



Dave Yost • Auditor of State

CITY OF REYNOLDSBURG
FRANKLIN COUNTY

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Reynoldsburg
Franklin County
7232 East Main Street
Reynoldsburg, Ohio 43068

To the City Council:

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 Reynoldsburg, Franklin County, Ohio (the City) as of and for the year ended December 31, 2012, 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 14, 2013.

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 opinion 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.

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 communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

June 14, 2013

Comprehensive Annual Financial Report



City of Reynoldsburg, Ohio

Issued by
Office of City Auditor
Richard E. Harris

For The Year Ended
December 31, 2012



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2012

Issued by:
Richard E. Harris
City Auditor



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FRANKLIN, FAIRFIELD AND LICKING COUNTIES, OHIO

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INTRODUCTORY SECTION





CITY OF REYNOLDSBURG

7232 East Main Street • Reynoldsburg, Ohio 43068
Richard E. Harris, City Auditor

phone (614) 322-6858

fax (614)-322-6857

June 14, 2013

Honorable Citizens of Reynoldsburg
and Members of City Council
Reynoldsburg, Ohio:

I am pleased to present the Comprehensive Annual Financial Report for the City of Reynoldsburg for the year ended December 31, 2012. This report has been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

INTRODUCTION

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Reynoldsburg (the "City") to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of my knowledge and belief, the enclosed data, as presented, is accurate in all material respects, is presented in a manner designed to fairly set forth the financial position and results of operations of the City and includes all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Reynoldsburg's MD&A can be found immediately following the report of the independent auditors.

The Reporting Entity

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (the "GASB") Statement No. 14, "The Financial Reporting Entity," as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" in that the financial statements include all the organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide financial benefit to or impose a financial burden on the City.

***Letter of Transmittal
For the Year Ended December 31, 2012***

Based on the foregoing, the reporting entity of the City has no component units but includes the following services as authorized by its Charter: police protection, parks and recreation, planning, zoning, street maintenance and other governmental services. Additionally, the City owns the water distribution system, the wastewater collection system and the stormwater collection system, each of which is reported as an enterprise fund. Treatment services for both water and wastewater are provided by the City of Columbus on a contractual basis. The City also reports the solid waste collection and disposal operations as an enterprise fund.

Historical Information

The origin of Reynoldsburg can be traced to 1801 when Thomas Jefferson signed an Act of Congress granting land to Lt. Colonel Bradford to be appropriated for refugees from Canada. The first settler was Thomas Palmer, who came from Massachusetts in 1803. The Village of Frenchtown was platted in 1831 on land owned by John D. French. The name was changed in 1839 to Reynoldsburg in honor of John C. Reynolds, the Postmaster and a representative in the Ohio General Assembly. The village was incorporated in 1839 and granted city status in 1960.

Reynoldsburg is noted as "the birthplace of the tomato" because of its famous resident horticulturist Alexander W. Livingston (1821-1898), internationally known for his development of the "Paragon" tomato.

Our financial report cover showcases a picture of a mural located in Olde Reynoldsburg which depicts important events and benchmarks in the City's history. The mural was developed through collaboration with the Reynoldsburg Area Chamber of Commerce and volunteers from the 2009 Leadership Class. It was created by local artist, Curtis Goldstein.

Location

Reynoldsburg is located ten miles east of downtown Columbus and comprises the eastern edge of the Columbus metropolitan area. It was the first Franklin County city to expand into two other counties: Licking County to the east and Fairfield County to the south. Encompassing approximately thirteen square miles, the City lies near the geographic center of the state and is easily accessible from all areas in Ohio. The City is seven miles from Port Columbus International Airport and offers immediate accessibility to interstate highways I-70 and I-270 via three major interchanges. Reynoldsburg is situated 833 feet above sea level and experiences mean temperatures of 71.97 degrees during the summer and 29.8 degrees during the winter.

Form of Government

The City operates under the Charter first adopted by the voters in 1979 and amended by the voters in 1982, 1987, 1992, 1995, 1997, 2007 and 2012, which provides for a Mayor-Council form of government. The laws of the State of Ohio prevail when conflicts exist between the Charter and the State Constitution and in matters where the Charter is silent. Legislative authority is vested in a seven member Council of whom three members are elected at-large and four are elected from wards. The presiding officer is the President of Council who is elected at-large. All members are elected to four year terms. The City's chief executive and administrative officer is the Mayor who is elected to that full-time office for a four year term. The Mayor appoints all employees except those of City Council, the City Auditor's office and the City Attorney's office. The City's chief fiscal officer is the City Auditor, who is elected to that full-time

CITY OF REYNOLDSBURG, OHIO

***Letter of Transmittal
For the Year Ended December 31, 2012***

office for a four year term. The City's legal officer is the City Attorney, who is elected to that full-time office for a four year term.

ECONOMIC OUTLOOK

Reynoldsburg continues to experience growth in the commercial sectors of the community. Reynoldsburg experienced growth in the retail, financial, and medical areas. In 2012 the City attracted 34 businesses to either expand or relocate in Reynoldsburg. These businesses accounted for over \$10 million dollars in new investment.

The largest employer in the City is Limited Brands, Inc. and its subsidiaries, consisting of office, shipping, and distribution facilities on a 360-acre site. The Limited Brands Inc. specialty shops/facilities at the Reynoldsburg site are Mast Global Logistics, Victoria's Secret Stores, Inc., Victoria Secret Direct Distribution Center, Mast Industries and the Bath and Bodyworks Division. The national retail clothing company has contributed an average of approximately \$3,200,000 dollars a year in income tax receipts since 1991. Other large employers located in the City include Reynoldsburg City School District, The State of Ohio, and Wal-Mart.

The City established the Department of Development in late 1997 to provide business and industry with a point of contact within local government. The department is responsible for business attraction, retention, zoning and planning. The department facilitated the following projects in 2012:

<u>Project</u>	<u>Jobs</u>	<u>Estimated Payroll</u>	<u>Estimated Construction Costs</u>
Proficio Mortgage	5	100,000	n/a
Ohio Health Urgent Care Facility	25	1,250,000	550,000
Tire Discounters	15	240,000	600,000
AutoZone	13	145,000	595,000
PetSmart	n/a	75,000	885,000
Old Navy	n/a	500,000	752,000

Employment Rates

The great diversity of job opportunities in the Central Ohio area has helped the unemployment rate remain consistently lower than state and national averages. It has been estimated that 80% of Reynoldsburg residents work in Columbus and the surrounding area. Therefore, the City's rate of unemployment is influenced to a great extent by that of the metropolitan area. At the end of 2012 when the state experienced an unemployment rate of 7.2% and the nation an unemployment rate of 8.1% Reynoldsburg experienced an unemployment rate estimated to average 6.1%.

***Letter of Transmittal
For the Year Ended December 31, 2012***

Long-term Financial Planning

In 2011 the State of Ohio made cuts in local revenue sharing with the cities. The Auditor's office in conjunction with the Administration and City Council, created an Ad-Hoc committee to make recommendations to solve the long term fiscal problems these cuts will create. In 2011 and 2012 income tax receipts were well ahead of estimates. This allowed the General Fund to show a consistent balance. City Council is considering another income tax initiative in 2013 or a possible income tax credit reduction for those residents who work and pay taxes in other cities. The additional revenue will allow the City to continue to offer high level City services and make infrastructure improvements.

MAJOR INITIATIVES

Capital Improvements

The City continued its conservative posture with respect to spending for capital improvements in 2012. Sources of funds other than General Fund sources financed many of the projects. Projects begun, completed and/or in process in 2012 include—

- 2012 Street Program, Lancaster Avenue
The 2012 Street Program began in 2012 and is expected to be completed in early 2013. The project consisted of resurfacing Lancaster Avenue and repairing the Stormwater outlets. The total estimated cost of this project is approximately \$1,225,300. The city received \$1,100,000 from the Permissive Tax Fund held by Franklin County to fund this project. The balance will be paid by the City's Permissive Tax Fund and the Stormwater Fund.
- Summit Road, Phase II
During 2012 the City continued reconstruction and relocation of a portion of Summit Road. The estimated cost of the project is \$3.43 million and is being funded by the Ohio Public Works Commission in the form of a \$2.48 million grant and an \$830,000, 0% interest loan. The additional funds are from donated land. The project is expected to be complete in early 2013.
- Huber Road Water Line Project
During 2012 the City began construction and repair of the Huber Road Water lines. The total cost of the project is estimated to be approximately \$957,000 and was funded with a Bond issuance which will be repaid from the Water Fund.
- 2012 Sanitary Sewer Rehabilitation and Manhole project
During 2012 the City began this project with an estimated cost of \$350,000. The project is expected to be completed in 2013. The project was funded with a Bond issue which will be repaid from the Sewer Fund.

