</u>	<u>127,449</u>	<u>23,055</u>
Mayor				
Personal Services	60,217	60,217	57,115	3,102
Contractual Services	2,250	3,431	2,762	669
Materials and Supplies	3,450	3,603	2,205	1,398
Total Mayor	<u>65,917</u>	<u>67,251</u>	<u>62,082</u>	<u>5,169</u>
City Manager				
Personal Services	137,670	207,670	196,708	10,962
Contractual Services	2,500	2,500	541	1,959
Materials and Supplies	750	750	741	9
Total City Manager	<u>140,920</u>	<u>210,920</u>	<u>197,990</u>	<u>12,930</u>
Receptionist				
Personal Services	17,658	17,658	16,162	1,496
Materials and Supplies	1,000	1,000	837	163
Total Receptionist	<u>18,658</u>	<u>18,658</u>	<u>16,999</u>	<u>1,659</u>
Facilities Operations Administration				
Personal Services	105,654	105,754	98,126	7,628
Contractual Services	750	805	396	409
Materials and Supplies	750	750	708	42
Total Facilities Operations Administration	<u>107,154</u>	<u>107,309</u>	<u>99,230</u>	<u>8,079</u>
Human Resources Department				
Personal Services	78,521	78,521	71,925	6,596
Contractual Services	53,100	56,041	49,575	6,466
Materials and Supplies	2,500	2,500	1,721	779
Total Human Resources Department	<u>\$134,121</u>	<u>\$137,062</u>	<u>\$123,221</u>	<u>\$13,841</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, 2018

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Public Information				
Contractual Services	\$45,500	\$46,650	\$24,558	\$22,092
Total Public Information	<u>45,500</u>	<u>46,650</u>	<u>24,558</u>	<u>22,092</u>
Land and Buildings				
Personal Services	3,000	3,000	424	2,576
Contractual Services	223,661	237,707	224,909	12,798
Materials and Supplies	116,500	142,126	127,911	14,215
Capital Outlay	35,600	69,174	59,148	10,026
Total Land and Buildings	<u>378,761</u>	<u>452,007</u>	<u>412,392</u>	<u>39,615</u>
Engineer				
Personal Services	51,118	30,728	27,663	3,065
Contractual Services	626,750	817,364	606,342	211,022
Materials and Supplies	2,750	2,750	1,050	1,700
Total Engineer	<u>680,618</u>	<u>850,842</u>	<u>635,055</u>	<u>215,787</u>
Law Director				
Contractual Services	<u>355,500</u>	<u>369,767</u>	<u>272,013</u>	<u>97,754</u>
Mayor's Court Clerk				
Personal Services	112,218	112,218	105,945	6,273
Contractual Services	35,800	48,800	38,903	9,897
Materials and Supplies	5,800	5,800	3,098	2,702
Total Mayor's Court Clerk	<u>153,818</u>	<u>166,818</u>	<u>147,946</u>	<u>18,872</u>
Administrative Assistant				
Personal Services	57,672	57,672	53,136	4,536
Materials and Supplies	500	500	67	433
Total Administrative Assistant	<u>58,172</u>	<u>58,172</u>	<u>53,203</u>	<u>4,969</u>
Finance Director				
Personal Services	426,325	426,363	394,604	31,759
Contractual Services	335,000	408,575	396,228	12,347
Materials and Supplies	15,000	14,960	4,874	10,086
Total Finance Director	<u>776,325</u>	<u>849,898</u>	<u>795,706</u>	<u>54,192</u>
Municipal Clerk				
Personal Services	96,254	96,254	91,278	4,976
Contractual Services	750	750	662	88
Materials and Supplies	3,000	3,000	270	2,730
Total Municipal Clerk	<u>\$100,004</u>	<u>\$100,004</u>	<u>\$92,210</u>	<u>\$7,794</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, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous				
Personal Services	\$37,814	\$37,814	\$30,426	\$7,388
Contractual Services	7,800	9,300	2,940	6,360
Capital Outlay	25,000	100,000	100,000	0
Total Miscellaneous	<u>70,614</u>	<u>147,114</u>	<u>133,366</u>	<u>13,748</u>
Other General Government				
Election Expenses	5,000	5,000	2,696	2,304
Auditor and Treasurer Fees	38,000	38,000	35,854	2,146
Miscellaneous Dues	43,921	43,921	43,905	16
Total Other General Government	<u>86,921</u>	<u>86,921</u>	<u>82,455</u>	<u>4,466</u>
<i>Total General Government</i>	<u>3,323,025</u>	<u>3,819,897</u>	<u>3,275,875</u>	<u>544,022</u>
Security of Persons and Property				
Street Lighting				
Contractual Services	119,793	119,793	96,497	23,296
Materials and Supplies	250	250	0	250
<i>Total Security of Persons and Property</i>	<u>120,043</u>	<u>120,043</u>	<u>96,497</u>	<u>23,546</u>
Leisure Time Activities				
Contractual Services	52,400	64,400	62,503	1,897
<i>Total Leisure Time Activities</i>	<u>52,400</u>	<u>64,400</u>	<u>62,503</u>	<u>1,897</u>
Public Health Services				
Contractual Services	183,016	183,016	182,928	88
Materials and Supplies	5,000	5,000	0	5,000
<i>Total Public Health Services</i>	<u>188,016</u>	<u>188,016</u>	<u>182,928</u>	<u>5,088</u>
Community Environment				
Development Department				
Personal Services	134,700	135,892	41,845	94,047
Contractual Services	70,000	81,931	8,770	73,161
Materials and Supplies	2,000	2,092	188	1,904
Total Development Department	<u>206,700</u>	<u>219,915</u>	<u>50,803</u>	<u>169,112</u>
Building Inspection				
Personal Services	220,144	220,144	203,654	16,490
Contractual Services	408,563	509,762	394,101	115,661
Materials and Supplies	3,550	3,550	3,358	192
Total Building Inspection	<u>\$632,257</u>	<u>\$733,456</u>	<u>\$601,113</u>	<u>\$132,343</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, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Planning and Zoning				
Personal Services	\$196,103	\$196,103	\$186,735	\$9,368
Contractual Services	30,000	43,766	38,552	5,214
Materials and Supplies	3,000	3,170	2,827	343
Total Planning and Zoning	<u>229,103</u>	<u>243,039</u>	<u>228,114</u>	<u>14,925</u>
<i>Total Community Environment</i>	<u>1,068,060</u>	<u>1,196,410</u>	<u>880,030</u>	<u>316,380</u>
<i>Total Expenditures</i>	<u>4,751,544</u>	<u>5,388,766</u>	<u>4,497,833</u>	<u>890,933</u>
<i>Excess of Revenues Over Expenditures</i>	<u>5,446,477</u>	<u>4,838,819</u>	<u>6,293,783</u>	<u>1,454,964</u>
<b>Other Financing Source (Uses)</b>				
Advances In	105,000	105,000	0	(105,000)
Advances Out	0	(650,000)	(406,000)	244,000
Transfers Out	(7,083,125)	(7,137,125)	(5,765,727)	1,371,398
<i>Total Other Financing Source (Uses)</i>	<u>(6,978,125)</u>	<u>(7,682,125)</u>	<u>(6,171,727)</u>	<u>1,510,398</u>
<i>Net Change in Fund Balance</i>	(1,531,648)	(2,843,306)	122,056	2,965,362
Fund Balance at Beginning of Year	5,934,249	5,934,249	5,934,249	0
Prior Year Encumbrances Appropriated	<u>291,470</u>	<u>291,470</u>	<u>291,470</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$4,694,071</u>	<u>\$3,382,413</u>	<u>\$6,347,775</u>	<u>\$2,965,362</u>



## NONMAJOR GOVERNMENTAL FUNDS

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### 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, 2018**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,520,963	\$3,302,109	\$2,834	\$4,825,906
Cash and Cash Equivalents in with Fiscal Agents	0	2,084,626	0	2,084,626
Receivables:				
Permissive Motor Vehicle Registration Fees	7,658	11,487	0	19,145
Payments in Lieu of Taxes	0	413,844	0	413,844
Accounts	2,976	0	0	2,976
Intergovernmental	399,736	80,238	0	479,974
Materials and Supplies Inventory	68,305	0	0	68,305
Prepaid Items	33,854	0	0	33,854
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	0	1,545	1,545
<i>Total Assets</i>	<u>\$2,033,492</u>	<u>\$5,892,304</u>	<u>\$4,379</u>	<u>\$7,930,175</u>
<b>Liabilities</b>				
Accrued Wages and Benefits	\$21,696	\$0	\$0	\$21,696
Accounts Payable	41,238	145,282	0	186,520
Contracts Payable	0	4,829	0	4,829
Intergovernmental Payable	13,078	0	0	13,078
Interfund Payable	0	406,000	0	406,000
<i>Total Liabilities</i>	<u>76,012</u>	<u>556,111</u>	<u>0</u>	<u>632,123</u>
<b>Deferred Inflows of Resources</b>				
Payment in Lieu of Taxes	0	413,844	0	413,844
Unavailable Revenue	267,955	70,916	0	338,871
<i>Total Deferred Inflows of Resources</i>	<u>267,955</u>	<u>484,760</u>	<u>0</u>	<u>752,715</u>
<b>Fund Balances</b>				
Fund Balances:				
Nonspendable	102,159	0	1,545	103,704
Restricted	1,149,151	3,079,033	2,834	4,231,018
Committed	438,215	1,886,081	0	2,324,296
Unassigned (Deficit)	0	(113,681)	0	(113,681)
<i>Total Fund Balances</i>	<u>1,689,525</u>	<u>4,851,433</u>	<u>4,379</u>	<u>6,545,337</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$2,033,492</u>	<u>\$5,892,304</u>	<u>\$4,379</u>	<u>\$7,930,175</u>

**City of Pickerington, Ohio**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Permissive Motor Vehicle Registration Fees	\$98,678	\$148,017	\$0	\$246,695
Charges for Services	180,308	0	0	180,308
Licenses and Permits	105,942	0	0	105,942
Impact Fees	0	1,382,772	0	1,382,772
Fines and Forfeitures	13,429	0	0	13,429
Intergovernmental	831,128	1,249,151	0	2,080,279
Interest	1,073	5,500	4	6,577
Payments in Lieu of Taxes	0	327,904	0	327,904
Contributions and Donations	3,800	0	0	3,800
Other	127,181	5,896	0	133,077
<i>Total Revenues</i>	<u>1,361,539</u>	<u>3,119,240</u>	<u>4</u>	<u>4,480,783</u>
<b>Expenditures</b>				
Current:				
General Government	12,591	0	0	12,591
Security of Persons and Property	82,636	0	0	82,636
Transportation	2,014,654	0	0	2,014,654
Leisure Time Activities	702,129	0	0	702,129
Capital Outlay	0	2,035,998	0	2,035,998
Debt Service:				
Principal Retirement	48,057	0	0	48,057
Interest and Fiscal Charges	5,267	0	0	5,267
<i>Total Expenditures</i>	<u>2,865,334</u>	<u>2,035,998</u>	<u>0</u>	<u>4,901,332</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,503,795)</u>	<u>1,083,242</u>	<u>4</u>	<u>(420,549)</u>
<b>Other Financing Sources (Use)</b>				
Proceeds from the Sale of Capital Assets	3,954	0	0	3,954
Bond Anticipation Notes Issued	0	1,100,000	0	1,100,000
Transfers In	1,845,000	0	0	1,845,000
Transfers Out	0	(675,072)	0	(675,072)
<i>Total Other Financing Sources (Use)</i>	<u>1,848,954</u>	<u>424,928</u>	<u>0</u>	<u>2,273,882</u>
<i>Net Changes in Fund Balances</i>	345,159	1,508,170	4	1,853,333
Fund Balances at Beginning of Year	<u>1,344,366</u>	<u>3,343,263</u>	<u>4,375</u>	<u>4,692,004</u>
<i>Fund Balances at End of Year</i>	<u>\$1,689,525</u>	<u>\$4,851,433</u>	<u>\$4,379</u>	<u>\$6,545,337</u>

## SPECIAL REVENUE FUNDS

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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 Fund:**

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

**Nonmajor 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.

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 that are restricted 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.

(continued)

## **SPECIAL REVENUE FUNDS (Continued)**

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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 2018.

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**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, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$1,656,000	\$1,656,000	\$1,685,894	\$29,894
Charges for Services	197,136	197,136	203,465	6,329
Intergovernmental	189,668	189,668	198,928	9,260
Contributions and Donations	0	0	100	100
Other	109,310	109,310	56,390	(52,920)
<i>Total Revenues</i>	<u>2,152,114</u>	<u>2,152,114</u>	<u>2,144,777</u>	<u>(7,337)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Personal Services	5,186,162	5,196,135	4,689,225	506,910
Contractual Services	578,733	614,142	501,437	112,705
Materials and Supplies	181,610	193,130	163,116	30,014
Capital Outlay	438,000	442,000	433,755	8,245
<i>Total Expenditures</i>	<u>6,384,505</u>	<u>6,445,407</u>	<u>5,787,533</u>	<u>657,874</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(4,232,391)</u>	<u>(4,293,293)</u>	<u>(3,642,756)</u>	<u>650,537</u>
<b>Other Financing Sources</b>				
Proceeds from the Sale of Capital Assets	0	0	2,405	2,405
Transfers In	4,290,000	4,290,000	3,650,000	(640,000)
<i>Total Other Financing Sources</i>	<u>4,290,000</u>	<u>4,290,000</u>	<u>3,652,405</u>	<u>(637,595)</u>
<i>Net Change in Fund Balance</i>	57,609	(3,293)	9,649	12,942
Fund Balance at Beginning of Year	560,333	560,333	560,333	0
Prior Year Encumbrances Appropriated	56,902	56,902	56,902	0
<i>Fund Balance at End of Year</i>	<u>\$674,844</u>	<u>\$613,942</u>	<u>\$626,884</u>	<u>\$12,942</u>

**City of Pickerington, Ohio**  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2018

	Street	State Highway	Parks and Recreation	Computer	Operation of a Motor Vehicle Under the Influence Enforcement and Education	Law Enforcement Assistance
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$858,325	\$144,823	\$325,769	\$26,519	\$6,193	\$3,665
Receivables:						
Permissive Motor Vehicle Registration Fees	7,658	0	0	0	0	0
Accounts	2,890	0	86	0	0	0
Intergovernmental	369,694	29,982	60	0	0	0
Materials and Supplies Inventory	47,720	0	20,585	0	0	0
Prepaid Items	23,804	1,046	9,004	0	0	0
<i>Total Assets</i>	<u>\$1,310,091</u>	<u>\$175,851</u>	<u>\$355,504</u>	<u>\$26,519</u>	<u>\$6,193</u>	<u>\$3,665</u>
<b>Liabilities</b>						
Accrued Wages and Benefits	\$11,048	\$499	\$10,149	\$0	\$0	\$0
Accounts Payable	34,667	1,294	2,442	55	0	0
Intergovernmental Payable	6,834	346	5,898	0	0	0
<i>Total Liabilities</i>	<u>52,549</u>	<u>2,139</u>	<u>18,489</u>	<u>55</u>	<u>0</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>						
Unavailable Revenue	247,859	20,096	0	0	0	0
<b>Fund Balances</b>						
Nonspendable	71,524	1,046	29,589	0	0	0
Restricted	938,159	152,570	0	26,464	6,193	3,665
Committed	0	0	307,426	0	0	0
<i>Total Fund Balances</i>	<u>1,009,683</u>	<u>153,616</u>	<u>337,015</u>	<u>26,464</u>	<u>6,193</u>	<u>3,665</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$1,310,091</u>	<u>\$175,851</u>	<u>\$355,504</u>	<u>\$26,519</u>	<u>\$6,193</u>	<u>\$3,665</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
\$16,457	\$1,192	\$2,720	\$132,775	\$370	\$2,155	\$1,520,963
0	0	0	0	0	0	7,658
0	0	0	0	0	0	2,976
0	0	0	0	0	0	399,736
0	0	0	0	0	0	68,305
0	0	0	0	0	0	33,854
<u>\$16,457</u>	<u>\$1,192</u>	<u>\$2,720</u>	<u>\$132,775</u>	<u>\$370</u>	<u>\$2,155</u>	<u>\$2,033,492</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$21,696
794	0	0	1,986	0	0	41,238
0	0	0	0	0	0	13,078
<u>794</u>	<u>0</u>	<u>0</u>	<u>1,986</u>	<u>0</u>	<u>0</u>	<u>76,012</u>
0	0	0	0	0	0	267,955
0	0	0	0	0	0	102,159
15,663	1,192	2,720	0	370	2,155	1,149,151
0	0	0	130,789	0	0	438,215
<u>15,663</u>	<u>1,192</u>	<u>2,720</u>	<u>130,789</u>	<u>370</u>	<u>2,155</u>	<u>1,689,525</u>
<u>\$16,457</u>	<u>\$1,192</u>	<u>\$2,720</u>	<u>\$132,775</u>	<u>\$370</u>	<u>\$2,155</u>	<u>\$2,033,492</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, 2018