***Letter of Transmittal
For the Year Ended December 31, 2012***

Employee Relations

The full-time employee profile, excluding the Police Department, is as follows:

Elected Officials	3
Classified Employees	47
Non-Classified Employees	<u>14</u>
Total	<u>64</u>

The police department profile is as follows:

Sworn Officers	54
Dispatchers	8
Others	<u>6</u>
Total	<u>68</u>

City Council consists of the following:

President of Council	1
Ward Councilpersons	4
At-Large Councilpersons	<u>3</u>
Total	<u>8</u>

A collective bargaining agreement between the City of Reynoldsburg and the Fraternal Order of Police, Capital City Lodge #9, which represents forty-one sworn officers, is effective January 1, 2013 through December 31, 2015. The Ohio Patrolmen's Benevolent Association represents the City's eight sergeants, which is effective January 1, 2013 thru December 31, 2015. The contract between the City and the Fraternal Order of Police, Ohio Labor Council, which represents the eight dispatchers, is effective January 1, 2013 through December 31, 2015. All other employees are governed by legislative action of City Council.

***Letter of Transmittal
For the Year Ended December 31, 2012***

FINANCIAL INFORMATION

Internal Control, Budgetary Control and the Accounting System

Development of the City's accounting system included substantial consideration of the adequacy of the internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance of the following:

1. The City's assets are protected against loss and unauthorized use or disposition.
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated applying the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation.
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and the Auditor's office.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

The Auditor's office is responsible for the auditing and analysis of all purchase orders of the City. Personnel of the Auditor's office carefully review purchase orders to ensure the availability of monies in the proper funds and accounts prior to the certification and subsequent payment of approved invoices. The City utilizes a fully automated accounting system as well as an automated system of controls for capital asset accounting and payroll. These systems, coupled with the review and examination performed by the City Auditor's office, ensure that the financial information generated is both accurate and reliable.

***Letter of Transmittal
For the Year Ended December 31, 2012***

Budgetary control is maintained at the object level for each department within each fund via legislation approved by City Council. The various objects are:

- Personal services
- Contractual Services
- Other Expenditures
- Transfers
- Materials and Supplies
- Capital Outlay
- Debt Service:
 Principal
 Interest

Lower levels within each object are accounted for and reported internally. Such lower levels are referred to as line items of expenditure. Estimated amounts must be encumbered prior to final approval of purchase orders or other contracts to vendors. Encumbrances in excess of the available object level appropriations are not approved unless additional appropriations are authorized. Unencumbered appropriations return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year, which coincides with the calendar year.

OTHER INFORMATION

Independent Audit

The basic financial statements of the City of Reynoldsburg were audited by David Yost, Auditor of State. The independent auditor's unqualified opinion has been included in this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Reynoldsburg, Ohio for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2011. This was the twenty-first consecutive year (1991-2011) that the City received this award.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report with contents conforming to all program standards. The report must satisfy both accounting principles generally accepted in the United States of America (GAAP) and applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year. The City of Reynoldsburg received its first Certificate of Achievement for the fiscal year ended December 31, 1991. I believe this current report continues to conform to the Certificate of Achievement program requirements, and I am submitting the report to the GFOA.

***Letter of Transmittal
For the Year Ended December 31, 2012***

The publication of this Comprehensive Annual Financial Report is indicative of the City's commitment to provide significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Reynoldsburg, the recipients of this report include city, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the City Auditor's goal of full disclosure of the City's finances.

Acknowledgments

Sincere appreciation is extended to the individuals who have contributed their time and effort in gathering data for this report, particularly the staff of the City Auditor and the offices of the Auditors of Franklin, Licking and Fairfield Counties.

Special acknowledgment is extended to the staff of Donald J. Schonhardt and Associates, Inc. for their continued guidance in the preparation of this report.

Special thanks to the members of City Council and the City Administration whose support is necessary for the City of Reynoldsburg to conform to reporting requirements established for municipal governments to maintain the sound financial position that the City has enjoyed for many years.

Finally, my sincere gratitude to the people of Reynoldsburg for electing me so that I may serve as their City Auditor.

Sincerely,



Richard E. Harris
City Auditor

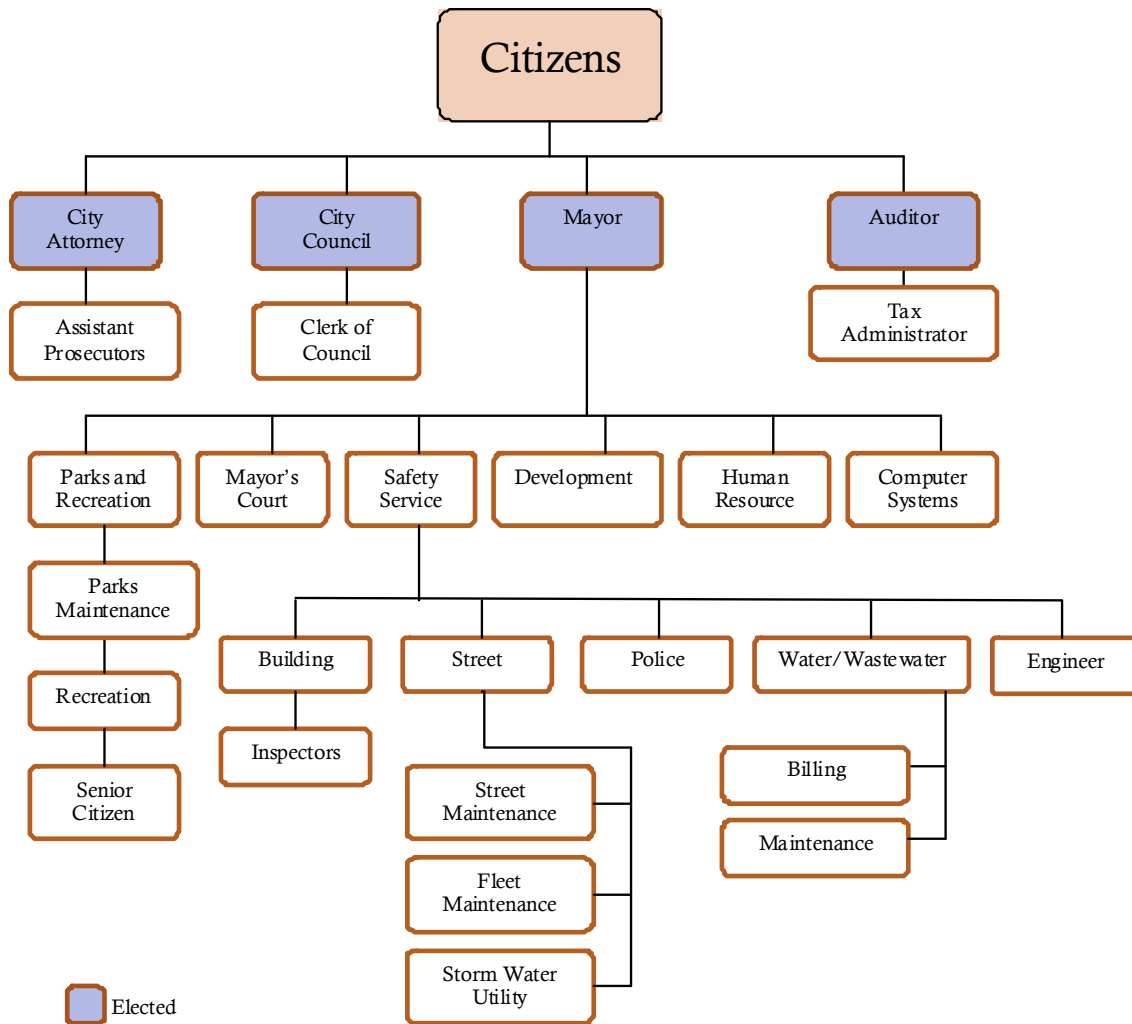
CITY OF REYNOLDSBURG, OHIO

***List of Principal Officials
For the Year Ended December 31, 2012***

<u>Office</u>	<u>Name</u>	<u>Years in Office</u>	<u>Years with the City</u>	<u>Vocation</u>	<u>Term Expires</u>
Mayor	Bradley L. McCloud	5	17		12/31/2015
Auditor	Richard E. Harris	7	11		12/31/2013
City Attorney	Jed Hood	7	7		12/31/2015
President of Council	Doug Joseph	7	7	Consultant	12/31/2015
Members of Council	Chris Long	3	3	Executive	12/31/2013
	Barth R. Cotner	4	4	Funeral Director	12/31/2013
	Nathan Burd *	3	3	Executive	12/31/2013
	Scott Barrett	1	1	Executive	12/31/2015
	Mel Clemens	13	23	Retired	12/31/2015
	Leslie Kelley	5	5	Assistant Principal	12/31/2015
	Cornelius McGrady III	1	1	Retired Military	12/31/2015

* Resigned from City Council on November 26, 2012 to become the City's Service Director.