	<u>Street</u>	<u>State Highway</u>	<u>Parks and Recreation</u>	<u>Computer</u>	<u>Operation of a Motor Vehicle Under the Influence Enforcement and Education</u>	<u>Law Enforcement Assistance</u>
<b>Revenues</b>						
Permissive Motor Vehicle Registration Fees	\$98,678	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	180,308	0	0	0
Licenses and Permits	0	0	0	0	0	0
Fines and Forfeitures	0	0	0	12,417	1,012	0
Intergovernmental	768,160	62,283	0	0	0	0
Interest	915	127	0	0	0	0
Contributions and Donations	0	0	3,800	0	0	0
Other	38,149	965	5,653	0	0	0
<i>Total Revenues</i>	<u>905,902</u>	<u>63,375</u>	<u>189,761</u>	<u>12,417</u>	<u>1,012</u>	<u>0</u>
<b>Expenditures</b>						
Current:						
General Government	0	0	0	12,591	0	0
Security of Persons and Property	0	0	0	0	66	10,995
Transportation	1,965,306	49,348	0	0	0	0
Leisure Time Activities	0	0	670,549	0	0	0
Debt Service:						
Principal Retirement	48,057	0	0	0	0	0
Interest and Fiscal Charges	5,267	0	0	0	0	0
<i>Total Expenditures</i>	<u>2,018,630</u>	<u>49,348</u>	<u>670,549</u>	<u>12,591</u>	<u>66</u>	<u>10,995</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,112,728)</u>	<u>14,027</u>	<u>(480,788)</u>	<u>(174)</u>	<u>946</u>	<u>(10,995)</u>
<b>Other Financing Sources</b>						
Proceeds from the Sale of Capital Assets	3,954	0	0	0	0	0
Transfers In	1,350,000	0	495,000	0	0	0
<i>Total Other Financing Sources</i>	<u>1,353,954</u>	<u>0</u>	<u>495,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	241,226	14,027	14,212	(174)	946	(10,995)
Fund Balances at Beginning of Year	768,457	139,589	322,803	26,638	5,247	14,660
<i>Fund Balances at End of Year</i>	<u>\$1,009,683</u>	<u>\$153,616</u>	<u>\$337,015</u>	<u>\$26,464</u>	<u>\$6,193</u>	<u>\$3,665</u>

<u>Law Enforcement Trust</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	\$0	\$98,678
0	0	0	0	0	0	180,308
0	0	0	105,942	0	0	105,942
0	0	0	0	0	0	13,429
0	0	685	0	0	0	831,128
31	0	0	0	0	0	1,073
0	0	0	0	0	0	3,800
82,414	0	0	0	0	0	127,181
<u>82,445</u>	<u>0</u>	<u>685</u>	<u>105,942</u>	<u>0</u>	<u>0</u>	<u>1,361,539</u>
0	0	0	0	0	0	12,591
71,246	329	0	0	0	0	82,636
0	0	0	0	0	0	2,014,654
0	0	0	31,580	0	0	702,129
0	0	0	0	0	0	48,057
0	0	0	0	0	0	5,267
<u>71,246</u>	<u>329</u>	<u>0</u>	<u>31,580</u>	<u>0</u>	<u>0</u>	<u>2,865,334</u>
<u>11,199</u>	<u>(329)</u>	<u>685</u>	<u>74,362</u>	<u>0</u>	<u>0</u>	<u>(1,503,795)</u>
0	0	0	0	0	0	3,954
0	0	0	0	0	0	1,845,000
0	0	0	0	0	0	1,848,954
11,199	(329)	685	74,362	0	0	345,159
4,464	1,521	2,035	56,427	370	2,155	1,344,366
<u>\$15,663</u>	<u>\$1,192</u>	<u>\$2,720</u>	<u>\$130,789</u>	<u>\$370</u>	<u>\$2,155</u>	<u>\$1,689,525</u>

**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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Permissive Motor Vehicle Registration Fees	\$92,000	\$98,917	\$6,917
Intergovernmental	720,000	768,572	48,572
Interest	500	915	415
Other	11,766	37,942	26,176
<i>Total Revenues</i>	<u>824,266</u>	<u>906,346</u>	<u>82,080</u>
<b>Expenditures</b>			
Current:			
Transportation			
Street			
Personal Services	443,654	410,596	33,058
Contractual Services	1,603,171	1,551,592	51,579
Materials and Supplies	242,490	198,444	44,046
Capital Outlay	203,723	66,769	136,954
<i>Total Expenditures</i>	<u>2,493,038</u>	<u>2,227,401</u>	<u>265,637</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,668,772)</u>	<u>(1,321,055)</u>	<u>347,717</u>
<b>Other Financing Sources</b>			
Proceeds from the Sale of Capital Assets	0	2,605	2,605
Transfers In	1,415,000	1,350,000	(65,000)
<i>Total Other Financing Sources</i>	<u>1,415,000</u>	<u>1,352,605</u>	<u>(62,395)</u>
<i>Net Change in Fund Balance</i>	(253,772)	31,550	285,322
Fund Balance at Beginning of Year	475,458	475,458	0
Prior Year Encumbrances Appropriated	<u>229,446</u>	<u>229,446</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$451,132</u>	<u>\$736,454</u>	<u>\$285,322</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$56,000	\$62,315	\$6,315
Interest	75	127	52
Other	304	959	655
<i>Total Revenues</i>	<u>56,379</u>	<u>63,401</u>	<u>7,022</u>
<b>Expenditures</b>			
Current:			
Transportation			
State Highway			
Personal Services	17,048	16,288	760
Contractual Services	13,000	12,568	432
Materials and Supplies	21,500	21,172	328
<i>Total Expenditures</i>	<u>51,548</u>	<u>50,028</u>	<u>1,520</u>
<i>Net Change in Fund Balance</i>	4,831	13,373	8,542
Fund Balance at Beginning of Year	<u>130,845</u>	<u>130,845</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$135,676</u></u>	<u><u>\$144,218</u></u>	<u><u>\$8,542</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$131,000	\$179,139	\$48,139
Contributions and Donations	3,500	3,800	300
Other	10,729	5,675	(5,054)
<i>Total Revenues</i>	<u>145,229</u>	<u>188,614</u>	<u>43,385</u>
<b>Expenditures</b>			
Current:			
Leisure Time Activities			
Parks and Recreation			
Personal Services	404,313	366,710	37,603
Contractual Services	278,334	252,025	26,309
Materials and Supplies	71,629	58,593	13,036
Capital Outlay	14,915	1,995	12,920
<i>Total Expenditures</i>	<u>769,191</u>	<u>679,323</u>	<u>89,868</u>
<i>Excess of Revenues Under Expenditures</i>	(623,962)	(490,709)	133,253
<b>Other Financing Source</b>			
Transfers In	620,000	495,000	(125,000)
<i>Net Change in Fund Balance</i>	(3,962)	4,291	8,253
Fund Balance at Beginning of Year	287,542	287,542	0
Prior Year Encumbrances Appropriated	20,054	20,054	0
<i>Fund Balance at End of Year</i>	<u>\$303,634</u>	<u>\$311,887</u>	<u>\$8,253</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$9,000	\$12,287	\$3,287
<b>Expenditures</b>			
Current:			
General Government			
Computer			
Contractual Services	18,237	8,664	9,573
Materials and Supplies	5,500	3,708	1,792
<i>Total Expenditures</i>	<u>23,737</u>	<u>12,372</u>	<u>11,365</u>
<i>Net Change in Fund Balance</i>	(14,737)	(85)	14,652
Fund Balance at Beginning of Year	25,729	25,729	0
Prior Year Encumbrances Appropriated	21	21	0
<i>Fund Balance at End of Year</i>	<u>\$11,013</u>	<u>\$25,665</u>	<u>\$14,652</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$1,000	\$966	(\$34)
<b>Expenditures</b>			
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	1,532	66	1,466
<i>Total Expenditures</i>	<u>2,367</u>	<u>66</u>	<u>2,301</u>
<i>Net Change in Fund Balance</i>	(1,367)	900	2,267
Fund Balance at Beginning of Year	5,156	5,156	0
Prior Year Encumbrances Appropriated	<u>32</u>	<u>32</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$3,821</u>	<u>\$6,088</u>	<u>\$2,267</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$18,680	\$11,860	(\$6,820)
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Law Enforcement Assistance			
Personal Services	22,742	12,602	10,140
<i>Net Change in Fund Balance</i>	(4,062)	(742)	3,320
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	4,062	4,062	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$3,320</u>	<u>\$3,320</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$774	\$0	(\$774)
Interest	0	31	31
Other	81,639	82,414	775
<i>Total Revenues</i>	<u>82,413</u>	<u>82,445</u>	<u>32</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Law Enforcement Trust			
Contractual Services	8,609	71	8,538
Materials and Supplies	34,316	30,388	3,928
Capital Outlay	43,952	43,793	159
<i>Total Expenditures</i>	<u>86,877</u>	<u>74,252</u>	<u>12,625</u>
<i>Net Change in Fund Balance</i>	(4,464)	8,193	12,657
Fund Balance at Beginning of Year	4,226	4,226	0
Prior Year Encumbrances Appropriated	<u>238</u>	<u>238</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$12,657</u></u>	<u><u>\$12,657</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Mandatory Drug Law Enforcement			
Materials and Supplies	1,000	329	671
<i>Net Change in Fund Balance</i>	(1,000)	(329)	671
Fund Balance at Beginning of Year	1,521	1,521	0
<i>Fund Balance at End of Year</i>	\$521	\$1,192	\$671

**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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$200	\$720	\$520
<b>Expenditures</b>			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	200	720	520
Fund Balance at Beginning of Year	<u>2,000</u>	<u>2,000</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$2,200</u></u>	<u><u>\$2,720</u></u>	<u><u>\$520</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Licenses and Permits	\$62,319	\$105,319	\$43,000
<b>Expenditures</b>			
Current:			
Leisure Time Activities			
Urban Forestry			
Contractual Services	53,879	25,842	28,037
Materials and Supplies	46,400	28,368	18,032
<i>Total Expenditures</i>	<u>100,279</u>	<u>54,210</u>	<u>46,069</u>
<i>Net Change in Fund Balance</i>	(37,960)	51,109	89,069
Fund Balance at Beginning of Year	32,272	32,272	0
Prior Year Encumbrances Appropriated	<u>24,155</u>	<u>24,155</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$18,467</u>	<u>\$107,536</u>	<u>\$89,069</u>

**City of Pickerington, Ohio**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Community Development Block Grant Revolving Loan Fund  
 For the Year Ended December 31, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$5	\$0	(\$5)
<b>Expenditures</b>			
Current:			
Community Environment			
Community Development Block Grant Revolving Loan			
Contractual Services	375	0	375
<i>Net Change in Fund Balance</i>	(370)	0	370
Fund Balance at Beginning of Year	370	370	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$370</u>	<u>\$370</u>

## DEBT SERVICE FUND

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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, 2018

	Final	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Payment in Lieu of Taxes	\$0	\$1,613	\$1,613
Interest	105,000	61,929	(43,071)
<i>Total Revenues</i>	<u>105,000</u>	<u>63,542</u>	<u>(41,458)</u>
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	4,045,000	4,045,000	0
Interest and Fiscal Charges	395,075	311,990	83,085
<i>Total Expenditures</i>	<u>4,440,075</u>	<u>4,356,990</u>	<u>83,085</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(4,335,075)</u>	<u>(4,293,448)</u>	<u>41,627</u>
<b>Other Financing Sources</b>			
Bond Anticipation Notes Issued	3,300,000	3,300,000	0
Transfers In	978,870	945,799	(33,071)
<i>Total Other Financing Sources</i>	<u>4,278,870</u>	<u>4,245,799</u>	<u>(33,071)</u>
<i>Net Change in Fund Balance</i>	(56,205)	(47,649)	8,556
Fund Balance at Beginning of Year	<u>92,459</u>	<u>92,459</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$36,254</u></u>	<u><u>\$44,810</u></u>	<u><u>\$8,556</u></u>



## CAPITAL PROJECTS FUNDS

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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).

### **Major Capital Projects Fund:**

Community Economic Development Improvements Fund – To account for the issuance and sale of notes in the anticipation of the issuance of bonds, for the purpose of paying the costs associated with the acquisition of real property for housing development, economic development, and job creation within the City.

### **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. No budgetary schedule was presented because no activity occurred during 2018.

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. This fund was budgeted but no 2018 activity occurred; therefore, there is no Balance Sheet or Statement of Revenues, Expenditures, and Changes in Fund Balances presented.

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.

(continued)

## **CAPITAL PROJECTS FUNDS (Continued)**

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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.

Ohio Health Medical Office Building Tax Increment Financing Fund – A tax increment financing agreement with Ohio Health restricted 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 restricted for the purpose of paying for costs associated with public infrastructure improvements within the designated area.

Diley/Refugee Road Tax Increment Financing Fund – A tax increment financing fund to account for payment in lieu of taxes received from Fairfield County restricted for the purpose of paying for costs associated with public infrastructure improvements within the designated area. This fund was budgeted but no 2018 activity occurred; therefore, there is no Balance Sheet or Statement of Revenues, Expenditures, and Changes in Fund Balances presented.

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Community Economic Development Improvements Fund  
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Other	\$0	\$15,221	\$15,221
<b>Expenditures</b>			
Current:			
Capital Outlay			
Community Economic Development Improvements			
Contractual Services	754,000	507,870	246,130
Capital Outlay	3,300,000	3,225,000	75,000
<i>Total Expenditures</i>	<u>4,054,000</u>	<u>3,732,870</u>	<u>321,130</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(4,054,000)</u>	<u>(3,717,649)</u>	<u>336,351</u>
<b>Other Financing Sources</b>			
Bond Anticipation Notes Issued	4,000,000	4,000,000	0
Transfers In	54,000	0	(54,000)
<i>Total Other Financing Sources</i>	<u>4,054,000</u>	<u>4,000,000</u>	<u>(54,000)</u>
<i>Net Change in Fund Balance</i>	0	282,351	282,351
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$282,351</u></u>	<u><u>\$282,351</u></u>

**City of Pickerington, Ohio**  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2018

	<u>State Route 256 Highway</u>	<u>Street Construction</u>	<u>Street Impact Fee</u>	<u>Park Capital Improvement</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$401,741	\$61,505	\$542,776	\$625
Cash and Cash Equivalents with Fiscal Agents	0	0	0	0
Receivables:				
Permissive Motor Vehicle Registration Fees	11,487	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Intergovernmental	76,812	3,426	0	0
<i>Total Assets</i>	<u>\$490,040</u>	<u>\$64,931</u>	<u>\$542,776</u>	<u>\$625</u>
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Interfund Payable	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>				
Payment in Lieu of Taxes	0	0	0	0
Unavailable Revenue	70,916	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>70,916</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>				
Restricted	419,124	64,931	0	0
Committed	0	0	542,776	625
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>419,124</u>	<u>64,931</u>	<u>542,776</u>	<u>625</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$490,040</u>	<u>\$64,931</u>	<u>\$542,776</u>	<u>\$625</u>

<u>Police Impact Fee</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>
\$360,726	\$11,011	\$0	\$190,263	\$1,718
0	0	0	0	0
0	0	0	0	0
0	0	113,681	0	0
0	0	0	0	0
<u>\$360,726</u>	<u>\$11,011</u>	<u>\$113,681</u>	<u>\$190,263</u>	<u>\$1,718</u>
\$0	\$0	\$113,681	\$0	\$0
0	0	0	0	0
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>113,681</u>	<u>0</u>	<u>0</u>
0	0	113,681	0	0
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>113,681</u>	<u>0</u>	<u>0</u>
0	11,011	0	0	0
360,726	0	0	190,263	1,718
0	0	(113,681)	0	0
<u>360,726</u>	<u>11,011</u>	<u>(113,681)</u>	<u>190,263</u>	<u>1,718</u>
<u>\$360,726</u>	<u>\$11,011</u>	<u>\$113,681</u>	<u>\$190,263</u>	<u>\$1,718</u>

(continued)