**City Organizational Chart
For the Year Ended December 31, 2012**



Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Reynoldsburg
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

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



Christopher P. Morille

President

Jeffrey R. Emery

Executive Director



FINANCIAL SECTION





Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Reynoldsburg
Franklin County
7232 East Main Street
Reynoldsburg, Ohio 43068

To the City Council:

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 City of Reynoldsburg, Franklin County, Ohio (the City), as of and for the year ended December 31, 2012, 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 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 Reynoldsburg, Franklin County, Ohio, as of December 31, 2012, and the respective changes in financial position and cash flows, thereof and the respective budgetary comparisons for the General and Permissive Tax Funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's Discussion and Analysis* 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 and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The financial section's combining statements, and individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements 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, and other additional procedures 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.

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 14, 2013, 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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

June 14, 2013

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The Management's Discussion and Analysis of the City of Reynoldsburg's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2012. The intent of the Management's Discussion and Analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2012 are as follows:

- ❑ In total, net position decreased \$1,551,468. Net position of governmental activities decreased \$56,178 which represents a 0.1% increase from 2011. Net position of business-type activities decreased \$1,495,290 or 1.6% from 2011.
- ❑ General revenues accounted for \$17,151,626 in revenue or 49.7% of all revenues. Program specific revenues in the form of charges for services and sales and grants and contributions accounted for \$17,344,933 or 50.3% of total revenues of \$34,496,539.
- ❑ The City had \$20,334,874 in expenses related to governmental activities; \$3,127,070 of these expenses were offset by program specific charges for services and sales, grants or contributions.
- ❑ Among major funds, the General Fund had \$13,914,467 in revenues and \$13,387,799 in expenditures. The General Fund's fund balance increased from \$4,604,764 to \$4,982,140.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis*, the *basic financial statements*, and an optional section that presents *combining and individual statements and schedules* for non-major governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net position, (the difference between the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources), is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional non-financial factors such as the City's tax base and the condition of the City's capital assets.

The government-wide financial statements of the City are divided into two categories:

- ***Governmental Activities*** – Most of the City's program's and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- ***Business-Type Activities*** – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water, sewer, storm water and solid waste removal services are reported as business-type activities.

Fund Financial Statements

Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole.

Governmental Funds – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. The City's major funds are the General Fund, Permissive Tax Fund, and Taylor Square TIEF Debt Retirement Fund. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

CITY OF REYNOLDSBURG, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2012**

Unaudited

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. The proprietary fund financial statements provide separate information for the Water, Sewer, Storm Water Drainage and Solid Waste funds, all of which are considered major funds.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. All of the City's fiduciary activities are reported in a separate Statement of Assets and Liabilities.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a summary of the City's net position for 2012 compared to 2011:

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$22,228,649	\$22,119,918	\$7,947,698	\$6,898,335	\$30,176,347	\$29,018,253
Capital assets, Net	55,961,094	57,508,635	90,760,897	91,584,388	146,721,991	149,093,023
Total assets	<u>78,189,743</u>	<u>79,628,553</u>	<u>98,708,595</u>	<u>98,482,723</u>	<u>176,898,338</u>	<u>178,111,276</u>
Deferred outflows of resources	851,460	372,502	0	0	851,460	372,502
Long-term liabilities outstanding	23,585,597	25,112,577	4,097,318	3,437,942	27,682,915	28,550,519
Other liabilities	2,291,350	1,698,763	2,985,867	1,924,081	5,277,217	3,622,844
Total liabilities	<u>25,876,947</u>	<u>26,811,340</u>	<u>7,083,185</u>	<u>5,362,023</u>	<u>32,960,132</u>	<u>32,173,363</u>
Deferred inflows of resources	1,489,991	1,459,272	0	0	1,489,991	1,459,272
Net position:						
Net investment in capital assets	34,412,783	33,932,566	87,196,241	88,791,438	121,609,024	122,724,004
Restricted	6,785,582	6,890,033	0	0	6,785,582	6,890,033
Unrestricted	10,475,900	10,907,844	4,429,169	4,329,262	14,905,069	15,237,106
Total net position	<u>\$51,674,265</u>	<u>\$51,730,443</u>	<u>\$91,625,410</u>	<u>\$93,120,700</u>	<u>\$143,299,675</u>	<u>\$144,851,143</u>

CITY OF REYNOLDSBURG, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2012**

Unaudited

Changes in Net Position – The following table shows the changes in net position for 2012 compared to 2011:

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues						
Program Revenues:						
Charges for Services and Sales	\$1,323,368	\$1,298,148	\$13,629,077	\$12,763,114	\$14,952,445	\$14,061,262
Operating Grants and Contributions	1,759,520	1,990,530	0	0	1,759,520	1,990,530
Capital Grants and Contributions	44,182	2,071,639	588,786	840,751	632,968	2,912,390
Total Program Revenues	<u>3,127,070</u>	<u>5,360,317</u>	<u>14,217,863</u>	<u>13,603,865</u>	<u>17,344,933</u>	<u>18,964,182</u>
General Revenues:						
Property Taxes	2,694,192	2,169,864	0	0	2,694,192	2,169,864
Income Taxes	12,509,144	11,747,263	0	0	12,509,144	11,747,263
Other Local Taxes	525,544	471,836	0	0	525,544	471,836
Intergovernmental Revenue, Unrestricted	1,105,401	1,722,990	0	0	1,105,401	1,722,990
Investment Earnings	191,617	236,803	0	0	191,617	236,803
Miscellaneous	125,728	438,354	0	0	125,728	438,354
Total General Revenues	<u>17,151,626</u>	<u>16,787,110</u>	<u>0</u>	<u>0</u>	<u>17,151,626</u>	<u>16,787,110</u>
Total Revenues	<u>20,278,696</u>	<u>22,147,427</u>	<u>14,217,863</u>	<u>13,603,865</u>	<u>34,496,559</u>	<u>35,751,292</u>
Program Expenses						
Security of Persons and Property	8,652,688	8,313,332	0	0	8,652,688	8,313,332
Public Health and Welfare Services	205,667	205,060	0	0	205,667	205,060
Leisure Time Activities	1,034,234	1,072,964	0	0	1,034,234	1,072,964
Community Environment	1,262,546	1,296,322	0	0	1,262,546	1,296,322
Transportation	3,181,127	3,240,861	0	0	3,181,127	3,240,861
General Government	4,812,660	3,940,560	0	0	4,812,660	3,940,560
Interest and Fiscal Charges	1,185,952	973,721	0	0	1,185,952	973,721
Water	0	0	5,912,386	5,676,863	5,912,386	5,676,863
Sewer	0	0	6,425,300	5,560,004	6,425,300	5,560,004
Storm Water Drainage	0	0	1,377,501	1,403,284	1,377,501	1,403,284
Solid Waste	0	0	1,997,966	1,952,789	1,997,966	1,952,789
Total expenses	<u>20,334,874</u>	<u>19,042,820</u>	<u>15,713,153</u>	<u>14,592,940</u>	<u>36,048,027</u>	<u>33,635,760</u>
Total Change in Net Position	(56,178)	3,104,607	(1,495,290)	(989,075)	(1,551,468)	2,115,532
Beginning Net Position	51,730,443	48,625,836	93,120,700	94,109,775	144,851,143	142,735,611
Ending Net Position	<u>\$51,674,265</u>	<u>\$51,730,443</u>	<u>\$91,625,410</u>	<u>\$93,120,700</u>	<u>\$143,299,675</u>	<u>\$144,851,143</u>

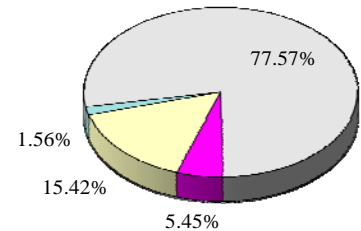
Governmental Activities

The net position of the City's governmental activities decreased by \$56,178. This decrease was a combination of many factors. The total revenues decreased \$1,868,731. Program revenue had a decrease of \$2,233,247 but this decrease was offset by an increase in general revenues of \$364,516. The decrease in program revenues was primarily due to the decrease in capital grants and contributions. The City did not have any new funding from Ohio Public Works Commission and only received minimal amounts for the Summit Road project which is nearing completion. General revenues saw an increase in property taxes which would be due to the slight recovery of the real estate market. Foreclosures have slowed down and sales are starting to pick up. Income tax revenue also increased due to the economy being on a recovery and businesses are hiring and doing more business. Intergovernmental revenue decreased \$617,589 due to the State of Ohio decreasing the amounts passed down to local governments. Expenses saw significant increases in Security of Persons and Property and General Government. The increase in Security of Persons and Property was primarily due to the increase in personal services for wage increases and increases in insurance costs.