**City of Pickerington, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds (Continued)**  
**December 31, 2018**

	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
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$544,138	\$245,835	\$878,498	\$63,273	\$3,302,109
Cash and Cash Equivalents with Fiscal Agents	0	0	2,084,626	0	2,084,626
Receivables:					
Permissive Motor Vehicle Registration Fees	0	0	0	0	11,487
Payments in Lieu of Taxes	0	0	173,599	126,564	413,844
Intergovernmental	0	0	0	0	80,238
<i>Total Assets</i>	<u>\$544,138</u>	<u>\$245,835</u>	<u>\$3,136,723</u>	<u>\$189,837</u>	<u>\$5,892,304</u>
<b>Liabilities</b>					
Accounts Payable	\$0	\$0	\$31,601	\$0	\$145,282
Contracts Payable	0	0	4,829	0	4,829
Interfund Payable	0	0	406,000	0	406,000
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>442,430</u>	<u>0</u>	<u>556,111</u>
<b>Deferred Inflows of Resources</b>					
Payment in Lieu of Taxes	0	0	173,599	126,564	413,844
Unavailable Revenue	0	0	0	0	70,916
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>173,599</u>	<u>126,564</u>	<u>484,760</u>
<b>Fund Balances</b>					
Restricted	0	0	2,520,694	63,273	3,079,033
Committed	544,138	245,835	0	0	1,886,081
Unassigned (Deficit)	0	0	0	0	(113,681)
<i>Total Fund Balances (Deficit)</i>	<u>544,138</u>	<u>245,835</u>	<u>2,520,694</u>	<u>63,273</u>	<u>4,851,433</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$544,138</u>	<u>\$245,835</u>	<u>\$3,136,723</u>	<u>\$189,837</u>	<u>\$5,892,304</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, 2018

	State Route 256 Highway	Street Construction	Street Impact Fee	Park Capital Improvement
<b>Revenues</b>				
Permissive Motor Vehicle Registration Fees	\$148,017	\$0	\$0	\$0
Impact Fees	0	0	392,410	0
Intergovernmental	0	1,249,151	0	0
Interest	0	0	545	0
Payment in Lieu of Taxes	0	0	0	0
Other	5,896	0	0	0
<i>Total Revenues</i>	<u>153,913</u>	<u>1,249,151</u>	<u>392,955</u>	<u>0</u>
<b>Expenditures</b>				
Capital Outlay	954	1,269,461	1,510	0
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>152,959</u>	<u>(20,310)</u>	<u>391,445</u>	<u>0</u>
<b>Other Financing Source (Use)</b>				
Bond Anticipation Notes Issued	0	0	0	0
Transfers Out	(101,950)	0	(240,500)	0
<i>Total Other Financing Source (Use)</i>	<u>(101,950)</u>	<u>0</u>	<u>(240,500)</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	51,009	(20,310)	150,945	0
Fund Balances (Deficit) at Beginning of Year	<u>368,115</u>	<u>85,241</u>	<u>391,831</u>	<u>625</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$419,124</u>	<u>\$64,931</u>	<u>\$542,776</u>	<u>\$625</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, 2018

	Police Impact Fee	State Route 256 Safety Grant	Tax Increment Financing Agreement Equity Construction	Street Improvement Trust	Sidewalk Improvement Trust
<b>Revenues</b>					
Permissive Motor Vehicle Registration Fees	\$0	\$0	\$0	\$0	\$0
Impact Fees	278,564	0	0	0	0
Intergovernmental	0	0	0	0	0
Interest	376	0	0	3,673	2
Payment in Lieu of Taxes	0	0	103,637	0	0
Other	0	0	0	0	0
<i>Total Revenues</i>	<u>278,940</u>	<u>0</u>	<u>103,637</u>	<u>3,673</u>	<u>2</u>
<b>Expenditures</b>					
Capital Outlay	<u>1,549</u>	<u>0</u>	<u>125,968</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>277,391</u>	<u>0</u>	<u>(22,331)</u>	<u>3,673</u>	<u>2</u>
<b>Other Financing Source (Use)</b>					
Bond Anticipation Notes Issued	0	0	0	0	0
Transfers Out	<u>(175,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Other Financing Source (Use)</i>	<u>(175,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	102,391	0	(22,331)	3,673	2
Fund Balances (Deficit) at Beginning of Year	<u>258,335</u>	<u>11,011</u>	<u>(91,350)</u>	<u>186,590</u>	<u>1,716</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$360,726</u></u>	<u><u>\$11,011</u></u>	<u><u>(\$113,681)</u></u>	<u><u>\$190,263</u></u>	<u><u>\$1,718</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	\$148,017
499,162	212,636	0	0	1,382,772
0	0	0	0	1,249,151
513	391	0	0	5,500
0	0	172,692	51,575	327,904
0	0	0	0	5,896
<u>499,675</u>	<u>213,027</u>	<u>172,692</u>	<u>51,575</u>	<u>3,119,240</u>
<u>391,266</u>	<u>176,038</u>	<u>68,585</u>	<u>667</u>	<u>2,035,998</u>
<u>108,409</u>	<u>36,989</u>	<u>104,107</u>	<u>50,908</u>	<u>1,083,242</u>
0	0	1,100,000	0	1,100,000
0	(128,500)	(29,122)	0	(675,072)
<u>0</u>	<u>(128,500)</u>	<u>1,070,878</u>	<u>0</u>	<u>424,928</u>
108,409	(91,511)	1,174,985	50,908	1,508,170
<u>435,729</u>	<u>337,346</u>	<u>1,345,709</u>	<u>12,365</u>	<u>3,343,263</u>
<u>\$544,138</u>	<u>\$245,835</u>	<u>\$2,520,694</u>	<u>\$63,273</u>	<u>\$4,851,433</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Permissive Motor Vehicle Registration Fees	\$140,000	\$148,375	\$8,375
Intergovernmental	70,917	0	(70,917)
<i>Total Revenues</i>	<u>210,917</u>	<u>148,375</u>	<u>(62,542)</u>
<b>Expenditures</b>			
Current:			
State Route 256 Highway			
Capital Outlay	110,000	1,128	108,872
Debt Service:			
Principal Retirement	141,834	70,917	70,917
<i>Total Expenditures</i>	<u>251,834</u>	<u>72,045</u>	<u>179,789</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(40,917)	76,330	117,247
<b>Other Financing Use</b>			
Transfers Out	(101,950)	(101,950)	0
<i>Net Change in Fund Balance</i>	(142,867)	(25,620)	117,247
Fund Balance at Beginning of Year	285,353	285,353	0
Prior Year Encumbrances Appropriated	70,917	70,917	0
<i>Fund Balance at End of Year</i>	<u>\$213,403</u>	<u>\$330,650</u>	<u>\$117,247</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$8,232,667	\$1,269,461	(\$6,963,206)
<b>Expenditures</b>			
Current:			
Capital Outlay			
Street Construction			
Capital Outlay	8,358,029	1,269,461	7,088,568
<i>Excess of Revenues Under Expenditures</i>	(125,362)	0	125,362
<b>Other Financing Source</b>			
Transfers In	107,500	0	(107,500)
<i>Net Change in Fund Balance</i>	(17,862)	0	17,862
Fund Balance at Beginning of Year	43,643	43,643	0
Prior Year Encumbrances Appropriated	17,862	17,862	0
<i>Fund Balance at End of Year</i>	<u>\$43,643</u>	<u>\$61,505</u>	<u>\$17,862</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Impact Fees	\$239,671	\$391,626	\$151,955
Interest	150	545	395
<i>Total Revenues</i>	<u>239,821</u>	<u>392,171</u>	<u>152,350</u>
<b>Expenditures</b>			
Capital Outlay			
Street Impact Fee			
Contractual Services	2,000	1,510	490
<i>Excess of Revenues Over Expenditures</i>	237,821	390,661	152,840
<b>Other Financing Use</b>			
Transfers Out	(240,500)	(240,500)	0
<i>Net Change in Fund Balance</i>	(2,679)	150,161	152,840
Fund Balance at Beginning of Year	391,831	391,831	0
<i>Fund Balance at End of Year</i>	<u><u>\$389,152</u></u>	<u><u>\$541,992</u></u>	<u><u>\$152,840</u></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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Impact Fees	\$160,943	\$277,760	\$116,817
Interest	80	376	296
<i>Total Revenues</i>	<u>161,023</u>	<u>278,136</u>	<u>117,113</u>
<b>Expenditures</b>			
Capital Outlay			
Police Impact Fee			
Contractual Services	2,000	1,549	451
<i>Excess of Revenues Over Expenditures</i>	159,023	276,587	117,564
<b>Other Financing Use</b>			
Transfers Out	(175,000)	(175,000)	0
<i>Net Change in Fund Balance</i>	(15,977)	101,587	117,564
Fund Balance at Beginning of Year	258,335	258,335	0
<i>Fund Balance at End of Year</i>	<u>\$242,358</u>	<u>\$359,922</u>	<u>\$117,564</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$65,000	\$0	(\$65,000)
<b>Expenditures</b>			
Capital Outlay			
Safe Routes to Schools			
Capital Outlay	94,000	0	94,000
<i>Excess of Revenues Under Expenditures</i>	(29,000)	0	29,000
<b>Other Financing Source</b>			
Transfers In	29,000	0	(29,000)
<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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Capital Outlay			
State Route 256 Safety Grant			
Capital Outlay	1,258	0	1,258
<i>Net Change in Fund Balance</i>	(1,258)	0	1,258
Fund Balance at Beginning of Year	9,753	9,753	0
Prior Year Encumbrances Appropriated	1,258	1,258	0
<i>Fund Balance at End of Year</i>	<u>\$9,753</u>	<u>\$11,011</u>	<u>\$1,258</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Payment in Lieu of Taxes	\$103,640	\$103,637	(\$3)
<b>Expenditures</b>			
Capital Outlay			
Tax Increment Financing Agreement Equity Construction			
Contractual Services	103,640	103,637	3
<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  
Street Improvement Trust Fund  
For the Year Ended December 31, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$750	\$3,673	\$2,923
<b>Expenditures</b>			
Capital Outlay			
Street Improvement Trust			
Capital Outlay	17,800	0	17,800
<i>Net Change in Fund Balance</i>	(17,050)	3,673	20,723
Fund Balance at Beginning of Year	186,590	186,590	0
<i>Fund Balance at End of Year</i>	<u>\$169,540</u>	<u>\$190,263</u>	<u>\$20,723</u>

**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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$1	\$2	\$1
<b>Expenditures</b>			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	1	2	1
Fund Balance at Beginning of Year	<u>1,716</u>	<u>1,716</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,717</u></u>	<u><u>\$1,718</u></u>	<u><u>\$1</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Impact Fees	\$277,070	\$497,424	\$220,354
Interest	200	513	313
<i>Total Revenues</i>	<u>277,270</u>	<u>497,937</u>	<u>220,667</u>
<b>Expenditures</b>			
Capital Outlay			
Park Impact Fee			
Contractual Services	3,500	3,346	154
Capital Outlay	481,856	470,664	11,192
<i>Total Expenditures</i>	<u>485,356</u>	<u>474,010</u>	<u>11,346</u>
<i>Net Change in Fund Balance</i>	(208,086)	23,927	232,013
Fund Balance at Beginning of Year	433,411	433,411	0
Prior Year Encumbrances Appropriated	<u>2,856</u>	<u>2,856</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$228,181</u>	<u>\$460,194</u>	<u>\$232,013</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Impact Fees	\$122,850	\$212,097	\$89,247
Interest	100	391	291
<i>Total Revenues</i>	<u>122,950</u>	<u>212,488</u>	<u>89,538</u>
<b>Expenditures</b>			
Capital Outlay			
Municipal Facility Impact Fee			
Contractual Services	1,500	1,038	462
Capital Outlay	175,000	175,000	0
<i>Total Expenditures</i>	<u>176,500</u>	<u>176,038</u>	<u>462</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(53,550)	36,450	90,000
<b>Other Financing Use</b>			
Transfers Out	(128,500)	(128,500)	0
<i>Net Change in Fund Balance</i>	(182,050)	(92,050)	90,000
Fund Balance at Beginning of Year	<u>337,346</u>	<u>337,346</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$155,296</u></u>	<u><u>\$245,296</u></u>	<u><u>\$90,000</u></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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Payment in Lieu of Taxes	\$805,371	\$172,692	(\$632,679)
<b>Expenditures</b>			
Current:			
Capital Outlay			
Ohio Health Medical Office Building Tax Increment Financing	3,500	2,263	1,237
Contractual Services	3,355,204	2,003,079	1,352,125
Capital Outlay	3,358,704	2,005,342	1,353,362
<i>Total Expenditures</i>	<u>3,358,704</u>	<u>2,005,342</u>	<u>1,353,362</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,553,333)</u>	<u>(1,832,650)</u>	<u>720,683</u>
<b>Other Financing Sources (Uses)</b>			
Bond Anticipation Notes Issued	1,100,000	1,100,000	0
Transfers In	650,000	406,000	(244,000)
Transfers Out	(61,295)	(29,122)	32,173
Advances Out	(105,000)	0	105,000
<i>Total Other Financing Sources (Uses)</i>	<u>1,583,705</u>	<u>1,476,878</u>	<u>(106,827)</u>
<i>Net Change in Fund Balance</i>	(969,628)	(355,772)	613,856
Fund Balance at Beginning of Year	700,683	700,683	0
Prior Year Encumbrances Appropriated	268,945	268,945	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$613,856</u>	<u>\$613,856</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Payment in Lieu of Taxes	\$6,261	\$51,575	\$45,314
<b>Expenditures</b>			
Current:			
Capital Outlay			
Hill/Diley Road Tax Increment Financing			
Contractual Services	1,500	667	833
<i>Net Change in Fund Balance</i>	4,761	50,908	46,147
Fund Balance at Beginning of Year	12,365	12,365	0
<i>Fund Balance at End of Year</i>	<u>\$17,126</u>	<u>\$63,273</u>	<u>\$46,147</u>

**City of Pickerington, Ohio**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Diley/Refugee Road Tax Increment Financing Fund  
 For the Year Ended December 31, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Capital Outlay			
Diley/Refugee Road Tax Increment Financing			
Capital Outlay	350,000	0	350,000
<i>Excess of Revenues Under Expenditures</i>	(350,000)	0	350,000
<b>Other Financing Source</b>			
Transfers In	350,000	0	350,000
<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>	\$0	\$0	\$0

## PERMANENT FUND

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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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest Income	\$0	\$4	\$4
<b>Expenditures</b>			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	4	4
Fund Balance at Beginning of Year	<u>4,375</u>	<u>4,375</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$4,375</u></u>	<u><u>\$4,379</u></u>	<u><u>\$4</u></u>

## ENTERPRISE FUNDS

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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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$2,363,820	\$2,431,460	\$67,640
Tap-in Fees	488,789	914,779	425,990
Utility Deposits Received	2,500	2,937	437
Interest	5,000	18,399	13,399
Other Non-Operating Revenues	32,488	19,039	(13,449)
<i>Total Revenues</i>	<u>2,892,597</u>	<u>3,386,614</u>	<u>494,017</u>
<b>Expenses</b>			
Current:			
Personal Services	1,056,158	900,227	155,931
Contractual Services	677,544	613,414	64,130
Materials and Supplies	358,859	314,471	44,388
Utility Deposits Applied	5,000	2,856	2,144
Utility Deposits Returned	2,500	900	1,600
Capital Outlay	704,676	548,939	155,737
Debt Service:			
Principal Retirement	275,248	275,248	0
Interest and Fiscal Charges	66,171	66,171	0
<i>Total Expenses</i>	<u>3,146,156</u>	<u>2,722,226</u>	<u>423,930</u>
<i>Net Change in Fund Equity</i>	(253,559)	664,388	917,947
Fund Equity at Beginning of Year	3,593,176	3,593,176	0
Prior Year Encumbrances Appropriated	<u>60,811</u>	<u>60,811</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$3,400,428</u></u>	<u><u>\$4,318,375</u></u>	<u><u>\$917,947</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$3,514,290	\$3,690,710	\$176,420
Tap-in Fees	666,940	793,756	126,816
Utility Deposits Received	2,500	2,938	438
Interest	1,500	5,634	4,134
Other Non-Operating Revenues	32,688	8,227	(24,461)
Proceeds from the Sale of Capital Assets	0	3,805	3,805
<i>Total Revenues</i>	<u>4,217,918</u>	<u>4,505,070</u>	<u>287,152</u>
<b>Expenses</b>			
Current:			
Personal Services	1,034,392	885,027	149,365
Contractual Services	1,253,626	1,105,961	147,665
Materials and Supplies	116,176	83,481	32,695
Utility Deposits Applied	5,000	2,856	2,144
Utility Deposits Returned	2,500	901	1,599
Capital Outlay	794,316	559,745	234,571
Debt Service:			
Principal Retirement	699,969	699,969	0
Interest and Fiscal Charges	271,461	271,459	2
<i>Total Expenses</i>	<u>4,177,440</u>	<u>3,609,399</u>	<u>568,041</u>
<i>Net Change in Fund Equity</i>	40,478	895,671	855,193
Fund Equity at Beginning of Year	4,954,047	4,954,047	0
Prior Year Encumbrances Appropriated	<u>276,336</u>	<u>276,336</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$5,270,861</u></u>	<u><u>\$6,126,054</u></u>	<u><u>\$855,193</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$702,452	\$710,707	\$8,255
Tap-in Fees	257,074	451,957	194,883
Interest	650	1,820	1,170
Other Non-Operating Revenues	10,706	1,699	(9,007)
<i>Total Revenues</i>	<u>970,882</u>	<u>1,166,183</u>	<u>195,301</u>
<b>Expenses</b>			
Current:			
Personal Services	337,584	313,191	24,393
Contractual Services	387,543	296,957	90,586
Materials and Supplies	34,212	26,119	8,093
Capital Outlay	594,465	548,485	45,980
<i>Total Expenses</i>	<u>1,353,804</u>	<u>1,184,752</u>	<u>169,052</u>
<i>Net Change in Fund Equity</i>	(382,922)	(18,569)	364,353
Fund Equity at Beginning of Year	1,398,364	1,398,364	0
Prior Year Encumbrances Appropriated	<u>48,211</u>	<u>48,211</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$1,063,653</u></u>	<u><u>\$1,428,006</u></u>	<u><u>\$364,353</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, 2018