Income taxes and property taxes made up 61.7% and 13.3% respectively of revenues for governmental activities for the City in fiscal year 2012. The City's reliance upon tax revenues is demonstrated by the following graph indicating 77.57% of total revenues are from general tax revenues:

Revenue Sources	2012	Percent of Total
General Tax Revenues	\$15,728,880	77.57%
Intergovernmental Revenue, Unrestricted	1,105,401	5.45%
Program Revenues	3,127,070	15.42%
General Other	317,345	1.56%
Total Revenue	\$20,278,696	100.00%

2012



Business-Type Activities

Net position of the business type activities decreased by \$1,495,290. Capital grants and contributions decreased \$251,965. This was due to the decrease in funding from the Ohio Public Works Commission. We have only one project, that is almost complete that is being funded through OPWC. The sewer fund had the greatest increase in expenses. Personal services increased \$62,544, primarily due to payouts for retired and terminated employees. Contractual services expenses increased \$811,304 from increased charges for sewer services from the City of Columbus.

**Management's Discussion and Analysis
For the Year Ended December 31, 2012**

Unaudited

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$16,857,898 which is an increase from last year's balance of \$15,802,783. The schedule below indicates the fund balance and the total change in fund balance by funds as of December 31, 2012 and 2011:

	Fund Balance December 31, 2012	Fund Balance December 31, 2011	Increase (Decrease)
General	\$4,982,140	\$4,604,764	\$377,376
Permissive Tax	753,257	355,588	397,669
Taylor Square TIEF Debt Retirement	438,662	438,662	0
Other Governmental	10,683,839	10,403,769	280,070
Total	\$16,857,898	\$15,802,783	\$1,055,115

General Fund – The City's General Fund balance increased despite our revenue being down from the previous year in the amount of \$208,867 and our expenses increasing \$394,803 over the previous year. The increase in tax revenue was offset by the decrease in most of the other categories of revenue.

	2012 Revenues	2011 Revenues	Increase (Decrease)
Taxes	\$11,105,997	\$10,507,625	\$598,372
Intergovernmental Revenue	1,375,705	1,881,628	(505,923)
Charges for Services	212,062	181,777	30,285
Licenses and Permits	227,620	270,647	(43,027)
Investment Earnings	166,344	210,799	(44,455)
Fines and Forfeitures	472,918	572,420	(99,502)
All Other Revenue	353,821	498,438	(144,617)
Total	\$13,914,467	\$14,123,334	(\$208,867)

General Fund revenues in 2012 decreased approximately 1.5% compared to revenues in 2011. Tax revenues increased approximately 5.7%, while most of the other revenue categories only had decreases. The significant decrease in intergovernmental was expected due to the State of Ohio decreasing its distributions to local governments.

CITY OF REYNOLDSBURG, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2012***

Unaudited

The table that follows assists in illustrating the financial activities of the General Fund:

	2012 Expenditures	2011 Expenditures	Increase (Decrease)
Security of Persons and Property	\$8,209,107	\$7,722,043	\$487,064
Public Health and Welfare Services	205,667	205,060	607
Leisure Time Activities	956,195	970,662	(14,467)
Community Environment	1,209,665	1,097,044	112,621
General Government	2,807,165	2,998,187	(191,022)
Total	<u>\$13,387,799</u>	<u>\$12,992,996</u>	<u>\$394,803</u>

General Fund expenditures increased by \$394,803 or 3.0% compared to the prior year. This increase is mainly due to the increase in wages and benefits.

Permissive Tax Fund – The Permissive Tax Fund increased by \$397,669. This was due to funds being received for the 2012 Street Improvements. All of the money received for that project has not been used as of yet.

Taylor Square TIEF Debt Retirement Fund – The Taylor Square TIEF Debt Retirement Fund did not change.

Proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of the Water, Sewer, Storm Water Drainage and Solid Waste major enterprise funds have been addressed in the discussion of the City's business-type activities.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of 2012, the City amended its General Fund budget several times, none significant. With regard to expenditures, there was a positive variance with the final budget of \$612,023. There were no significant variances in any one expense category. All of the departments were slightly under budget. The General Government had the largest variance and this was in the Personal Services category. There were several positions that were vacant for varying periods of time which allowed some departments to be under budget. Unemployment and Worker's Compensation were both less than budgeted. The total savings in the General Government was \$115,034. Contractual services was under budget \$137,312. The largest area of Contractual Services savings was in the City Attorney's department. That department was under budget \$28,926 due to not using as much outside legal services as anticipated. The Commissions department also had a savings in Contractual Services due to savings in using outside services for the search for a new Police Chief and testing for Sergeants and police officers.

***Management's Discussion and Analysis
For the Year Ended December 31, 2012***

Unaudited

For the General Fund, final budget basis revenue of \$13,330,934 did not significantly change over the original budget estimates. The actual revenues of \$14,008,320 on a budgetary basis were more than the final amended budget primarily due to an increase in taxes and a decrease in intergovernmental revenue, investment earnings and fines and forfeitures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2012 the City had \$146,721,991 net of accumulated depreciation invested in land, construction in progress, buildings, infrastructure, equipment and vehicles. Of this total, \$55,961,094 was related to governmental activities and \$90,760,897 to the business-type activities. The following tables show 2012 and 2011 balances:

	Governmental Activities		Increase (Decrease)
	2012	2011	
Land	\$17,177,331	\$17,177,331	\$0
Buildings	11,742,218	11,742,218	0
Improvements Other than Buildings	2,137,433	2,109,827	27,606
Infrastructure	48,342,351	48,342,351	0
Machinery and Equipment	4,705,775	4,656,844	48,931
Construction In Progress	3,329,165	2,405,281	923,884
Less: Accumulated Depreciation	(31,473,179)	(28,925,217)	(2,547,962)
Totals	<u>\$55,961,094</u>	<u>\$57,508,635</u>	<u>(\$1,547,541)</u>

The decrease in capital assets is mainly due to depreciation expense being greater than the additions to capital assets. Most of the CIP projects that began in 2012 are still in progress. The major additions to Governmental CIP were for the 2012 Street Program.

	Business-Type Activities		Increase (Decrease)
	2012	2011	
Land	\$3,000	\$3,000	\$0
Buildings and Improvements	162,491	162,491	0
Infrastructure	129,424,553	128,941,606	482,947
Machinery and Equipment	1,086,258	1,010,200	76,058
Construction in Progress	2,293,121	1,040,427	1,252,694
Less: Accumulated Depreciation	(42,208,526)	(39,573,336)	(2,635,190)
Totals	<u>\$90,760,897</u>	<u>\$91,584,388</u>	<u>(\$823,491)</u>

***Management's Discussion and Analysis
For the Year Ended December 31, 2012***

Unaudited

Business-type capital assets decreased by \$823,491. The decrease is related to depreciation expense being greater than the new assets. The major CIP projects were the Huber Water Line project, the 2012 Sanitary Sewer Rehab and additional costs related to the EPA Sanitary Sewer Study. None of these projects were completed in 2012. Additional information on the City's capital assets can be found in Note 8.

Debt

At December 31, 2012, the City had \$22,667,809 in general obligation bonds outstanding, \$2,313,100 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Governmental Activities:		
General Obligation Bonds	\$19,974,909	\$21,269,733
Ohio Public Works Commission Loans	2,327,771	2,551,264
State Infrastructure Bank Loan	97,091	127,574
Compensated Absences	1,185,826	1,164,006
Total Governmental Activities	<u>23,585,597</u>	<u>25,112,577</u>
Business-Type Activities:		
General Obligation Bonds	\$2,692,900	\$1,904,970
Ohio Public Works Commission Loans	1,290,756	1,400,980
Compensated Absences	113,662	131,992
Total Business-Type Activities	<u>4,097,318</u>	<u>3,437,942</u>
Totals	<u>\$27,682,915</u>	<u>\$28,550,519</u>

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.5% of the total assessed value of real and personal property. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value of property. At December 31, 2012, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 11.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Richard E. Harris, City Auditor of the City of Reynoldsburg.