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$180,000	\$196,192	\$16,192
Other Non-Operating Revenues	1,335	8,431	7,096
<i>Total Revenues</i>	<u>181,335</u>	<u>204,623</u>	<u>23,288</u>
<b>Expenses</b>			
Current:			
Personal Services	111,416	106,652	4,764
Contractual Services	60,526	50,365	10,161
Materials and Supplies	42,937	25,165	17,772
Capital Outlay	40,000	39,687	313
<i>Total Expenses</i>	<u>254,879</u>	<u>221,869</u>	<u>33,010</u>
<i>Net Change in Fund Equity</i>	(73,544)	(17,246)	56,298
Fund Equity at Beginning of Year	71,190	71,190	0
Prior Year Encumbrances Appropriated	<u>3,438</u>	<u>3,438</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$1,084</u>	<u>\$57,382</u>	<u>\$56,298</u>

## AGENCY FUND

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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, 2018

	<u>Balance</u> <u>1/1/18</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/18</u>
<b>Mayor's Court</b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	<u>\$15,247</u>	<u>\$83,328</u>	<u>\$89,866</u>	<u>\$8,709</u>
<i>Total Assets</i>	<u><u>\$15,247</u></u>	<u><u>\$83,328</u></u>	<u><u>\$89,866</u></u>	<u><u>\$8,709</u></u>
<b>Liabilities</b>				
Undistributed Monies	<u>\$15,247</u>	<u>\$83,328</u>	<u>\$89,866</u>	<u>\$8,709</u>
<i>Total Liabilities</i>	<u><u>\$15,247</u></u>	<u><u>\$83,328</u></u>	<u><u>\$89,866</u></u>	<u><u>\$8,709</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.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>S2 - S15</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, income taxes and property taxes.	<b>S17 - S27</b>
<b>Debt Capacity</b> 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.	<b>S28 - S35</b>
<b>Economic and Demographic Information</b> 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.	<b>S36 - S38</b>
<b>Operating Information</b> 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.	<b>S40 - S49</b>

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

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

	2018	2017 (3)	2016	2015
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$56,962,956	\$55,036,788	\$51,952,725	\$49,930,677
Restricted:				
Capital Projects	2,182,702	2,152,090	2,133,092	1,858,666
Debt Service	0	0	0	7,900
Security of Persons and Property	140,068	54,193	96,531	32,162
Transportation Services	1,240,341	1,003,242	1,290,591	1,183,287
Other Purposes	752,328	662,511	618,637	587,152
Perpetual Care:				
Expendable	2,834	2,830	2,826	2,823
Non-Expendable	1,545	1,545	1,545	1,545
Unrestricted	(6,803,066)	(6,499,984)	(946,516)	(914,172)
<i>Total Governmental Activities Net Position</i>	<u>54,479,708</u>	<u>52,413,215</u>	<u>55,149,431</u>	<u>52,690,040</u>
<b>Business-Type-Activities</b>				
Net Investment in Capital Assets	53,361,251	51,147,010	49,701,418	48,321,170
Unrestricted	<u>10,819,239</u>	<u>8,348,909</u>	<u>8,264,895</u>	<u>6,584,879</u>
<i>Total Business-Type Activities Net Position</i>	<u>64,180,490</u>	<u>59,495,919</u>	<u>57,966,313</u>	<u>54,906,049</u>
<b>Primary Government</b>				
Net Investment in Capital Assets	110,324,207	106,183,798	101,654,143	98,251,847
Restricted	4,319,818	3,876,411	4,143,222	3,673,535
Unrestricted	<u>4,016,173</u>	<u>1,848,925</u>	<u>7,318,379</u>	<u>5,670,707</u>
<i>Total Primary Government Net Position</i>	<u>\$118,660,198</u>	<u>\$111,909,134</u>	<u>\$113,115,744</u>	<u>\$107,596,089</u>

(1) Restated net position.

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

(3) The City reported the impact of GASB Statement No. 75 beginning in 2017.

<u>2014 (2)</u>	<u>2013</u>	<u>2012</u>	<u>2011 (1)</u>	<u>2010</u>	<u>2009 (1)</u>
\$43,834,353	\$43,715,619	\$44,046,257	\$42,835,157	\$41,960,655	\$43,487,617
2,033,368	1,866,186	1,730,788	2,090,799	1,758,477	2,050,326
99,644	111,923	250,962	0	0	0
0	10,347	8,298	218,989	233,528	198,648
833,903	768,366	751,177	652,107	621,243	765,398
423,148	510,120	373,339	710,710	274,748	278,252
2,819	2,814	2,810	2,804	2,798	0
1,545	1,545	1,545	1,545	1,545	0
<u>(1,448,335)</u>	<u>4,006,167</u>	<u>3,712,593</u>	<u>4,103,182</u>	<u>3,535,264</u>	<u>3,565,295</u>
<u>45,780,445</u>	<u>50,993,087</u>	<u>50,877,769</u>	<u>50,615,293</u>	<u>48,388,258</u>	<u>50,345,536</u>
45,510,929	43,755,897	42,935,198	41,184,090	39,844,968	35,699,418
<u>6,839,295</u>	<u>7,367,724</u>	<u>6,084,632</u>	<u>6,112,319</u>	<u>6,220,761</u>	<u>5,653,899</u>
<u>52,350,224</u>	<u>51,123,621</u>	<u>49,019,830</u>	<u>47,296,409</u>	<u>46,065,729</u>	<u>41,353,317</u>
89,345,282	87,471,516	86,981,455	84,019,247	81,805,623	79,187,035
3,394,427	3,271,301	3,118,919	3,676,954	2,892,339	3,292,624
<u>5,390,960</u>	<u>11,373,891</u>	<u>9,797,225</u>	<u>10,215,501</u>	<u>9,756,025</u>	<u>9,219,194</u>
<u>\$98,130,669</u>	<u>\$102,116,708</u>	<u>\$99,897,599</u>	<u>\$97,911,702</u>	<u>\$94,453,987</u>	<u>\$91,698,853</u>

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

	<u>2018 (3)</u>	<u>2017</u>	<u>2016</u>	<u>2015 (1)</u>
<b><u>Program Revenues</u></b>				
<b>Governmental Activities:</b>				
<b>Charges for Services:</b>				
General Government	\$141,314	\$139,754	\$133,906	\$17,647
Security of Persons and Property	449,946	403,282	369,618	343,811
Transportation	246,695	251,497	337,449	267,513
Leisure Time Activities	286,250	216,863	165,222	178,356
Community Environment	<u>1,234,053</u>	<u>982,770</u>	<u>825,577</u>	<u>565,992</u>
Subtotal Charges for Services	<u>2,358,258</u>	<u>1,994,166</u>	<u>1,831,772</u>	<u>1,373,319</u>
<b>Operating Grants and Contributions:</b>				
General Government	20,725	49,576	18,644	41,428
Security of Persons and Property	201,929	222,579	209,315	201,595
Transportation	827,871	813,652	783,583	771,002
Leisure Time Activities	<u>3,800</u>	<u>6,500</u>	<u>6,000</u>	<u>4,200</u>
Subtotal Operating Grants and Contributions	<u>1,054,325</u>	<u>1,092,307</u>	<u>1,017,542</u>	<u>1,018,225</u>
<b>Capital Grants and Contributions:</b>				
General Government	38,500	0	0	0
Security of Persons and Property	43,330	0	0	0
Transportation	2,804,389	2,678,078	1,895,619	6,761,252
Leisure Time Activities	0	191,066	0	43,527
Community Environment	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal Capital Grants and Contributions	<u>2,886,219</u>	<u>2,869,144</u>	<u>1,895,619</u>	<u>6,804,779</u>
<i>Total Governmental Activities Program Revenues</i>	<u>6,298,802</u>	<u>5,955,617</u>	<u>4,744,933</u>	<u>9,196,323</u>
<b>Business-Type Activities:</b>				
<b>Charges for Services:</b>				
Water	2,416,234	2,392,308	2,414,289	2,345,456
Sewer	3,666,020	3,740,292	3,654,726	3,473,543
Stormwater	708,522	702,085	683,101	663,249
Aquatic Recreation	<u>196,192</u>	<u>193,273</u>	<u>183,814</u>	<u>161,777</u>
Subtotal Charges for Services	<u>6,986,968</u>	<u>7,027,958</u>	<u>6,935,930</u>	<u>6,644,025</u>
<b>Operating Grants and Contributions:</b>				
Stormwater	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal Operating Grants and Contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Capital Grants and Contributions:</b>				
Water	1,146,284	795,232	1,012,297	846,676
Sewer	1,016,876	404,003	1,074,315	463,182
Stormwater	<u>1,693,789</u>	<u>1,281,590</u>	<u>614,513</u>	<u>238,495</u>
Subtotal Capital Grants and Contributions	<u>3,856,949</u>	<u>2,480,825</u>	<u>2,701,125</u>	<u>1,548,353</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>10,843,917</u>	<u>9,508,783</u>	<u>9,637,055</u>	<u>8,192,378</u>
<i>Total Primary Government Program Revenues</i>	<u>\$17,142,719</u>	<u>\$15,464,400</u>	<u>\$14,381,988</u>	<u>\$17,388,701</u>

- (1) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.  
(2) Restated payment in lieu of taxes.  
(3) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in 2018.

2014	2013	2012	2011 (2)	2010	2009
\$15,521	\$16,001	\$15,192	\$11,684	\$14,495	\$13,206
345,909	360,825	345,660	358,371	333,103	238,185
219,272	211,518	205,874	198,064	196,698	192,112
164,588	173,020	158,116	125,161	120,889	132,472
846,025	835,911	803,697	677,077	668,879	471,434
1,591,315	1,597,275	1,528,539	1,370,357	1,334,064	1,047,409
62,461	48,934	39,007	12,743	14,136	17,289
215,055	196,721	201,495	185,062	253,854	270,211
738,003	720,682	722,616	672,226	677,532	665,735
21,425	14,050	24,690	27,420	24,419	20,460
1,036,944	980,387	987,808	897,451	969,941	973,695
0	0	0	0	0	0
0	0	0	0	0	0
1,027,826	368,548	946,086	2,203,576	1,351,949	4,631,410
0	0	0	0	0	0
0	0	0	30,800	0	0
1,027,826	368,548	946,086	2,234,376	1,351,949	4,631,410
3,656,085	2,946,210	3,462,433	4,502,184	3,655,954	6,652,514
2,294,327	2,341,402	2,386,759	2,193,255	2,007,822	1,807,976
3,433,951	3,445,634	3,432,059	3,456,645	3,311,157	2,787,985
646,971	630,931	590,771	561,066	427,243	209,067
161,743	169,595	191,108	184,833	201,063	239,937
6,536,992	6,587,562	6,600,697	6,395,799	5,947,285	5,044,965
0	139,537	0	0	0	0
0	139,537	0	0	0	0
1,079,407	760,559	518,251	271,787	747,029	363,969
507,182	395,887	280,917	143,271	139,507	189,811
326,173	582,008	172,822	59,242	133,383	750,078
1,912,762	1,738,454	971,990	474,300	1,019,919	1,303,858
8,449,754	8,465,553	7,572,687	6,870,099	6,967,204	6,348,823
\$12,105,839	\$11,411,763	\$11,035,120	\$11,372,283	\$10,623,158	\$13,001,337

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

	<u>2018 (3)</u>	<u>2017</u>	<u>2016</u>	<u>2015 (1)</u>
<b><u>Expenses</u></b>				
<b>Governmental Activities:</b>				
General Government	\$3,218,547	\$3,041,585	\$2,539,460	\$2,344,441
Security of Persons and Property	6,752,600	5,850,092	5,596,622	4,958,894
Transportation	4,847,026	3,678,218	3,152,322	3,018,986
Leisure Time Activities	888,853	344,442	727,661	741,811
Public Health Services	182,928	171,960	167,789	158,281
Community Environment	840,218	1,346,118	947,600	713,456
Interest and Fiscal Charges	346,124	279,674	253,014	276,826
<i>Total Governmental Activities Expenses</i>	<u>17,076,296</u>	<u>14,712,089</u>	<u>13,384,468</u>	<u>12,212,695</u>
<b>Business-Type Activities:</b>				
Water	2,433,164	2,689,472	2,553,612	2,540,304
Sewer	2,797,039	3,350,807	3,127,684	2,672,994
Stormwater	877,678	711,749	708,486	641,289
Aquatic Recreation	222,168	249,072	227,495	166,278
<i>Total Business-Type Activities Expenses</i>	<u>6,330,049</u>	<u>7,001,100</u>	<u>6,617,277</u>	<u>6,020,865</u>
<i>Total Primary Government Program Expenses</i>	<u>23,406,345</u>	<u>21,713,189</u>	<u>20,001,745</u>	<u>18,233,560</u>
<b>Net (Expense)/ Revenue</b>				
Governmental Activities	(10,777,494)	(8,756,472)	(8,639,535)	(3,016,372)
Business-Type Activities	4,513,868	2,507,683	3,019,778	2,171,513
<i>Total Primary Government Net Expense</i>	<u>(\$6,263,626)</u>	<u>(\$6,248,789)</u>	<u>(\$5,619,757)</u>	<u>(\$844,859)</u>

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

(2) Restated payment in lieu of taxes.

(3) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in 2018.



<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011 (2)</u>	<u>2010</u>	<u>2009</u>
\$2,580,590	\$2,580,817	\$2,675,205	\$2,345,620	\$3,000,709	\$2,486,109
4,815,421	4,613,122	4,462,428	4,218,379	4,239,816	4,151,605
3,123,529	3,056,389	3,232,743	3,480,642	2,952,265	2,279,416
762,756	715,567	647,569	588,605	561,867	679,915
151,150	121,588	127,888	99,439	93,643	103,452
755,498	638,098	777,125	547,932	614,957	565,244
239,011	291,767	353,602	378,619	419,544	556,662
<u>12,427,955</u>	<u>12,017,348</u>	<u>12,276,560</u>	<u>11,659,236</u>	<u>11,882,801</u>	<u>10,822,403</u>
2,413,968	2,460,768	2,219,353	1,980,410	2,202,930	1,963,643
2,891,843	3,032,690	2,870,268	2,853,379	2,374,695	2,235,878
640,955	738,935	612,881	643,564	447,488	474,946
159,850	130,794	200,923	196,381	181,941	274,966
<u>6,106,616</u>	<u>6,363,187</u>	<u>5,903,425</u>	<u>5,673,734</u>	<u>5,207,054</u>	<u>4,949,433</u>
<u>18,534,571</u>	<u>18,380,535</u>	<u>18,179,985</u>	<u>17,332,970</u>	<u>17,089,855</u>	<u>15,771,836</u>
(8,771,870)	(9,071,138)	(8,814,127)	(7,157,052)	(8,226,847)	(4,169,889)
<u>2,343,138</u>	<u>2,102,366</u>	<u>1,669,262</u>	<u>1,196,365</u>	<u>1,760,150</u>	<u>1,399,390</u>
<u>(\$6,428,732)</u>	<u>(\$6,968,772)</u>	<u>(\$7,144,865)</u>	<u>(\$5,960,687)</u>	<u>(\$6,466,697)</u>	<u>(\$2,770,499)</u>

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

	2018 (3)	2017	2016	2015 (1)
<b><u>General Revenues and Other Changes in Net Position</u></b>				
Governmental Activities:				
Property and Other Taxes Levied for General Purposes	\$1,143,417	\$1,125,961	\$1,045,437	\$1,023,641
Property Taxes Levied for Security of Persons and Property	1,677,859	1,651,147	1,619,111	1,592,716
Income Taxes Levied for General Purposes	6,993,683	7,348,344	6,478,485	5,931,529
Franchise Taxes	216,933	223,141	244,610	257,515
Grants and Entitlements not Restricted to Specific Programs	337,101	328,677	306,616	406,475
Investment Earnings	509,148	250,502	93,295	97,950
Payment in Lieu of Taxes	329,517	252,208	384,545	115,174
Impact Fees	1,382,772	784,292	675,793	415,319
Gain on Sale of Capital Assets	0	24,126	1,151	5,799
Miscellaneous	320,757	175,017	249,883	427,916
<i>Total Governmental Activities</i>	<u>12,911,187</u>	<u>12,163,415</u>	<u>11,098,926</u>	<u>10,274,034</u>
Business-Type Activities:				
Investment Earnings	17,813	10,253	17,603	7,872
Gain on Sale of Capital Assets	0	0	107	11,352
Miscellaneous	85,690	26,754	22,776	17,021
<i>Total Business-Type Activities</i>	<u>103,503</u>	<u>37,007</u>	<u>40,486</u>	<u>36,245</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>13,014,690</u>	<u>12,200,422</u>	<u>11,139,412</u>	<u>10,310,279</u>
<b>Increase Before Transfers</b>				
Governmental Activities	2,133,693	3,406,943	2,459,391	7,257,662
Business-Type Activities	4,617,371	2,544,690	3,060,264	2,207,758
<i>Total Primary Government Increase Before Transfers</i>	<u>6,751,064</u>	<u>5,951,633</u>	<u>5,519,655</u>	<u>9,465,420</u>
<b>Transfers In (Out)</b>				
Governmental Activities	(67,200)	0	0	(348,067)
Business-Type Activities	67,200	0	0	348,067
<b>Increase (Decrease) After Transfers</b>				
Governmental Activities	2,066,493	3,406,943	2,459,391	6,909,595
Business-Type Activities	4,684,571	2,544,690	3,060,264	2,555,825
<i>Total Primary Government Increase After Transfers</i>	<u>\$6,751,064</u>	<u>\$5,951,633</u>	<u>\$5,519,655</u>	<u>\$9,465,420</u>

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

(2) Restated payment in lieu of taxes.