CITY OF REYNOLDSBURG, OHIO

**Statement of Net Position
December 31, 2012**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 7,310,122	\$ 1,800,040	\$ 9,110,162
Investments	8,688,295	2,919,891	11,608,186
Receivables:			
Taxes	3,837,078	0	3,837,078
Accounts	94,334	2,983,673	3,078,007
Intergovernmental	1,240,307	0	1,240,307
Interest	27,358	0	27,358
Special Assessments	187,361	117,813	305,174
Inventory of Supplies, at Cost	208,570	30,884	239,454
Prepaid Items	22,094	16,134	38,228
Restricted Assets:			
Cash and Cash Equivalents	270,788	79,263	350,051
Cash and Cash Equivalents with Fiscal Agent	342,342	0	342,342
Capital Assets Not Being Depreciated	20,506,496	2,296,121	22,802,617
Capital Assets Being Depreciated, Net	35,454,598	88,464,776	123,919,374
Total Assets	78,189,743	98,708,595	176,898,338
Deferred Outflows of Resources:			
Deferred Charge on Refunding	851,460	0	851,460
Liabilities:			
Accounts Payable	140,690	268,152	408,842
Accrued Wages and Benefits	724,752	43,517	768,269
Intergovernmental Payable	1,062,177	2,363,110	3,425,287
Claims Payable	47,062	0	47,062
Retainage Payable	270,788	0	270,788
Refundable Deposits	0	79,263	79,263
Unearned Revenue	0	224,090	224,090
Accrued Interest Payable	45,881	7,735	53,616
Long Term Liabilities:			
Due Within One Year	2,636,447	753,055	3,389,502
Due in More Than One Year	20,949,150	3,344,263	24,293,413
Total Liabilities	25,876,947	7,083,185	32,960,132
Deferred Inflows of Resources:			
Property Tax	1,489,991	0	1,489,991

CITY OF REYNOLDSBURG, OHIO

	Governmental Activities	Business-Type Activities	Total
Net Position:			
Net Investment in Capital Assets	34,412,783	87,196,241	121,609,024
Restricted For:			
Capital Projects	897,730	0	897,730
Debt Service	1,136,201	0	1,136,201
Security of Persons and Property	388,646	0	388,646
Streets and Highways	4,240,989	0	4,240,989
Other Purposes	122,016	0	122,016
Unrestricted	10,475,900	4,429,169	14,905,069
Total Net Position	<u>\$ 51,674,265</u>	<u>\$ 91,625,410</u>	<u>\$ 143,299,675</u>

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

**Statement of Activities
For the Year Ended December 31, 2012**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 8,652,688	\$ 257,866	\$ 22,579	\$ 19,982
Public Health and Welfare Services	205,667	0	0	0
Leisure Time Activities	1,034,234	133,218	0	21,092
Community Environment	1,262,546	313,762	0	0
Transportation	3,181,127	0	1,736,941	3,108
General Government	4,812,660	618,522	0	0
Interest and Fiscal Charges	1,185,952	0	0	0
Total Governmental Activities	20,334,874	1,323,368	1,759,520	44,182
Business-Type Activities:				
Water	5,912,386	5,519,628	0	524,541
Sewer	6,425,300	5,501,957	0	39,835
Storm Water Drainage	1,377,501	644,511	0	24,410
Solid Waste	1,997,966	1,962,981	0	0
Total Business-Type Activities	15,713,153	13,629,077	0	588,786
Totals	\$ 36,048,027	\$ 14,952,445	\$ 1,759,520	\$ 632,968

General Revenues

Property Taxes Levied for:
 General Purposes
 Special Purposes
 Debt Service
 Income Taxes
 Other Local Taxes
 Intergovernmental Revenue, Unrestricted
 Investment Earnings
 Miscellaneous
 Total General Revenues

Change in Net Position

Net Position Beginning of Year
 Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (8,352,261)	\$ 0	\$ (8,352,261)
(205,667)	0	(205,667)
(879,924)	0	(879,924)
(948,784)	0	(948,784)
(1,441,078)	0	(1,441,078)
(4,194,138)	0	(4,194,138)
(1,185,952)	0	(1,185,952)
<u>(17,207,804)</u>	<u>0</u>	<u>(17,207,804)</u>
0	131,783	131,783
0	(883,508)	(883,508)
0	(708,580)	(708,580)
0	(34,985)	(34,985)
<u>0</u>	<u>(1,495,290)</u>	<u>(1,495,290)</u>
<u>(17,207,804)</u>	<u>(1,495,290)</u>	<u>(18,703,094)</u>
246,452	0	246,452
173,098	0	173,098
2,274,642	0	2,274,642
12,509,144	0	12,509,144
525,544	0	525,544
1,105,401	0	1,105,401
191,617	0	191,617
<u>125,728</u>	<u>0</u>	<u>125,728</u>
<u>17,151,626</u>	<u>0</u>	<u>17,151,626</u>
(56,178)	(1,495,290)	(1,551,468)
<u>51,730,443</u>	<u>93,120,700</u>	<u>144,851,143</u>
<u>\$ 51,674,265</u>	<u>\$ 91,625,410</u>	<u>\$ 143,299,675</u>

CITY OF REYNOLDSBURG, OHIO

**Balance Sheet
Governmental Funds
December 31, 2012**

	General	Permissive Tax	Taylor Square TIEF Debt Retirement
Assets:			
Cash and Cash Equivalents	\$ 1,513,938	\$ 264,652	\$ 1,377,919
Investments	2,366,392	452,888	0
Receivables:			
Taxes	2,139,663	0	941,174
Accounts	92,562	0	0
Intergovernmental	456,596	106,106	0
Interest	23,749	899	0
Special Assessments	0	0	0
Inventory of Supplies, at Cost	7,250	0	0
Prepaid Items	21,937	0	0
Restricted Assets:			
Cash and Cash Equivalents	0	0	0
Cash and Cash Equivalents with Fiscal Agent	0	342,342	0
Total Assets	\$ 6,622,087	\$ 1,166,887	\$ 2,319,093
Liabilities:			
Accounts Payable	\$ 90,914	\$ 0	\$ 0
Accrued Wages and Benefits Payable	691,828	0	0
Intergovernmental Payable	28,902	0	939,257
Claims Payable	47,062	0	0
Retainage Payable	0	0	0
Total Liabilities	858,706	0	939,257
Deferred Inflows of Resources:			
Property Tax	252,861	0	941,174
Unavailable Revenue	528,380	413,630	0
Total Deferred Inflows of Resources	781,241	413,630	941,174
Fund Balances:			
Nonspendable	29,187	0	0
Restricted	9,423	753,257	438,662
Committed	23,567	0	0
Assigned	1,752,083	0	0
Unassigned	3,167,880	0	0
Total Fund Balances	4,982,140	753,257	438,662
Total Deferred Inflows of Resources, Liabilities and Fund Balances	\$ 6,622,087	\$ 1,166,887	\$ 2,319,093

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

Other Governmental Funds		Total Governmental Funds	
\$	4,153,613	\$	7,310,122
	5,869,015		8,688,295
	756,241		3,837,078
	1,772		94,334
	677,605		1,240,307
	2,710		27,358
	187,361		187,361
	201,320		208,570
	157		22,094
	270,788		270,788
	0		342,342
<u>\$</u>	<u>12,120,582</u>	<u>\$</u>	<u>22,228,649</u>
\$	49,776	\$	140,690
	32,924		724,752
	94,018		1,062,177
	0		47,062
	270,788		270,788
<u>\$</u>	<u>447,506</u>	<u>\$</u>	<u>2,245,469</u>
	295,956		1,489,991
	693,281		1,635,291
	989,237		3,125,282
	201,477		230,664
	4,412,063		5,613,405
	3,238,036		3,261,603
	2,832,263		4,584,346
	0		3,167,880
	10,683,839		16,857,898
<u>\$</u>	<u>12,120,582</u>	<u>\$</u>	<u>22,228,649</u>

CITY OF REYNOLDSBURG, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2012***

Total Governmental Fund Balances		\$	16,857,898
<i>Amounts reported for governmental activities in the Statement of Net Position are different because</i>			
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.			55,961,094
Other long-term assets are not available to pay for current- period expenditures and therefore are reported as unavailable revenue in the funds.			1,635,291
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General Obligation Bonds Payable	(19,974,909)		
Less: Deferred charge on refunding	851,460		
Ohio Public Works Commission Loans Payable	(2,327,771)		
State Infrastructure Bank Loan	(97,091)		
Compensated Absences Payable	(1,185,826)		
Accrued Interest Payable	(45,881)		
			<u>(22,780,018)</u>
<i>Net Position of Governmental Activities</i>		\$	<u>51,674,265</u>

See accompanying notes to the basic financial statements



CITY OF REYNOLDSBURG, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012**

	General	Permissive Tax	Taylor Square TIEF Debt Retirement
Revenues:			
Taxes	\$ 11,105,997	\$ 0	\$ 2,059,134
Intergovernmental Revenues	1,375,705	1,324,398	0
Charges for Services	212,062	0	0
Licenses and Permits	227,620	0	0
Investment Earnings	166,344	8,241	0
Special Assessments	0	0	0
Fines and Forfeitures	472,918	0	0
All Other Revenue	353,821	0	0
Total Revenues	13,914,467	1,332,639	2,059,134
Expenditures:			
Current:			
Security of Persons and Property	8,209,107	0	0
Public Health and Welfare Services	205,667	0	0
Leisure Time Activities	956,195	0	0
Community Environment	1,209,665	0	0
Transportation	0	817,074	0
General Government	2,807,165	0	1,454,611
Capital Outlay	0	0	0
Debt Service:			
Principal Retirement	0	109,800	365,000
Interest and Fiscal Charges	0	8,096	239,523
Advance Refunding Escrow	0	0	0
Total Expenditures	13,387,799	934,970	2,059,134
Excess (Deficiency) of Revenues Over (Under) Expenditures	526,668	397,669	0
Other Financing Sources (Uses):			
Ohio Public Works Commission Loan	0	0	0
Refunding General Obligation Bonds Issued	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0
Transfers In	0	0	0
Transfers Out	(150,000)	0	0
Total Other Financing Sources (Uses)	(150,000)	0	0
Net Change in Fund Balances	376,668	397,669	0
Fund Balances at Beginning of Year	4,604,764	355,588	438,662
Change in Inventory	708	0	0
Fund Balances End of Year	\$ 4,982,140	\$ 753,257	\$ 438,662

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 2,634,914	\$ 15,800,045
1,406,106	4,106,209
45,761	257,823
2,213	229,833
26,407	200,992
39,737	39,737
111,932	584,850
24,982	378,803
<u>4,292,052</u>	<u>21,598,292</u>
231,879	8,440,986
0	205,667
0	956,195
45,432	1,255,097
880,142	1,697,216
418,575	4,680,351
277,912	277,912
1,432,109	1,906,909
710,689	958,308
295,000	295,000
<u>4,291,738</u>	<u>20,673,641</u>
314	924,651
72,803	72,803
7,705,000	7,705,000
(7,622,276)	(7,622,276)
150,000	150,000
0	(150,000)
<u>305,527</u>	<u>155,527</u>
305,841	1,080,178
10,403,769	15,802,783
(25,771)	(25,063)
<u>\$ 10,683,839</u>	<u>\$ 16,857,898</u>

CITY OF REYNOLDSBURG, OHIO

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances To The Statement Of Activities
Governmental Funds
For the Year Ended December 31, 2012***

Net Change in Fund Balances - Total Governmental Funds \$ 1,080,178

***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 depreciation exceeded capital outlays in the current period.

Capital Outlay	1,136,814	
Depreciation Expense	<u>(2,725,429)</u>	(1,588,615)

The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and donations) is to decrease net position.

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.		41,074
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		(1,360,670)
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The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Issuance of Refunding General Obligation Bond Payable		(7,705,000)
Payment to Refunded Bond Escrow Agent		7,917,276
Ohio Public Works Commission Loan Payable		(72,803)
General Obligation Bond Principal Payment	1,580,130	
State Infrastructure Loan Principal Payment	30,483	
Ohio Public Works Commission Loan Principal Payment	<u>296,296</u>	1,906,909

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		30,857
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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 the governmental funds.

Compensated Absences	(21,820)	
Change in Inventory	(25,063)	
Amortization of Bond Premium	9,484	
Amortization of Bond Issuance Costs	(239,877)	
Amortization of Deferred Charge on Refunding	<u>(28,108)</u>	(305,384)

<i>Change in Net Position of Governmental Activities</i>		<u>\$ (56,178)</u>
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See accompanying notes to the basic financial statements



CITY OF REYNOLDSBURG, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2012**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 9,525,356	\$ 9,492,253	\$ 10,948,806	\$ 1,456,553
Intergovernmental Revenue	1,798,750	1,798,750	1,522,000	(276,750)
Charges for Services	196,250	196,250	212,062	15,812
Licenses and Permits	211,255	211,255	227,620	16,365
Investment Earnings	600,000	600,000	154,745	(445,255)
Fines and Forfeitures	639,000	639,000	448,216	(190,784)
All Other Revenues	384,426	384,426	494,871	110,445
Total Revenues	<u>13,355,037</u>	<u>13,321,934</u>	<u>14,008,320</u>	<u>686,386</u>
Expenditures:				
Current:				
Security of Persons and Property	8,219,915	8,372,119	8,255,679	116,440
Public Health and Welfare Services	205,667	205,667	205,667	0
Leisure Time Activities	1,043,476	1,061,255	981,121	80,134
Community Environment	1,321,785	1,390,033	1,258,583	131,450
General Government	3,208,295	3,252,342	2,968,343	283,999
Total Expenditures	<u>13,999,138</u>	<u>14,281,416</u>	<u>13,669,393</u>	<u>612,023</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(644,101)	(959,482)	338,927	1,298,409
Other Financing Sources (Uses):				
Transfers In	9,000	9,000	0	(9,000)
Transfers Out	<u>0</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>0</u>
Total Other Financing Sources (Uses):	<u>9,000</u>	<u>(141,000)</u>	<u>(150,000)</u>	<u>(9,000)</u>
Net Change in Fund Balance	(635,101)	(1,100,482)	188,927	1,289,409
Fund Balance at Beginning of Year	2,893,865	2,893,865	2,893,865	0
Prior Year Encumbrances	<u>325,828</u>	<u>325,828</u>	<u>325,828</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,584,592</u>	<u>\$ 2,119,211</u>	<u>\$ 3,408,620</u>	<u>\$ 1,289,409</u>

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Permissive Tax Fund
For the Year Ended December 31, 2012**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenue	\$ 219,800	\$ 1,324,687	\$ 1,324,857	\$ 170
Investment Earnings	200	200	5,919	5,719
Total Revenues	<u>220,000</u>	<u>1,324,887</u>	<u>1,330,776</u>	<u>5,889</u>
Expenditures:				
Current:				
Transportation	1,000	1,229,174	1,125,828	103,346
Debt Service:				
Principal Retirement	109,800	109,800	109,800	0
Interest and Fiscal Charges	8,096	8,096	8,096	0
Total Expenditures	<u>118,896</u>	<u>1,347,070</u>	<u>1,243,724</u>	<u>103,346</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	101,104	(22,183)	87,052	109,235
Fund Balance at Beginning of Year	291,784	291,784	291,784	0
Prior Year Encumbrances	27,814	27,814	27,814	0
Fund Balance at End of Year	<u>\$ 420,702</u>	<u>\$ 297,415</u>	<u>\$ 406,650</u>	<u>\$ 109,235</u>

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2012**

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water Drainage
Assets:			
<i>Current Assets:</i>			
Cash and Cash Equivalents	\$ 190,903	\$ 1,035,221	\$ 445,943
Investments	460,143	1,482,261	759,524
Receivables:			
Accounts	1,493,471	1,490,202	0
Special Assessments	0	117,813	0
Inventory of Supplies at Cost	24,097	0	6,787
Prepaid Items	13,815	2,064	255
<i>Total Current Assets</i>	<u>2,182,429</u>	<u>4,127,561</u>	<u>1,212,509</u>
<i>Noncurrent Assets:</i>			
Restricted Assets:			
Cash and Cash Equivalents	79,263	0	0
Capital Assets Not Being Depreciated	998,529	883,226	414,366
Capital Assets Being Depreciated, Net	22,423,400	32,029,271	34,012,105
<i>Total Noncurrent Assets</i>	<u>23,501,192</u>	<u>32,912,497</u>	<u>34,426,471</u>
Total Assets	<u>25,683,621</u>	<u>37,040,058</u>	<u>35,638,980</u>
Liabilities:			
<i>Current Liabilities:</i>			
Accounts Payable	98,349	2,464	3,934
Accrued Wages and Benefits	15,822	16,681	11,014
Intergovernmental Payable	1,066,038	1,297,072	0
Accrued Interest Payable	3,912	2,911	912
Unearned Revenue	0	0	63,519
Compensated Absences Payable - Current	19,622	5,463	13,938
General Obligation Bonds - Current	346,588	165,888	88,000
Ohio Public Works Commission Loan Payable - Current	63,356	50,200	0
<i>Total Current Liabilities</i>	<u>1,613,687</u>	<u>1,540,679</u>	<u>181,317</u>

CITY OF REYNOLDSBURG, OHIO

<u>Solid Waste</u>	<u>Total</u>
\$ 127,973	\$ 1,800,040
217,963	2,919,891
0	2,983,673
0	117,813
0	30,884
0	16,134
<u>345,936</u>	<u>7,868,435</u>
0	79,263
0	2,296,121
0	88,464,776
<u>0</u>	<u>90,840,160</u>
<u>345,936</u>	<u>98,708,595</u>
163,405	268,152
0	43,517
0	2,363,110
0	7,735
160,571	224,090
0	39,023
0	600,476
0	113,556
<u>323,976</u>	<u>3,659,659</u>

(Continued)

CITY OF REYNOLDSBURG, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2012**

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water Drainage
<i>Noncurrent Liabilities:</i>			
Refundable Deposits	79,263	0	0
Compensated Absences Payable	47,306	3,477	23,856
General Obligation Bonds Payable	1,153,212	752,212	187,000
OPWC Loans Payable	749,030	428,170	0
<i>Total Noncurrent Liabilities</i>	<u>2,028,811</u>	<u>1,183,859</u>	<u>210,856</u>
Total Liabilities	<u>3,642,498</u>	<u>2,724,538</u>	<u>392,173</u>
Net Position:			
Net Investment in Capital Assets	21,528,743	31,516,027	34,151,471
Unrestricted	512,380	2,799,493	1,095,336
Total Net Position	<u>\$ 22,041,123</u>	<u>\$ 34,315,520</u>	<u>\$ 35,246,807</u>

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

<u>Solid Waste</u>	<u>Total</u>
0	79,263
0	74,639
0	2,092,424
0	1,177,200
0	3,423,526
323,976	7,083,185
0	87,196,241
21,960	4,429,169
<u>\$ 21,960</u>	<u>\$ 91,625,410</u>