(3) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in 2018.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011 (2)</u>	<u>2010</u>	<u>2009</u>
\$959,759	\$1,017,220	\$960,929	\$966,394	\$984,192	\$972,149
1,494,333	1,528,904	1,470,711	1,484,938	1,453,677	1,423,744
5,760,828	5,220,794	5,029,644	5,117,727	4,643,326	4,527,504
242,630	250,997	265,146	256,095	245,377	189,705
303,657	321,059	387,648	498,744	496,743	595,467
58,193	19,398	66,069	59,449	92,724	145,561
133,817	71,004	212,666	528,809	738,217	939,085
414,332	547,854	553,211	367,399	264,926	323,888
5,573	0	0	8,200	0	0
228,009	186,992	130,579	96,332	244,404	322,661
<u>9,601,131</u>	<u>9,164,222</u>	<u>9,076,603</u>	<u>9,384,087</u>	<u>9,163,586</u>	<u>9,439,764</u>
4,414	4,646	28,563	28,740	58,010	78,236
14,326	0	0	0	0	0
34,621	19,013	25,596	5,575	235	28,084
<u>53,361</u>	<u>23,659</u>	<u>54,159</u>	<u>34,315</u>	<u>58,245</u>	<u>106,320</u>
<u>9,654,492</u>	<u>9,187,881</u>	<u>9,130,762</u>	<u>9,418,402</u>	<u>9,221,831</u>	<u>9,546,084</u>
829,261	93,084	262,476	2,227,035	936,739	5,269,875
2,396,499	2,126,025	1,723,421	1,230,680	1,818,395	1,505,710
<u>3,225,760</u>	<u>2,219,109</u>	<u>1,985,897</u>	<u>3,457,715</u>	<u>2,755,134</u>	<u>6,775,585</u>
0	22,234	0	0	(2,894,017)	(14,197)
0	(22,234)	0	0	2,894,017	14,197
829,261	115,318	262,476	2,227,035	(1,957,278)	5,255,678
2,396,499	2,103,791	1,723,421	1,230,680	4,712,412	1,519,907
<u>\$3,225,760</u>	<u>\$2,219,109</u>	<u>\$1,985,897</u>	<u>\$3,457,715</u>	<u>\$2,755,134</u>	<u>\$6,775,585</u>

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

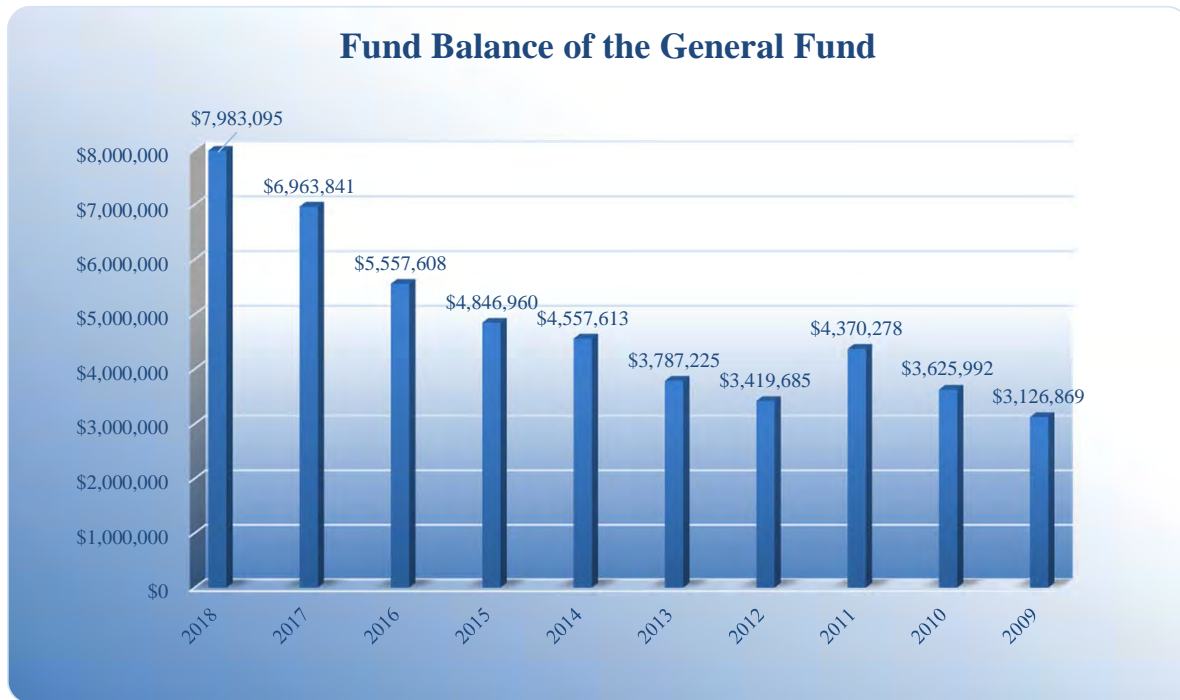
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b><u>Program Revenues</u></b>				
Governmental Activities:				
General Government	\$200,539	\$189,330	\$152,550	\$59,075
Security of Persons and Property	695,205	625,861	578,933	545,406
Transportation	3,878,955	3,743,227	3,016,651	7,799,767
Leisure Time Activities	290,050	414,429	171,222	226,083
Community Environment	<u>1,234,053</u>	<u>982,770</u>	<u>825,577</u>	<u>565,992</u>
Total Governmental Activities	<u>6,298,802</u>	<u>5,955,617</u>	<u>4,744,933</u>	<u>9,196,323</u>
Business-Type Activities:				
Water	3,562,518	3,187,540	3,426,586	3,192,132
Sewer	4,682,896	4,144,295	4,729,041	3,936,725
Stormwater	2,402,311	1,983,675	1,297,614	901,744
Aquatic Recreation	<u>196,192</u>	<u>193,273</u>	<u>183,814</u>	<u>161,777</u>
Total Business-Type Activities	<u>10,843,917</u>	<u>9,508,783</u>	<u>9,637,055</u>	<u>8,192,378</u>
<i>Total Primary Government</i>	<u><u>\$17,142,719</u></u>	<u><u>\$15,464,400</u></u>	<u><u>\$14,381,988</u></u>	<u><u>\$17,388,701</u></u>

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$77,982	\$64,935	\$54,199	\$24,427	\$28,631	\$30,495
560,964	557,546	547,155	543,433	586,957	508,396
1,985,101	1,300,748	1,874,576	3,073,866	2,226,179	5,489,257
186,013	187,070	182,806	152,581	145,308	152,932
<u>846,025</u>	<u>835,911</u>	<u>803,697</u>	<u>707,877</u>	<u>668,879</u>	<u>471,434</u>
<u>3,656,085</u>	<u>2,946,210</u>	<u>3,462,433</u>	<u>4,502,184</u>	<u>3,655,954</u>	<u>6,652,514</u>
3,373,734	3,101,961	2,905,010	2,465,042	2,754,851	2,171,945
3,941,133	3,841,521	3,712,976	3,599,916	3,450,664	2,977,796
973,144	1,352,476	763,593	620,308	560,626	959,145
<u>161,743</u>	<u>169,595</u>	<u>191,108</u>	<u>184,833</u>	<u>201,063</u>	<u>239,937</u>
<u>8,449,754</u>	<u>8,465,553</u>	<u>7,572,687</u>	<u>6,870,099</u>	<u>6,967,204</u>	<u>6,348,823</u>
<u>\$12,105,839</u>	<u>\$11,411,763</u>	<u>\$11,035,120</u>	<u>\$11,372,283</u>	<u>\$10,623,158</u>	<u>\$13,001,337</u>

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

	2018	2017	2016	2015	2014
<b>General Fund</b>					
Nonspendable	\$163,097	\$174,396	\$186,999	\$184,221	\$112,377
Committed	0	0	0	0	0
Assigned	738,156	1,600,219	551,284	648,280	955,515
Unassigned	7,081,842	5,189,226	4,819,325	4,014,459	3,489,721
Reserved	0	0	0	0	0
Unreserved	0	0	0	0	0
<i>Total General Fund</i>	<u>7,983,095</u>	<u>6,963,841</u>	<u>5,557,608</u>	<u>4,846,960</u>	<u>4,557,613</u>
<b>All Other Governmental Funds</b>					
Nonspendable	210,477	213,608	188,283	188,919	157,057
Restricted	4,722,030	3,175,098	2,335,170	2,866,274	1,466,933
Committed	2,324,296	1,958,927	1,758,690	1,293,928	1,598,878
Unassigned (Deficits)	(3,852,877)	(91,350)	(107,482)	(89,453)	(300,872)
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>3,403,926</u>	<u>5,256,283</u>	<u>4,174,661</u>	<u>4,259,668</u>	<u>2,921,996</u>
<b>Total Governmental Funds</b>	<u><u>\$11,387,021</u></u>	<u><u>\$12,220,124</u></u>	<u><u>\$9,732,269</u></u>	<u><u>\$9,106,628</u></u>	<u><u>\$7,479,609</u></u>

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



2013	2012	2011	2010	2009
\$128,029	\$50,555	\$451,029	\$426,935	\$0
8,465	0	0	0	0
124,946	641,911	975,595	695,552	0
3,525,785	2,727,219	2,943,654	2,503,505	0
0	0	0	0	81,324
0	0	0	0	3,045,545
<u>3,787,225</u>	<u>3,419,685</u>	<u>4,370,278</u>	<u>3,625,992</u>	<u>3,126,869</u>
157,577	127,190	133,924	98,153	0
1,482,237	1,565,488	1,569,175	1,122,312	0
1,483,958	1,080,264	732,768	595,454	0
(80,410)	(74,002)	(2,133,529)	(2,718,465)	0
0	0	0	0	62,242
0	0	0	0	1,168,950
0	0	0	0	68,407
0	0	0	0	(2,050,122)
<u>3,043,362</u>	<u>2,698,940</u>	<u>302,338</u>	<u>(902,546)</u>	<u>(750,523)</u>
<u>\$6,830,587</u>	<u>\$6,118,625</u>	<u>\$4,672,616</u>	<u>\$2,723,446</u>	<u>\$2,376,346</u>

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

	2018 (2)	2017 (2)	2016 (2)	2015 (2)	2014 (2)
<b>Revenues</b>					
Property and Other Taxes	\$2,698,992	\$2,649,515	\$2,531,831	\$2,506,630	\$2,398,110
Hotel and Motel Taxes	134,947	140,404	140,788	130,927	131,414
Permissive Motor Vehicle Registration Fees	246,695	238,447	237,449	229,371	219,272
Municipal Income Taxes	7,082,357	7,215,093	6,522,957	5,950,233	5,629,111
Franchise Taxes (3)	214,670	222,795	222,193	0	0
Charges for Services	656,059	729,314	704,239	439,364	655,088
Licenses and Permits	1,189,062	856,237	579,921	526,674	552,266
Impact Fees	1,382,772	1,036,500	675,793	415,319	414,332
Fines and Forfeitures	258,653	190,103	172,947	170,056	163,208
Intergovernmental	2,630,441	2,815,637	2,335,972	6,876,217	1,437,964
Interest	505,841	253,491	96,683	93,073	57,178
Payments in Lieu of Taxes	329,517	255,294	233,456	176,696	80,223
Rent	80	0	0	0	0
Contributions and Donations	25,595	58,319	26,639	45,928	91,461
Other	301,973	175,017	366,585	685,431	486,846
<i>Total Revenues</i>	<u>17,657,654</u>	<u>16,836,166</u>	<u>14,847,453</u>	<u>18,245,919</u>	<u>12,316,473</u>
<b>Expenditures</b>					
Current:					
General Government	3,032,636	2,859,932	2,435,430	2,310,224	2,518,065
Security of Persons and Property	5,913,444	5,341,366	5,082,397	4,860,311	4,746,507
Transportation	2,014,654	1,892,940	1,906,604	1,354,746	1,076,791
Leisure Time Activities	764,632	991,074	756,445	758,162	762,477
Public Health Services	182,928	171,960	167,789	158,281	151,150
Community Environment	782,512	1,263,434	923,284	740,544	753,043
Capital Outlay	5,779,810	2,082,630	2,078,347	7,764,998	716,828
Debt Service:					
Refunded Notes/ Bonds/ Loans Redeemed	3,300,000	2,300,000	2,300,000	0	0
Current Refunding Principal Retirement	0	0	0	0	0
Principal Retirement	797,807	791,898	731,883	727,601	717,704
Interest and Fiscal Charges	328,693	261,216	264,098	273,382	256,424
Bond Issuance Costs	0	0	0	0	0
<i>Total Expenditures</i>	<u>22,897,116</u>	<u>17,956,450</u>	<u>16,646,277</u>	<u>18,948,249</u>	<u>11,698,989</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(5,239,462)</u>	<u>(1,120,284)</u>	<u>(1,798,824)</u>	<u>(702,330)</u>	<u>617,484</u>
<b>Other Financing Sources (Uses):</b>					
Proceeds from the Sale of Capital Assets	6,359	24,512	2,111	15,351	23,341
Insurance Recoveries	0	155,818	0	0	0
Inception of a Capital Lease	0	127,809	122,354	13,998	8,197
Refunding Bonds Issued	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0
Premium on Refunding Bond Issuance	0	0	0	0	0
General Obligation Bonds Issued	0	0	0	0	0
Premium on General Obligation Bond Issuance	0	0	0	0	0
Notes Issued	4,400,000	3,300,000	2,300,000	2,300,000	0
Loans Issued	0	0	0	0	0
Transfers In	6,440,799	5,379,839	5,457,378	5,474,568	4,352,066
Transfers Out	(6,440,799)	(5,379,839)	(5,457,378)	(5,474,568)	(4,352,066)
<i>Total Other Financing Sources (Uses)</i>	<u>4,406,359</u>	<u>3,608,139</u>	<u>2,424,465</u>	<u>2,329,349</u>	<u>31,538</u>
<i>Net Change in Fund Balances</i>	<u>(\$833,103)</u>	<u>\$2,487,855</u>	<u>\$625,641</u>	<u>\$1,627,019</u>	<u>\$649,022</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	25.8%	23.2%	24.6%	9.5%	9.1%

(1) Includes, General, Special Revenue, Capital Projects, and Debt Service Funds.

(2) Includes, General, Special Revenue, Capital Projects, Debt Service, and the Permanent Fund.