CITY OF REYNOLDSBURG, OHIO

**Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2012**

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water Drainage
Operating Revenues:			
Charges for Services	\$ 5,517,353	\$ 5,438,838	\$ 644,511
Other Operating Revenue	2,275	63,119	0
Total Operating Revenues	5,519,628	5,501,957	644,511
Operating Expenses:			
Personal Services	355,277	358,135	241,626
Contractual Services	4,709,627	5,017,573	82,410
Materials and Supplies	105,514	13,188	15,992
Depreciation	665,026	987,020	1,023,427
Total Operating Expenses	5,835,444	6,375,916	1,363,455
Operating Loss	(315,816)	(873,959)	(718,944)
Nonoperating Revenue (Expenses):			
Interest Expense	(76,942)	(49,384)	(14,046)
Total Nonoperating Revenues (Expenses)	(76,942)	(49,384)	(14,046)
Loss Before Contributions	(392,758)	(923,343)	(732,990)
Capital Contributions-Tap Fees	51,878	39,573	0
Capital Contributions	472,663	262	24,410
Change in Net Position	131,783	(883,508)	(708,580)
Net Position Beginning of Year	21,909,340	35,199,028	35,955,387
Net Position End of Year	\$ 22,041,123	\$ 34,315,520	\$ 35,246,807

See accompanying notes to the basic financial statements

CITY OF REYNOLDSBURG, OHIO

<u>Solid Waste</u>	<u>Total</u>
\$ 1,962,981	\$ 13,563,683
0	65,394
1,962,981	13,629,077
0	955,038
1,996,971	11,806,581
995	135,689
0	2,675,473
1,997,966	15,572,781
(34,985)	(1,943,704)
0	(140,372)
0	(140,372)
(34,985)	(2,084,076)
0	91,451
0	497,335
(34,985)	(1,495,290)
56,945	93,120,700
\$ 21,960	\$ 91,625,410

CITY OF REYNOLDSBURG, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012**

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$5,404,002	\$5,397,536	\$643,887
Cash Payments for Goods and Services	(4,702,340)	(4,111,586)	(104,472)
Cash Payments to Employees	(360,151)	(374,540)	(238,786)
Net Cash Provided (Used) by Operating Activities	<u>341,511</u>	<u>911,410</u>	<u>300,629</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Principal Paid on General Obligation Bonds	(94,000)	0	0
Interest Paid on All Debt	(21,854)	0	0
Net Cash Used by Noncapital Financing Activities	<u>(115,854)</u>	<u>0</u>	<u>0</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Cash Received from Tap-in Fees in Excess of Cost	51,878	39,573	0
Receipt of Special Assessments	0	14,907	0
Proceeds of Ohio Public Works Commission Grants	3,696	652	31,522
Proceeds from General Obligation Bonds	960,000	350,000	0
Acquisition and Construction of Assets	(814,472)	(377,230)	(149,857)
Principal Paid on General Obligation Bonds	(212,385)	(130,685)	(85,000)
Principal Paid on Ohio Public Works Commission Loans	(61,497)	(48,727)	0
Interest Paid on All Debt	(54,013)	(50,328)	(14,328)
Net Cash Used by Capital and Related Financing Activities	<u>(126,793)</u>	<u>(201,838)</u>	<u>(217,663)</u>
<u>Cash Flows from Investing Activities:</u>			
Sale of Investments	(41,831)	(357,885)	(15,904)
Net Cash Provided (used) by Investing Activities	<u>(41,831)</u>	<u>(357,885)</u>	<u>(15,904)</u>
Net Increase in Cash and Cash Equivalents	57,033	351,687	67,062
Cash and Cash Equivalents at Beginning of Year	213,133	683,534	378,881
Cash and Cash Equivalents at End of Year	<u>\$270,166</u>	<u>\$1,035,221</u>	<u>\$445,943</u>
<u>Reconciliation of Cash and Cash Equivalents per the Balance Sheet:</u>			
Cash and Cash Equivalents	\$190,903	\$1,035,221	\$445,943
Restricted Cash and Cash Equivalents	79,263	0	0
Cash and Cash Equivalents at End of Year	<u>\$270,166</u>	<u>\$1,035,221</u>	<u>\$445,943</u>

CITY OF REYNOLDSBURG, OHIO

<u>Solid Waste</u>	<u>Totals</u>
\$1,963,371	\$13,408,796
(1,996,179)	(10,914,577)
<u>0</u>	<u>(973,477)</u>
<u>(32,808)</u>	<u>1,520,742</u>
0	(94,000)
<u>0</u>	<u>(21,854)</u>
<u>0</u>	<u>(115,854)</u>
0	91,451
0	14,907
0	35,870
	1,310,000
0	(1,341,559)
0	(428,070)
0	(110,224)
<u>0</u>	<u>(118,669)</u>
<u>0</u>	<u>(546,294)</u>
<u>32,943</u>	<u>(382,677)</u>
<u>32,943</u>	<u>(382,677)</u>
135	475,917
<u>127,838</u>	<u>1,403,386</u>
<u>\$127,973</u>	<u>\$1,879,303</u>
\$127,973	\$1,800,040
<u>0</u>	<u>79,263</u>
<u>\$127,973</u>	<u>\$1,879,303</u>

(Continued)

CITY OF REYNOLDSBURG, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012**

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water
<u>Reconciliation of Operating Loss to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Loss	(\$315,816)	(\$873,959)	(\$718,944)
Adjustments to Reconcile Operating Loss to			
Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	665,026	987,020	1,023,427
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	(119,701)	(104,421)	0
Increase in Inventory	(711)	0	(2,831)
(Increase) Decrease in Prepaid Items	706	(131)	(69)
Increase (Decrease) in Accounts Payable	(4,193)	171	(3,170)
Increase (Decrease) in Accrued Wages and Benefits	(2,702)	1,254	1,319
Increase in Intergovernmental Payable	116,999	919,155	0
Increase (Decrease) in Unearned Revenue	0	0	(624)
Increase in Refundable Deposits	4,075	0	0
Increase (Decrease) in Compensated Absences	(2,172)	(17,679)	1,521
Total Adjustments	657,327	1,785,369	1,019,573
Net Cash Provided (Used) by Operating Activities	\$341,511	\$911,410	\$300,629

Schedule of Noncash Investing, Capital and Financing Activities:

During 2012 the Water Fund and Storm Water Fund received capital contributions from developers of \$471,180 and \$11,767 respectively.

See accompanying notes to the basic financial statements.

CITY OF REYNOLDSBURG, OHIO

<u>Solid Waste</u>	<u>Totals</u>
(\$34,985)	(\$1,943,704)
0	2,675,473
0	(224,122)
0	(3,542)
0	506
1,787	(5,405)
0	(129)
0	1,036,154
390	(234)
0	4,075
0	(18,330)
<u>2,177</u>	<u>3,464,446</u>
<u>(\$32,808)</u>	<u>\$1,520,742</u>

CITY OF REYNOLDSBURG, OHIO

***Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2012***

	<u>Agency</u>
Assets:	
Cash and Cash Equivalents	\$ 103,446
Receivables:	
Taxes	9,507
Accounts	<u>5,227</u>
Total Assets	<u>\$ 118,180</u>
Liabilities:	
Intergovernmental Payable	\$ 82,270
Due to Others	<u>35,910</u>
Total Liabilities	<u>\$ 118,180</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Reynoldsburg, Ohio (the City) is a home-rule municipal corporation created under the laws of the State of Ohio. The City was first incorporated in 1839 and currently operates under and is governed by its own Charter. The current City Charter, which provides for a Mayor-Council form of government, was adopted in 1979 and has been amended by the voters in 1982, 1987, 1992, 1995, 1997, 2007 and 2012.

The financial statements are presented as of December 31, 2012 and for the year then ended, and have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39, *"Determining Whether Certain Organizations are Component Units"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, including the following services: police protection, parks and recreation, planning, zoning, street maintenance, and other governmental services. In addition, the City owns the water distribution system and the wastewater collection system, each of which is reported as an enterprise fund. Treatment services for both water and wastewater are provided by the City of Columbus on a contractual basis. The City is also associated with a jointly governed organization, the Mid-Ohio Regional Planning Commission. This organization is discussed in Note 15 to the basic financial statements.

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflow of resources, fund equity, revenues and expenditures or expenses. The following fund types are used by the City:

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds

Governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of "financial flow" (sources and use and balances of financial resources). The following are the City's major governmental funds:

General Fund - This fund is used to account for all financial resources except those 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 limitations of the City Charter.

Permissive Tax Fund – This fund is used to account for the permissive auto license taxes levied for street construction, maintenance and repair.

Taylor Square TIEF Debt Retirement Fund – This fund is used to account for resources that are used for payment of principal, interest and fiscal charges on the Taylor Square Debt.