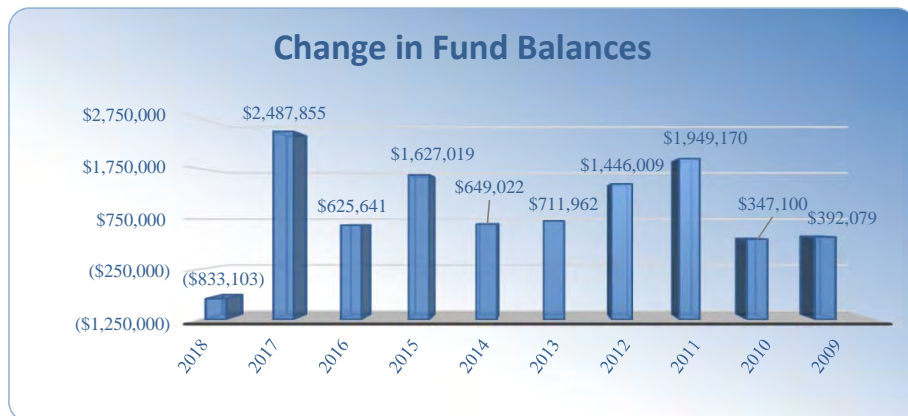
The City established the Permanent Fund during 2010.

(3) Prior to 2016, franchise taxes were combined with other revenues.



2013 (2)	2012 (2)	2011 (2)	2010 (2)	2009 (1)
\$2,428,550	\$2,323,491	\$2,441,729	\$2,292,735	\$2,265,277
123,573	108,149	101,141	104,494	99,378
211,518	205,874	198,064	196,698	192,112
5,160,857	5,058,025	5,040,931	4,753,299	4,545,475
0	0	0	0	0
578,885	630,293	545,526	535,238	356,126
635,913	515,134	434,901	429,038	335,713
547,854	553,211	367,399	264,926	323,888
168,184	177,238	191,866	172,465	154,033
1,622,373	1,401,522	1,699,146	2,851,331	6,222,723
19,330	68,904	60,493	99,328	160,969
171,537	728,745	889,381	588,786	655,079
0	0	0	850	9,200
49,084	66,222	40,413	39,305	51,317
459,624	371,625	338,685	489,781	513,194
<u>12,177,282</u>	<u>12,208,433</u>	<u>12,349,675</u>	<u>12,818,274</u>	<u>15,884,484</u>
2,521,939	2,766,970	2,473,392	2,604,829	2,388,797
4,563,421	4,384,265	4,087,623	4,035,685	4,100,220
1,448,963	1,547,483	706,954	990,005	732,827
678,486	597,519	549,167	532,160	605,402
121,588	127,888	99,073	93,643	103,446
676,204	757,051	505,464	653,044	585,665
485,257	377,048	588,452	1,992,242	5,801,436
4,875,204	5,892,000	2,025,000	2,295,000	2,780,000
0	0	270,000	485,000	695,000
704,276	2,162,302	835,877	913,707	792,868
329,249	355,737	383,495	446,075	565,608
59,840	125,157	0	0	0
<u>16,464,427</u>	<u>19,093,420</u>	<u>12,524,497</u>	<u>15,041,390</u>	<u>19,151,269</u>
<u>(4,287,145)</u>	<u>(6,884,987)</u>	<u>(174,822)</u>	<u>(2,223,116)</u>	<u>(3,266,785)</u>
33,075	23,600	8,200	0	0
0	0	0	0	0
0	92,959	32,724	16,249	0
4,740,000	1,045,000	0	0	0
0	(1,085,273)	0	0	0
226,032	38,621	0	0	0
0	5,660,000	0	0	0
0	191,089	0	0	0
0	2,365,000	2,025,000	2,295,000	2,780,000
0	0	58,068	258,967	893,061
4,447,291	5,852,225	4,106,860	4,416,872	4,580,968
<u>(4,447,291)</u>	<u>(5,852,225)</u>	<u>(4,106,860)</u>	<u>(4,416,872)</u>	<u>(4,595,165)</u>
4,999,107	8,330,996	2,123,992	2,570,216	3,658,864
<u>\$711,962</u>	<u>\$1,446,009</u>	<u>\$1,949,170</u>	<u>\$347,100</u>	<u>\$392,079</u>

38.7%      49.6%      33.6%      31.5%      36.2%



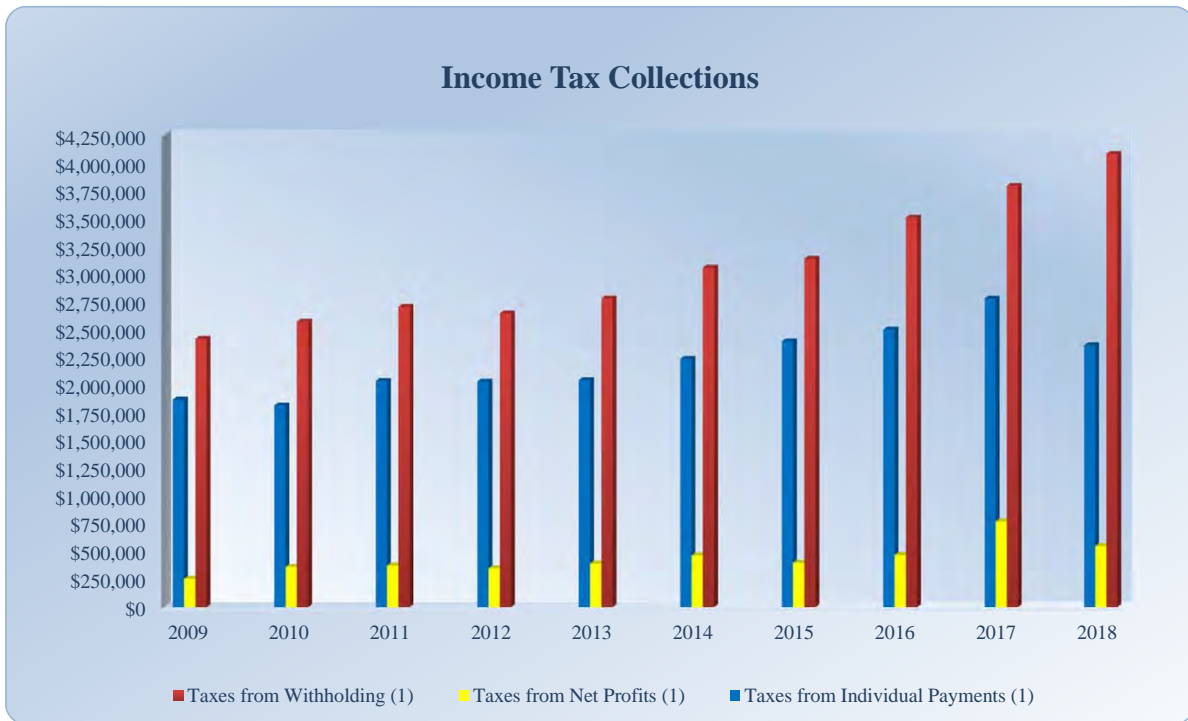
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**City of Pickerington, Ohio**  
**Income Tax Revenue Base and Collections**  
**Last Ten Years**

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
2018	1%	\$6,993,683	\$4,080,238	58.34%	\$551,888	7.89%	\$2,361,557	33.77%
2017	1%	7,348,344	3,793,273	51.62%	774,498	10.54%	2,780,573	37.84%
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%

(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
2018	\$378,898,920	\$108,915,140	\$1,393,754,457	\$2,989,510	\$11,958,040
2017	370,106,780	103,560,110	1,353,333,971	2,881,050	11,524,200
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

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 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	Assessed Value	Estimated Actual Value		
0	0	490,803,570	1,405,712,497	35%	\$6.122736
0	0	476,547,940	1,364,858,171	35%	\$6.148970
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



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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Unvoted Millage</b>					
Operating	2.300000	2.300000	2.300000	2.300000	2.300000
<b>Voted Millage - by levy</b>					
2000 Police					
Residential/Agricultural Real	3.784737	3.816890	4.179654	4.183113	4.188839
Commercial/Industrial/Public Utility/Mineral Real	3.908889	3.917689	3.916187	3.859785	3.898884
General Business/Public Utility Personal	5.500000	5.500000	5.500000	5.500000	5.500000
<b><u>Total Millage By Type of Property</u></b>					
Residential/Agricultural Real	6.084737	6.116890	6.479654	6.483113	6.488839
Commercial/Industrial/Public Utility/Mineral Real	6.208889	6.217689	6.216187	6.159785	6.198884
General Business/Public Utility Personal	7.800000	7.800000	7.800000	7.800000	7.800000
<b>Total Direct Rate</b>	<u>6.122736</u>	<u>6.148970</u>	<u>6.419270</u>	<u>6.410920</u>	<u>6.426140</u>
<b>Overlapping Rates by Taxing District</b>					
Fairfield County					
Residential/Agricultural Real	10.306597	9.330501	9.702280	7.859879	7.857379
Commercial/Industrial/Public Utility/Mineral Real	10.787046	9.751416	9.780568	7.901993	7.768445
General Business/Public Utility Personal	11.400000	10.400000	10.400000	8.550000	8.550000
Violet Township					
Residential/Agricultural Real	10.894062	10.950420	11.722621	11.741320	7.951975
Commercial/Industrial/Public Utility/Mineral Real	10.666599	10.854558	10.857629	10.806266	6.877246
General Business/Public Utility Personal	16.150000	16.150000	16.150000	16.150000	12.350000
Pickerington Local School District					
Residential/Agricultural Real	42.942679	43.590731	46.209015	47.347988	47.362613
Commercial/Industrial/Public Utility/Mineral Real	43.169108	44.068755	44.462280	45.314184	44.732973
General Business/Public Utility Personal	82.700000	83.200000	83.600000	84.700000	84.700000
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>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>
3.949935	3.930394	3.921990	3.735578	3.729792
3.896222	3.993935	3.946811	3.907448	3.910638
<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>
6.249935	6.230394	6.221990	6.035578	6.029792
6.196222	6.293935	6.246811	6.207448	6.210638
<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>
<u>6.245325</u>	<u>6.251845</u>	<u>6.235038</u>	<u>6.079482</u>	<u>6.075933</u>
7.940718	7.935674	7.933207	7.833735	6.752542
7.796534	7.834249	7.832841	7.774519	6.569894
8.550000	8.550000	8.550000	8.550000	7.550000
7.711161	7.691960	7.680260	7.366401	7.364177
6.897248	6.972694	6.827467	6.555080	6.466813
12.350000	12.350000	12.350000	12.350000	12.350000
47.352162	47.688395	42.555875	40.828533	40.400605
46.307840	46.719990	41.097131	40.291587	39.210458
85.500000	85.900000	80.820000	80.250000	79.850000
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  
2018 and 2009 (1)

Name of Taxpayer	2018	
	Assessed Value	Percent of Real Property Assessed Value
Pickerington Ridge	\$5,946,260	1.22%
The Kroger Company	5,495,000	1.13%
AERC Turnberry Holdings LLC	4,685,330	0.96%
Lakepoint Ohio Partners LLC	4,537,750	0.93%
Pickerington Plaza Limited Partnership	3,693,880	0.76%
B&G Realty LLC	3,675,790	0.75%
CRI Pickerington Square LLC	3,101,260	0.64%
Walker's Corner II LLC	2,478,720	0.51%
Pickerington Assisted Living LLC	2,414,840	0.49%
Ohio Health Corporation	2,361,740	0.48%
Totals	<u>\$38,390,570</u>	<u>7.87%</u>
Total Assessed Valuation	<u>\$487,814,060</u>	

Name of Taxpayer	2009	
	Assessed Value	Percent of Real Property Assessed Value
Pickerington Apartments LLC	\$6,232,070	1.48%
Regency Centers LP	5,583,700	1.33%
Lakes Edge Partnership	5,057,920	1.20%
B & G Realty Inc.	4,517,800	1.07%
Pickerington Square	4,102,440	0.98%
Pickerington Plaza Limited Partnership	3,687,890	0.88%
AERC Turnberry Inc.	3,683,990	0.88%
Homewood Corporation	2,544,980	0.60%
Dominion Homes	2,205,740	0.52%
Turnberry Station LLC	2,094,470	0.50%
Totals	<u>\$39,711,000</u>	<u>9.44%</u>
Total Assessed Valuation	<u>\$420,629,200</u>	

(1) The amounts presented represent the assessed values upon which 2018 and 2009 collections were based.

Source: Fairfield County, Ohio; County Auditor

**City of Pickerington, Ohio**

Principal Taxpayers

Public Utilities Tax

2018 and 2009 (1)

<u>Name of Taxpayer</u>	2018	
	<u>Assessed Value</u>	<u>Percent of Public Utility Assessed Value</u>
Columbia Gas of Ohio Inc.	\$1,347,990	45.09%
South Central Power Co.	680,570	22.77%
Ohio Power Co.	589,930	19.73%
Total	<u>\$2,618,490</u>	<u>87.59%</u>
Total Assessed Valuation	<u>\$2,989,510</u>	

<u>Name of Taxpayer</u>	2009	
	<u>Assessed Value</u>	<u>Percent of Public Utility Assessed Value</u>
Columbia Gas of Ohio Inc.	\$577,260	32.09%
South Central Power Co.	547,990	30.46%
Columbus Southern Power Co.	433,050	24.07%
Ohio Bell Telephone Co.	201,800	11.22%
Total	<u>\$1,760,100</u>	<u>97.84%</u>
Total Assessed Valuation	<u>\$1,798,870</u>	

(1) The amounts presented represent the assessed values upon which 2018 and 2009 collections were based.

Source: Fairfield County, Ohio; County Auditor

**City of Pickerington, Ohio**  
Principal Taxpayers  
Tangible Personal Property Tax  
2010 and 2009 (1)

<u>Name of Taxpayer</u>	<u>2010</u>	
	<u>Assessed Value</u>	<u>Percent of Tangible Personal Property Assessed Value</u>
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>\$160,660</u>	

<u>Name of Taxpayer</u>	<u>2009</u>	
	<u>Assessed Value</u>	<u>Percent of Tangible Personal Property Assessed Value</u>
Ohio Bell Telephone Company	\$174,140	57.85%
New Par	52,720	17.51%
Cincinnati SMSA LTD Partnership	39,260	13.04%
T-Mobile Central LLC	31,930	10.61%
Sprint Nextel Corporation	2,990	0.99%
Total	<u>\$301,040</u>	<u>100.00%</u>
Total Assessed Valuation	<u>\$301,040</u>	

(1) The amounts presented represent the assessed values upon which 2010 and 2009 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)

	2018	2017	2016	2015	2014
<b><u>Real and Public Utility Property</u></b>					
Current Tax Levy	\$2,999,933	\$2,925,430	\$2,879,015	\$2,758,980	\$2,696,129
Current Tax Collections	2,961,668	2,895,330	2,764,518	2,717,953	2,619,187
Percent of Current Collections to Levy	98.72%	98.97%	96.02%	98.51%	97.15%
Delinquent Tax Collections (2)	50,113	58,467	57,220	73,859	59,347
Total Tax Collections	3,011,781	2,953,797	2,821,738	2,791,812	2,678,534
Ratio of Total Collections to Levy	100.39%	100.97%	98.01%	101.19%	99.35%
Outstanding Delinquent Taxes (4)	22,181	34,844	47,655	55,727	76,927
Ratio of Outstanding Delinquent Taxes to Tax Levy	0.74%	1.19%	1.66%	2.02%	2.85%
<b><u>Tangible Personal Property</u></b>					
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.

2013	2012	2011	2010	2009
\$2,688,390	\$2,611,468	\$2,596,780	\$2,498,285	\$2,546,399
2,626,923	2,544,501	2,527,996	2,366,863	2,426,968
97.71%	97.44%	97.35%	94.74%	95.31%
63,832	39,601	164,598	91,961	69,636
2,690,755	2,584,102	2,692,594	2,458,824	2,496,604
100.09%	98.95%	103.69%	98.42%	98.04%
132,697	152,358	158,337	249,895	209,255
4.94%	5.83%	6.10%	10.00%	8.22%
\$0	\$0	\$0	\$1,256	\$2,308
0	0	0	0	2,308
0.00%	0.00%	0.00%	0.00%	100.00%
0	0	0	0	2,370
0	0	0	0	4,678
0.00%	0.00%	0.00%	0.00%	202.69%
0	0	0	2,593	2,130
0.00%	0.00%	0.00%	206.45%	92.29%

**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 (5) & (6)	Bond Anticipation Notes (5) & (7)	State Infrastructure Bank Loan (3) & (6)	Capital Leases (4) & (5)
2018	\$7,636,298	\$4,400,000	\$0	\$159,429
2017	8,405,372	3,300,000	0	212,236
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

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) 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.
- (4) During 2002, the City entered into a lease with First Star Bank for the construction of a new police facility.
- (5) 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.
- (6) During 2013, the City retired the outstanding State Infrastructure Bank Loan with proceeds from the issuance of general obligation bonds.
- (7) During 2015, the City issued \$2,300,000 in general obligation bond anticipation notes for the Refugee Road widening project. During 2017, the City issued an additional \$1,000,000 in general obligation bond anticipation notes for the Refugee Road widening project. During 2018, the City issued an additional \$1,100,000 in general obligation bond anticipation notes for the Refugee Road widening project.

Business-Type Activities

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General Obligation Bonds	Bond Anticipation Notes	OWDA Loan	Capital Leases	Total Debt	Percentage of Personal Income (1)	Per Capita (1)
\$2,681,443	\$0	\$8,128,410	\$9,268	\$23,014,848	3.33%	\$1,128
2,946,551	0	8,843,627	13,880	23,721,666	3.62%	1,182
3,206,659	0	9,534,607	18,345	24,365,382	3.82%	1,234
3,461,767	0	10,202,178	22,667	25,925,986	4.20%	1,336
3,903,131	0	10,847,143	1,627	25,428,952	4.25%	1,332
4,464,996	0	11,470,272	2,765	27,349,168	4.73%	1,463
5,006,375	0	12,087,014	12,173	29,154,722	5.07%	1,584
2,960,645	2,780,000	12,565,368	25,152	30,023,029	5.54%	1,641
3,160,584	3,989,000	11,530,965	31,678	31,420,073	5.96%	1,767
3,506,230	3,682,000	7,596,594	42,123	28,659,181	7.59%	1,960

**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 Estimated Actual Property Value</u>	<u>General Obligation Bonded Debt Per Capita</u>
2018	20,402	\$1,405,712,497	\$10,317,741	0.73%	\$505.72
2017	20,069	1,364,858,171	11,351,923	0.83%	565.64
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

- (1) Population estimates from Mid Ohio Regional Planning Commission for years 2008 and 2009.  
Population estimates from the U.S. Census Bureau for years 2010-2018.
- (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, 2018

<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>
<b><u>Direct - City of Pickerington</u></b>			
General Obligation Bonds	\$7,636,298	100%	\$7,636,298
Bond Anticipation Notes	4,400,000	100%	4,400,000
Capital Leases	159,429	100%	159,429
Total Direct Debt	<u>12,195,727</u>		<u>12,195,727</u>
<b><u>Overlapping Debt</u></b>			
Fairfield County	37,331,204	13.33%	4,976,249
Violet Township	6,375,000	43.50%	2,773,125
Pickerington Local School District	<u>92,069,243</u>	39.36%	<u>36,238,454</u>
Total Overlapping Debt	<u>135,775,447</u>		<u>43,987,829</u>
Total Direct and Overlapping Debt	<u><u>\$147,971,174</u></u>		<u><u>\$56,183,556</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	
2018	\$2,446,607	\$1,883,436	\$563,171	\$0	\$165,248	\$19,721	\$165,248	\$19,721	3.04
2017	2,408,333	2,093,961	314,372	0	159,393	24,546	159,393	24,546	1.71
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

- (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	
2018	\$3,680,995	\$2,133,306	\$1,547,689	\$549,969	\$240,269	1.96
2017	3,752,874	2,221,941	1,530,933	531,587	256,354	1.94
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

(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**

	2018	2017	2016	2015
Total Assessed Property Value	<u>\$490,803,570</u>	<u>\$476,547,940</u>	<u>\$449,019,010</u>	<u>\$430,855,880</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>51,534,375</u>	<u>50,037,534</u>	<u>47,146,996</u>	<u>45,239,867</u>
Debt Outstanding:				
General Obligation Bonds Payable	\$9,950,000	\$10,955,000	\$11,945,000	\$12,920,000
Notes Payable	8,400,000	3,300,000	2,300,000	2,300,000
Loans Payable (1)	0	0	0	0
OWDA Loans Payable	<u>8,128,410</u>	<u>8,843,627</u>	<u>9,534,607</u>	<u>10,202,178</u>
Total Gross Indebtedness Outstanding	26,478,410	23,098,627	23,779,607	25,422,178
Less: Debt Exempt from Limitation				
General Obligation Bonds Payable	(2,625,000)	(2,885,000)	(3,140,000)	(3,390,000)
Notes Payable	(4,000,000)	0	0	0
OWDA Loans Payable	(8,128,410)	(8,843,627)	(9,534,607)	(10,202,178)
Amount Available in Debt Service Fund for General Obligations	<u>(44,810)</u>	<u>(92,459)</u>	<u>(129,537)</u>	<u>(194,339)</u>
Total Net Debt Applicable to Debt Limit	<u>11,680,190</u>	<u>11,277,541</u>	<u>10,975,463</u>	<u>11,635,661</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$39,854,185</u>	<u>\$38,759,993</u>	<u>\$36,171,533</u>	<u>\$33,604,206</u>
Legal Debt Margin as a Percentage of the Debt Limit	77.34%	77.46%	76.72%	74.28%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$26,994,196</u>	<u>\$26,210,137</u>	<u>\$24,696,046</u>	<u>\$23,697,073</u>
Total Gross Indebtedness	26,478,410	23,098,627	23,779,607	25,422,178
Less:				
General Obligation Bonds Payable	(2,625,000)	(2,885,000)	(3,140,000)	(3,390,000)
Notes Payable	(4,000,000)	0	0	0
OWDA Loans Payable	(8,128,410)	(8,843,627)	(9,534,607)	(10,202,178)
Amount Available in Debt Service Fund for General Obligations	<u>(44,810)</u>	<u>(92,459)</u>	<u>(129,537)</u>	<u>(194,339)</u>
Net Debt Within 5 ½ % Limitations	<u>11,680,190</u>	<u>11,277,541</u>	<u>10,975,463</u>	<u>11,635,661</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$15,314,006</u>	<u>\$14,932,596</u>	<u>\$13,720,583</u>	<u>\$12,061,412</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	56.73%	56.97%	55.56%	50.90%

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

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

2014	2013	2012	2011	2010	2009
<u>\$420,037,020</u>	<u>\$433,411,990</u>	<u>\$419,306,830</u>	<u>\$417,550,250</u>	<u>\$427,456,580</u>	<u>\$422,729,110</u>
<u>44,103,887</u>	<u>45,508,259</u>	<u>44,027,217</u>	<u>43,842,776</u>	<u>44,882,941</u>	<u>44,386,557</u>
\$14,050,000	\$15,290,000	\$11,760,000	\$4,110,000	\$4,535,000	\$4,965,000
0	0	0	8,373,750	10,720,500	10,966,250
0	0	4,875,204	5,480,929	5,997,677	6,283,561
<u>10,847,143</u>	<u>11,470,272</u>	<u>12,087,014</u>	<u>12,565,368</u>	<u>11,530,965</u>	<u>7,596,594</u>
<u>24,897,143</u>	<u>26,760,272</u>	<u>28,722,218</u>	<u>30,530,047</u>	<u>32,784,142</u>	<u>29,811,405</u>
(3,825,000)	(4,380,000)	(4,915,000)	(2,935,000)	(3,295,000)	(3,665,000)
0	0	0	(3,989,000)	(5,682,000)	(4,864,000)
<u>(10,847,143)</u>	<u>(11,470,272)</u>	<u>(12,087,014)</u>	<u>(12,565,368)</u>	<u>(11,530,965)</u>	<u>(7,596,594)</u>
<u>(207,093)</u>	<u>(274,430)</u>	<u>(347,654)</u>	<u>(44,039)</u>	<u>(18,122)</u>	<u>(68,407)</u>
<u>10,017,907</u>	<u>10,635,570</u>	<u>11,372,550</u>	<u>10,996,640</u>	<u>12,258,055</u>	<u>13,617,404</u>
<u>\$34,085,980</u>	<u>\$34,872,689</u>	<u>\$32,654,667</u>	<u>\$32,846,136</u>	<u>\$32,624,886</u>	<u>\$30,769,153</u>
77.29%	76.63%	74.17%	74.92%	72.69%	69.32%
<u>\$23,102,036</u>	<u>\$23,837,659</u>	<u>\$23,061,876</u>	<u>\$22,965,264</u>	<u>\$23,510,112</u>	<u>\$23,250,101</u>
<u>24,897,143</u>	<u>26,760,272</u>	<u>28,722,218</u>	<u>30,530,047</u>	<u>32,784,142</u>	<u>29,811,405</u>
(3,825,000)	(4,380,000)	(4,915,000)	(2,935,000)	(3,295,000)	(3,665,000)
0	0	0	(3,989,000)	(5,682,000)	(4,864,000)
<u>(10,847,143)</u>	<u>(11,470,272)</u>	<u>(12,087,014)</u>	<u>(12,565,368)</u>	<u>(11,530,965)</u>	<u>(7,596,594)</u>
<u>(207,093)</u>	<u>(274,430)</u>	<u>(347,654)</u>	<u>(44,039)</u>	<u>(18,122)</u>	<u>(68,407)</u>
<u>10,017,907</u>	<u>10,635,570</u>	<u>11,372,550</u>	<u>10,996,640</u>	<u>12,258,055</u>	<u>13,617,404</u>
<u>\$13,084,129</u>	<u>\$13,202,089</u>	<u>\$11,689,326</u>	<u>\$11,968,624</u>	<u>\$11,252,057</u>	<u>\$9,632,697</u>
56.64%	55.38%	50.69%	52.12%	47.86%	41.43%

**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)
2018	20,402	\$690,403,680	\$33,840	\$85,320	35.1
2017	20,069	654,771,194	32,626	84,410	35.5
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

(1) Population estimate from Mid Ohio Regional Planning Commission for 2009.  
Population estimates from the U.S. Census Bureau for years 2010-2018.

(2) Source: U.S. Census Estimates

(3) Source: Ohio Department of Education.

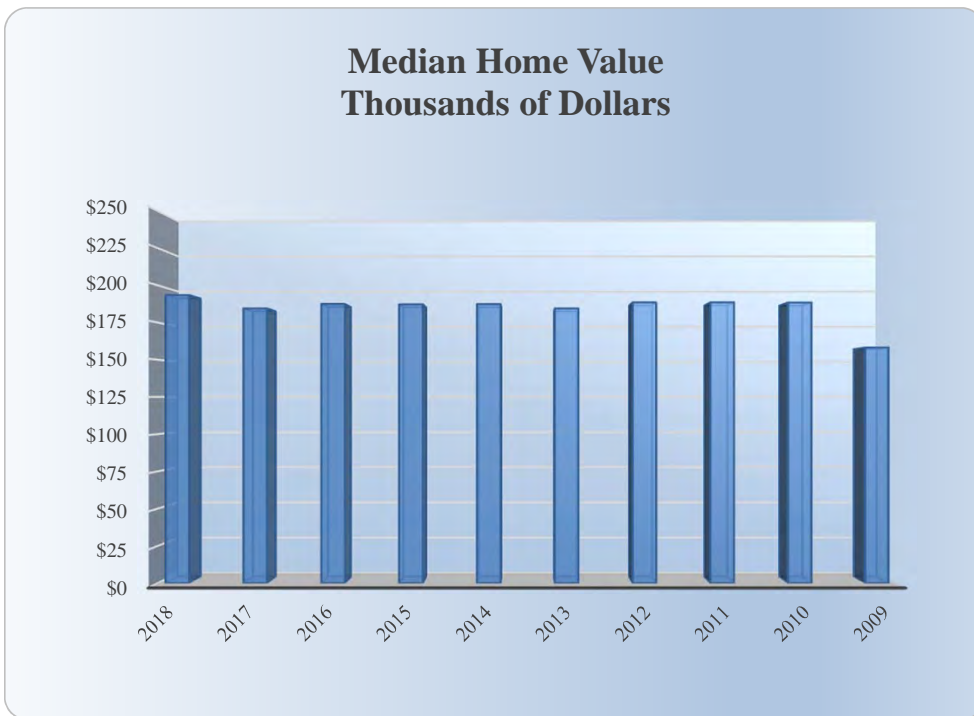
(4) Source: Ohio Bureau of Employment Services. The unemployment rate for the City is not available; therefore, the County rate was used.

(5) Source: Fairfield County, Ohio; County Auditor for 2009.  
Source: U.S. Census Bureau for years 2010-2018.

(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)	Median Home Value (5)	Total Assessed Property Value (5)
40.1%	10,658	4.3%	\$193,500	\$490,803,570
38.6	10,468	4.3	184,500	476,547,940
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	188,600	417,550,250
41.0	10,287	7.9	188,500	427,456,580
31.6	9,867	8.5	158,224	422,729,110



**City of Pickerington, Ohio**  
Principal Employers  
2018 and 2009

2018

Employer	Nature of Business	Employees	Percentage of Total City Employment
Pickerington Local School District	School System	1,316	13.35%
Ohio Health Corporation	Health Care Facility	437	4.43%
Kohl's Department Stores	Retail	384	3.90%
Kroger Company, Inc.	Supermarket	380	3.85%
Roosters	Restaurant	288	2.92%
Cracker Barrel Restaurant	Restaurant	269	2.73%
Tamarkin Co Inc.	Supermarket	223	2.26%
Marcus Cinemas of Ohio LLC	Entertainment	187	1.90%
Wendys	Restaurant	165	1.67%
Hawthorn Senior Living	Senior Living Facility	159	1.61%
Total		<u>3,808</u>	<u>38.63%</u>
Total Employment within the City		<u>9,858</u>	

2009

Employer	Nature of Business	Employees	Percentage of Total City Employment
Pickerington Local School District	School System	1,247	15.11%
Tamarkin Co Inc.	Supermarket	279	3.38%
Cracker Barrel Restaurant	Restaurant	276	3.34%
Kohl's Department Stores	Retail	270	3.27%
Kroger Company, Inc.	Supermarket	260	3.15%
Kindred Nursing Center	Health Care Facility	188	2.28%
City of Pickerington	Government	146	1.77%
Wendy's	Restaurant	134	1.62%
Max & Erma's Restaurants, Inc.	Restaurant	121	1.47%
Marcus Cinemas of Ohio, LLC	Entertainment	109	1.32%
Total		<u>3,030</u>	<u>36.71%</u>
Total Employment within the City		<u>8,253</u>	

Source: City Income Tax Department.



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

Function/Program	2018	2017	2016	2015
<b>General Government</b>				
Council	7.00	7.00	7.00	7.00
Mayor	1.00	1.00	1.00	1.00
Clerk of Courts	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00
Finance Director	1.00	1.00	1.00	1.00
Human Resources	1.00	1.00	1.00	1.50
Income Tax	3.50	3.50	3.50	3.50
Municipal Records	2.00	2.00	3.00	2.00
Finance Department	2.00	2.00	2.00	2.00
Facilities Operations	2.00	2.00	2.00	2.00
Secretary/ Administrative	3.00	3.00	3.00	2.50
City Engineer	0.00	1.00	1.00	1.00
Staff Engineer	0.00	0.00	0.00	0.00
Engineer Inspectors	0.00	0.00	0.00	0.00
<b>Security of Persons and Property</b>				
Police Chief	1.00	1.00	1.00	1.00
Police Commanders	2.00	2.00	2.00	2.00
Police Patrol Officers	24.00	24.00	23.00	22.00
Police Detectives	4.00	3.00	3.00	3.00
Police Dispatchers/Office	9.00	10.00	9.00	11.00
<b>Leisure Time Activities</b>				
Parks & Recreation Director	1.00	1.00	1.00	1.00
Recreation	1.00	1.00	1.00	1.00
Parks	2.00	2.00	2.00	2.00
<b>Community Development</b>				
Building	2.50	2.50	2.00	2.00
Development/Planning/Code Enforcement	4.00	4.00	4.00	4.00
<b>Transportation</b>				
Street Maintenance & Repair	5.00	5.00	5.00	5.00
<b>Basic Utility Services</b>				
Service Director	1.00	1.00	1.00	1.00
Assistant Service Director	1.00	1.00	0.00	0.00
Secretary/ Administrative	4.00	4.00	5.00	4.00
Water	6.00	6.00	6.00	6.00
Sewer	3.00	3.00	3.00	4.00
Stormwater	3.00	3.00	3.00	3.00
<b>Totals:</b>	<u>98.00</u>	<u>99.00</u>	<u>97.50</u>	<u>97.50</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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
7.00	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
1.50	1.50	1.00	1.00	1.00	1.00
3.50	3.50	4.50	4.00	3.00	3.00
2.00	2.00	2.00	2.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
2.00	2.00	1.00	1.00	1.00	1.00
2.50	2.50	2.50	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00	1.00
0.00	0.00	1.00	1.00	1.00	1.00
0.00	0.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
22.00	22.00	21.00	19.00	20.00	19.00
3.00	3.00	3.00	3.00	3.00	2.00
11.00	11.00	8.50	10.50	9.50	11.50
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	0.50	2.00	2.00
2.00	2.00	2.00	2.00	2.00	3.00
2.00	2.00	2.00	3.00	3.00	3.00
4.00	4.00	3.00	2.50	3.00	3.00
5.00	5.00	5.00	5.00	5.00	5.00
1.00	1.00	1.00	1.00	1.00	1.00
0.00	0.00	0.00	0.00	0.00	0.00
4.00	4.00	4.00	3.00	3.00	3.00
6.00	6.00	6.00	5.00	5.00	5.00
5.00	6.00	6.00	6.00	6.00	5.00
3.00	2.00	2.00	2.00	2.00	2.00
<u>98.50</u>	<u>98.50</u>	<u>96.50</u>	<u>94.50</u>	<u>94.50</u>	<u>94.50</u>

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

Function/Program	2018	2017	2016	2015
<b>General Government</b>				
<i>Council and Clerk</i>				
Number of Ordinances Passed	38	60	52	44
Number of Resolutions Passed	33	30	25	50
<i>Finance Department</i>				
Number of checks/ vouchers issued	3,984	4,078	4,139	4,286
Number of P.O.'s issued	2,543	3,337	2,570	3,255
Interest earnings for fiscal year (1)	\$471,718	\$226,409	\$141,459	\$74,285
General Fund Receipts (1)	\$10,791,616	\$10,615,164	\$9,314,280	\$9,019,315
General Fund Expenditures (1)	\$10,669,560	\$9,464,880	\$9,028,000	\$8,559,589
General Fund Cash Balances	\$6,538,914	\$6,097,300	\$4,624,365	\$4,223,426
<i>Income Tax Department</i>				
Forms Prepared/ Mailed				
Individual Postcards (3)	12,579	12,569	10,868	10,439
Withholding Postcards (3)	3,709	3,413	3,193	3,005
Estimate Statements	2,143	2,539	2,552	2,986
Federal 1099-G	2,137	2,019	2,003	2,220
Collections				
Tax (2)	\$6,993,683	\$7,348,344	\$6,478,485	\$5,931,529
Refunds	\$335,695	\$333,523	\$278,748	\$245,768
<i>Utilities Billing</i>				
Shut-off notices processed	4,192	4,660	4,436	3,977
Work Orders Processed	1,819	1,412	1,456	1,744
New Accounts Added	166	111	161	137
Utility Bills Mailed/ Emailed	73,725	72,340	71,440	70,067
<i>Building Department Indicators</i>				
Construction Permits Issued				
New Residential	189	130	85	104
Commercial	331	224	213	165
Minor	468	402	322	396
Inspection Statistics				
Residential	3,975	3,290	2,361	2,970
Commercial	2,643	1,140	820	708
Contractor Registration Statistics				
Registrations	520	483	461	445

- (1) Cash basis of accounting.
- (2) Accrual basis of accounting. Collections include delinquencies, penalties, interest, and late fees.
- (3) Beginning for the 2009 Tax Returns, tax notices for the electronic form was sent out in lieu of actual.
- (4) During 2011, crack sealing was only available in square yards rather than tons.
- (5) During 2011, the City began tracking the number of patrons attending the Aquatic Recreation Center.
- (6) During 2014, the City began offering day passes at the Aquatic Recreation Center.
- (7) During 2015, the City began tracking the amount of caustic and bisulfite used annually.
- (8) During 2018, the City began tracking the number of zoning certificates issued, the number of zoning inspections that occurred, and the number of conditional use permits issued.

Source: City financial records

2014	2013	2012	2011	2010	2009
67	81	77	82	102	93
41	30	49	27	22	30
4,346	4,158	4,612	7,527	7,710	7,765
3,279	3,285	3,028	2,899	2,703	2,609
\$60,953	\$40,631	\$43,491	\$50,736	\$92,091	\$150,287
\$8,376,598	\$7,973,116	\$7,880,393	\$8,531,965	\$7,714,298	\$7,251,584
\$7,965,622	\$8,116,822	\$8,588,715	\$7,780,851	\$7,448,350	\$3,376,774
\$3,726,214	\$3,185,607	\$3,084,553	\$3,536,083	\$3,145,938	\$2,854,677
12,331	10,346	10,035	10,145	9,921	9,643
2,699	2,684	2,362	2,189	1,921	1,865
3,007	2,686	2,914	2,720	2,800	3,071
2,217	2,153	1,988	1,959	2,336	2,286
\$5,760,828	\$5,220,794	\$5,029,644	\$5,117,727	\$4,643,326	\$4,527,504
\$298,232	\$223,352	\$249,591	\$226,016	\$205,136	\$213,084
3,940	3,651	3,739	4,188	3,916	3,761
1,808	2,138	1,714	1,313	1,466	1,211
138	102	88	75	82	95
67,624	66,795	65,907	65,186	64,483	63,554
108	104	98	52	66	70
213	172	144	169	93	100
335	319	284	230	273	200
2,564	2,343	2,175	1,376	1,881	1,749
914	697	680	861	417	709
427	468	374	328	337	253

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

Function/Program	2018	2017	2016	2015
<b>Security of Persons &amp; Property</b>				
<i>Police</i>				
Total Calls for Services	34,299	33,291	32,972	32,735
Total Reports Taken	2,081	2,315	2,462	2,746
OMVI/DUI	72	75	112	53
Juvenile/ Adult Traffic Citations	3,402	3,382	3,082	2,603
Juvenile Education Enforcement	0	0	0	0
Serious Crime/ Incidents				
Accidents	514	510	554	595
Homicides	0	0	0	0
Fatal Accidents	0	0	0	1
Rapes	11	2	5	11
Auto Theft	16	21	13	12
Robbery	9	10	8	12
Burglary	34	20	36	39
Assaults	42	46	43	42
Suicides	0	0	4	0
<b>Leisure Time Activities</b>				
<i>Parks &amp; Recreation</i>				
Park Land and Acreage	158.13	158.13	158.13	157.33
Number of street trees planted	115	116	202	503
Number of street trees pruned	370	195	280	600
Number of street trees removed	26	112	53	233
Recreation Activities				
Basketball Leagues	0 teams	0 teams	0 teams	0 teams
Co-Rec Volleyball League	7 teams	7 teams	8 teams	8 teams
Softball Leagues	21 teams	23 teams	27 teams	29 teams
<b>Community Development</b>				
<i>Planning &amp; Zoning Indicators</i>				
Comprehensive Sign Plans	9	12	9	13
Rezoning	2	0	1	2
Annexations	0	0	0	1
Certificates of Appropriateness	5	8	25	9
Lot Splits	5	8	6	1
Subdivision Plats	2	5	6	3
Planned Unit Developments	4	2	2	1
Complaints Received	262	321	422	383
Inspections Completed	274	319	413	377
Unresolved Issues	4	2	9	6
Zoning Certificates Issued (8)				
Residential	510	0	0	0
Commercial	189	0	0	0
Zoning Inspections (8)				
Residential	277	0	0	0
Commercial	7	0	0	0
Conditional Use Permits (8)	11	0	0	0
<b>Streets and Equipment Maintenance</b>				
Storm Sewers				
Inlets	29	5	27	3
Collapsed Lines	70	0	0	0
Ditches	125	573	860	230

- (1) Cash basis of accounting.
- (2) Accrual basis of accounting. Collections include delinquencies, penalties, interest, and late fees.
- (3) Beginning for the 2009 Tax Returns, tax notices for the electronic form was sent out in lieu of actual.
- (4) During 2011, crack sealing was only available in square yards rather than tons.
- (5) During 2011, the City began tracking the number of patrons attending the Aquatic Recreation Center.
- (6) During 2014, the City began offering day passes at the Aquatic Recreation Center.
- (7) During 2015, the City began tracking the amount of caustic and bisulfite used annually.
- (8) During 2018, the City began tracking the number of zoning certificates issued, the number of zoning inspections that occurred, and the number of conditional use permits issued.

2014	2013	2012	2011	2010	2009
34,488	32,829	37,792	38,011	31,344	37,243
2,053	2,031	1,998	1,939	1,919	1,999
66	45	50	35	48	41
2,626	2,516	2,701	2,841	2,525	2,431
0	0	1	10	1	3
560	564	483	432	468	491
1	0	0	0	0	0
2	0	0	1	1	0
2	7	8	5	6	8
17	19	12	11	5	15
4	6	10	8	9	15
41	55	43	52	42	52
40	40	56	51	57	57
3	3	1	1	0	0
157.33	157.33	157.33	157.33	157.33	157.33
250	233	94	148	88	216
138	262	706	940	633	700
52	75	86	39	33	61
0 teams	0 teams	0 teams	0 teams	5 teams	8 teams
5 teams	5 teams	7 teams	9 teams	9 teams	11 teams
24 teams	24 teams	32 teams	35 teams	40 teams	41 teams
7	17	8	19	14	13
0	4	3	2	3	4
0	0	1	1	0	2
8	14	16	13	13	13
1	1	3	1	4	3
0	1	0	3	0	0
1	0	0	1	1	1
433	294	259	272	305	930
424	270	252	238	398	888
9	24	7	34	50	42
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
17	1	17	17	9	14
70	320	0	65	465	500
969	0	0	0	270	300

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

Function/Program	2018	2017	2016	2015
<b>Streets and Equipment Maintenance (continued)</b>				
Leaf Pick Up				
Loads	157	65	118	104
Days	34	51	45	33
Snow Removal				
Salt (tons)	1,474.80	1,136.00	1,023.20	1,600.00
Hours	621.0	369.0	647.0	1,125.5
Sand/Chloride (gallons)	0.00	0.00	0.00	0.00
Signs				
Repair/Replace	109	175	16	10
New	44	64	37	62
Mosquito Fogging (hrs)	140.75	104.00	78.00	176.00
Street Maintenance				
Striped (miles)	2.56	2.01	3.44	8.00
Street Sweeping (cu. yd.)	49	44	22	26
Crack Sealing (sq. yards or tons) (4)	0	72,017	50,554	153,662
<b>Water Department</b>				
Revenue Collected (1)	\$2,431,460	\$2,360,493	\$2,421,929	\$2,332,796
Water Processed (Million Gallons Per Day)				
Raw Water	799.83	792.58	757.87	693.72
Avg./Day	2.19	2.17	2.07	1.90
Water to System	537.09	529.59	500.53	459.93
Avg./Day	1.47	1.45	1.37	1.26
Chemical Usage (in 1000s)				
Chlorine	6,738	5,860	5,825	5,685
Avg./Day	18.46	16.05	15.91	15.57
Fluoride	22,989	22,479	21,816	20,444
Avg./Day	62.98	61.58	59.60	56.01
Phosphate	25,547	25,282	26,877	25,859
Avg./Day	69.99	69.27	73.43	70.84
Potassium	34,517	26,561	29,696	20,916
Avg./Day	94.57	72.77	81.13	57.30
Caustic (7)	16,926	15,000	14,281	12,930
Avg./Day	46.37	40.99	39.02	35.42
Bisulfite (7)	19,435	12,389	13,804	16,601
Avg./Day	53.25	33.94	37.72	45.48
Annual Water Pumpage (in 1000s)				
Raw Water	799.828	792.580	757.865	693.720
Treated Water	606.400	589.980	500.527	459.929
Plant Use	151.970	116.200	129.900	64.000
<b>Sewer Department</b>				
Revenue Collected (1)	\$3,690,710	\$3,692,138	\$3,652,695	\$3,489,617
Treated Water (total for year)	774.38	763.38	756.14	775.96
Average (Gallons Per Day)	2.120	2.091	2.072	2.130
Sludge Hauled (tons)	287.31	288.88	254.58	241.14
<b>Aquatic Recreation Center</b>				
Revenue Collected (1)	\$196,192	\$193,273	\$183,814	\$161,777
Number of Memberships Sold	539	544	427	387
Number of Day Passes Sold (6)	7,485	6,663	7,493	5,098
Number of Patrons (5)	1,564	1,593	1,335	1,300

(1) Cash basis of accounting.

(2) Accrual basis of accounting. Collections include delinquencies, penalties, interest, and late fees.

(3) Beginning for the 2009 Tax Returns, tax notices for the electronic form was sent out in lieu of actual.

(4) During 2011, crack sealing was only available in square yards rather than tons.

(5) During 2011, the City began tracking the number of patrons attending the Aquatic Recreation Center.

(6) During 2014, the City began offering day passes at the Aquatic Recreation Center.

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

(8) During 2018, the City began tracking the number of zoning certificates issued, the number of zoning inspections that occurred, and the number of conditional use permits issued.

Source: City financial records



2014	2013	2012	2011	2010	2009
82	98	127	95	86	141
44	31	98	44	40	43
1,123.75	1,284.62	558.00	2,616.00	2,514.33	1,170.00
661.0	698.5	149.5	374.8	863.5	644.0
0.00	0.00	0.00	0.00	34.28	20
93	153	99	89	58	63
43	19	22	17	25	13
104.00	31.50	9.90	32.50	98	68
12.78	10.80	2.00	0.44	0.59	18.44
130	21	98	121	52	211
137,703	60,737	87,621	143,890	1.90	3.05
\$2,308,794	\$2,327,814	\$2,385,321	\$2,174,947	\$1,994,091	\$1,796,125
678.22	720.03	721.16	576.69	557.00	549.90
1.85	1.97	1.98	1.58	1.53	1.51
483.80	499.60	508.51	477.90	503.10	501.71
1.33	1.37	1.39	1.30	1.38	1.37
5,577	6,090	5,733	7,247	8,316	7,846
15.28	16.68	15.71	19.85	22.79	21.49
20,290	20,736	20,656	16,798	17,382	16,699
55.59	56.81	56.59	46.02	47.62	45.75
24,371	24,537	26,812	26,134	27,428	26,714
66.77	67.22	73.45	71.60	75.15	73.18
21,808	19,967	18,874	18,632	19,111	19,249
59.75	54.70	51.71	51.04	52.36	52.74
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
678.223	720.033	721.164	576.694	557.004	549.900
532.328	546.520	606.241	517.123	503.100	501.709
277.000	68.000	156.500	4.861	61.250	46.538
\$3,430,884	\$3,428,190	\$3,423,016	\$3,463,565	\$3,260,014	\$2,735,204
716.97	795.42	793.90	703.00	440.41	420.74
1.964	2.180	2.170	1.920	1.210	1.152
254.33	183.69	266.00	183.26	278.66	308.27
\$161,743	\$169,595	\$191,108	\$185,440	\$201,701	\$267,661
457	559	624	585	636	684
1,760	0	n/a	n/a	n/a	n/a
1,588	1,887	2,119	2,091	0	0

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

Function/Program	2018	2017	2016	2015
<b>General Government</b>				
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	5
<b>Police</b>				
Stations	1	1	1	1
Square Footage of Building	20,531	20,531	20,531	20,531
Vehicles	19	18	18	17
Motorcycle	0	0	0	0
<b>Leisure Time Activities</b>				
Number of Parks	7	7	7	7
Number of Tennis Courts	3	3	3	3
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	1	1	2	2
Basketball Courts	3	3	3	3
<b>Transportation</b>				
Streets (miles)	78.40	76.95	75.54	74.49
Service Vehicles	19	17	17	17
<b>Service Complex</b>				
Square Footage of Cold Storage Building	4,368	4,368	4,368	4,368
<b>Sewer</b>				
Sanitary Sewers (feet)	433,792	431,236	431,236	424,618
Square Footage of Building	800	800	800	800
Vehicles	3	3	3	3
<b>Water</b>				
Water Lines (feet)	355,692	354,008	350,921	346,857
Square Footage of Building	13,667	13,667	13,667	13,667
Vehicles	3	3	3	3
<b>Stormwater</b>				
Storm Sewers (feet)	240,078	228,116	223,319	218,200
<b>Utilities</b>				
Square Footage of Utilities Complex	1,658	1,658	1,658	1,658
<b>Aquatic Recreation Center</b>				
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 (1)	0	0	0	0
Square Footage of Splashpad (2)	2,036	2,036	2,036	2,036

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

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

Source: City financial records

2014	2013	2012	2011	2010	2009
9,280	9,280	9,280	9,280	9,280	9,280
2,547	2,547	2,547	2,547	2,547	2,547
5	6	6	6	6	5
1	1	1	1	1	1
20,531	20,531	20,531	20,531	20,531	20,531
16	17	17	20	18	18
0	0	0	1	1	1
7	7	7	7	7	7
3	5	5	5	5	5
1	1	1	1	1	1
4	4	4	4	4	4
3	3	3	3	3	3
1	1	1	1	1	0
2	4	4	4	5	8
3	2	2	2	2	2
73.80	73.80	73.80	73.80	73.80	73.80
17	16	16	15	17	15
4,368	4,368	4,368	4,368	4,368	4,368
423,945	421,299	421,299	421,299	409,840	409,840
800	800	800	800	800	800
3	3	3	3	3	3
345,094	341,101	341,101	341,101	351,814	312,377
13,667	13,667	13,667	13,667	13,667	13,667
3	3	3	3	3	3
218,072	218,072	218,072	217,687	217,687	214,807
1,658	1,658	1,658	1,658	1,658	1,658
3.89	3.89	3.89	3.89	3.89	3.89
9,350	9,350	9,350	9,350	9,350	9,350
250	250	250	250	250	250
0	0	0	0	0	0

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OHIO AUDITOR OF STATE  
**KEITH FABER**



**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 11, 2019**