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

Proprietary Funds

All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of these funds are included on the Statement of Net Position. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

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

Water Fund – This fund is used to account for the operation of the City's water service.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Proprietary Funds (Continued)

Sewer Fund – This fund is used to account for the operation of the City’s sanitary sewer service.

Storm Water Drainage Fund – This fund is used to account for the operation of the City’s storm water drainage service.

Solid Waste Fund – This fund is used to account for the operation of the City’s solid waste collection and disposal service.

Fiduciary Fund

Agency Funds - These funds are used to account for assets held by a governmental unit as an agent for individuals, private organizations or other governmental units. The agency funds account for building permit fees collected on behalf of the State, mayor’s court collections that are distributed to various local governments, hotel tax collections to be distributed to the Reynoldsburg Visitors and Activities Bureaus, fees collected for school activities, and sewer capacity charges distributed to the City of Columbus. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. Basis of Presentation – Financial Statements

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 government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of 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 – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a Balance Sheet, which generally includes only current assets and current liabilities, and a Statement of Revenues, Expenditures and Changes in Fund Balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Net Position. The Statement of Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which the City considers to be 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. 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 specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Revenues considered susceptible to accrual at year end include income taxes, property taxes, interest on investments, and state levied locally shared taxes, including motor vehicle license fees and local government assistance. Other revenues, including licenses, permits, certain charges for services, and miscellaneous revenues are recorded when received in cash, because generally these revenues are not measurable until received.

The accrual basis of accounting is utilized for reporting purposes by governmental activities, the proprietary funds and fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

1. Tax Budget

All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is by fund at the major object level (i.e., personal services, materials and supplies, contractual services) by department. Budgetary modifications may only be made by ordinance of the City Council.

By July 15, the Mayor submits an annual tax budget for the following fiscal year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

2. Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes, and reviews estimated revenue. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2012.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund and major object level (i.e. personal services, materials and supplies, contractual services) and may be modified during the year by Ordinance of City Council. Total fund appropriations may not exceed the current estimated resources certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. During 2012, several supplemental appropriations were necessary to budget for major capital improvement projects that were not originally appropriated. Administrative control is maintained through the establishment of more detailed line-item budgets. Funds may be moved from one line-item account to another within the same object without approval of City Council. The City Auditor maintains an accounting of the line-item expenditures to ensure that the total expenditures within a department by object do not exceed approved appropriations. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. The amounts reported as the original budget amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as final budget amounts in the statement of budgetary comparison represent the final appropriations amount including all amendments and modifications.

4. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balances are carried forward to the subsequent fiscal year and needs not be reappropriated.

5. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than accounting principles generally accepted in the United States of America (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on the cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures recorded when paid. In addition, encumbrances are recorded as the equivalent of expenditures on the budgetary basis as opposed to reservation of fund balance on the GAAP basis. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. On the budgetary basis investment earnings are recognized when realized, whereas on a GAAP basis unrealized gains and losses are recognized when investments are adjusted to fair value.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

5. Budgetary Basis of Accounting (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund and the Permissive Tax Fund:

	Net Change in Fund Balance	
	General Fund	Permissive Tax Fund
GAAP Basis (as reported)	\$376,668	\$397,669
Increase (Decrease):		
Accrued Revenues at December 31, 2012 received during 2013	(1,993,696)	(35,717)
Accrued Revenues at December 31, 2011 received during 2012	2,101,467	36,099
Accrued Expenditures at December 31, 2012 paid during 2013	810,951	0
Accrued Expenditures at December 31, 2011 paid during 2012	(773,505)	0
2011 Prepays for 2012	30,584	0
2012 Prepays for 2013	(21,937)	0
Adjustment to Fair Value Perspective Difference-	(12,262)	(2,245)
Budgeted Special Revenue Funds reclassified as General Fund	480	0
Outstanding Encumbrances	(329,823)	(308,754)
Budget Basis	<u>\$188,927</u>	<u>\$87,052</u>

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, repurchase agreements, the State Treasury Asset Reserve (STAR Ohio) and certificates of deposit with original maturity dates of three months or less.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand. See Note 4, "Cash, Cash Equivalents and Investments."

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City reports its investments at fair value, except for nonparticipating investment contracts (certificates of deposit and repurchase agreements) which are reported at cost, which approximates fair value. The changes in the fair value of investments, are netted against investment earnings in the operating statements. Fair value is determined by quoted market prices.

The City has invested funds in the STAR Ohio during 2012. STAR 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 does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2012. See Note 4, "Cash, Cash Equivalents and Investments."

H. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds, and at the lower of cost or market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased and as expenses in the governmental activities and proprietary funds when used.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2012, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

J. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business-type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the fund financial statements.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets and Depreciation (Continued)

1. Property, Plant and Equipment - Governmental Activities (Continued)

Contributed capital assets are recorded at fair market value at the date received. Capital assets include land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

2. Property, Plant and Equipment – Business-Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds in the fund financial statements.

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental and Business-Type Activities Estimated Lives (in years)</u>
Buildings	15 - 40
Improvements other than Buildings	25
Infrastructure	10-50
Machinery and Equipment	5 - 10

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	Permissive Tax Fund, General Debt Retirement Fund, Taylor Square TIEF Debt Retirement Fund, Brice Main TIEF Debt Retirement Fund, Water Fund, Sewer Fund, Storm Water Drainage Fund
Ohio Public Works Commission Loans	General Debt Retirement Fund, Water Fund, Sewer Fund
State Infrastructure Bank Loan	Kroger TIEF Debt Retirement Fund
Compensated Absences	General Fund, Income Tax Fund, Street Construction, Maintenance and Repair Fund Water Fund, Sewer Fund, Storm Water Drainage Fund

L. Compensated Absences

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," compensated absences are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Employees earn vacation leave based on length of service and position. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement is accrued to the extent that it is considered probable that the conditions for compensation will be met in the future.

Sick leave benefits are accrued as a liability using the vesting method. Employees earn 15 days of sick leave per year. After 10 years of service and upon retirement or resignation, full-time employees will be paid 25% of the accumulated sick leave up to a maximum of 880 hours. The payment increases every 5 years of employment.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Compensated Absences (Continued)

Compensated absences accumulated by governmental fund type and proprietary fund type employees are reported as an expense when earned in the government-wide financial statements. For governmental fund financial statements, that portion of unpaid compensated absences expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid. The noncurrent portion of the liability is not reported.

M. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net 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. Any unspent capital debt proceeds at December 31, 2012 does not reduce net investment in capital assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

N. Pensions

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred.

O. Interfund Activity

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. 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 (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City Charter authorizes the City Auditor to assign fund balance.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use unrestricted resources first (committed, assigned and unassigned), then restricted resources as they are needed, except for the Capital Projects and Debt Service Funds in which restricted resources are used first.

Q. Restricted Assets

Customer deposits, retainage payable, investments, and cash with fiscal agent are classified as restricted assets on the Statement of Net Position because these funds are being held for specified purposes.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. 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 treatment and distribution, wastewater collection and treatment, maintenance of storm water collection systems and collection of solid waste refuse. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

S. Estimates

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

T. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund loans receivables/payables.” On fund financial statements, long-term interfund loans are classified as “advances to/from other funds” on the financial statements and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources. 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. The City did not have outstanding interfund loans at December 31, 2012.

U. 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 Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2012.

V. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

V. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, unavailable amounts, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE

For 2012 the City implemented GASB Statement No. 62, “*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*,” GASB Statement No. 63, “*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*” and GASB Statement No. 65, “*Items Previously Reported as Assets and Liabilities*”.

Statement No. 62 incorporated into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants’ (AICPA) Committee on Accounting Procedure issued on or before November 30, 1989 which does not conflict with or contradict GASB pronouncements.

Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. GASB 63 standardizes the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government’s net position.

Statement No. 65 provides guidance on how to properly classify items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources. In addition, guidance is provided on recognizing certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues).

The implementation of these GASB Statements had no impact on beginning of year fund balance/net position.

CITY OF REYNOLDSBURG, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 3 – FUND BALANCE CLASSIFICATION

Fund balance is classified as nonspendable, restricted, committed, assigned, and unassigned 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 constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General Fund	Permissive Tax Fund	Taylor Square TIEF Debt Retirement Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid Items	\$21,937	\$0	\$0	\$157	\$22,094
Supplies Inventory	7,250	0	0	201,320	208,570
Total Nonspendable	29,187	0	0	201,477	230,664
Restricted:					
Transportation Projects	0	753,257	0	2,511,185	3,264,442
Court Projects	0	0	0	119,708	119,708
Law Enforcement	9,423	0	0	368,099	377,522
Debt Retirement	0	0	438,662	702,702	1,141,364
Capital Improvements	0	0	0	710,369	710,369
Total Restricted	9,423	753,257	438,662	4,412,063	5,613,405
Committed:					
Stabilization	0	0	0	2,552,129	2,552,129
Community Development	0	0	0	164,393	164,393
Capital Improvements	0	0	0	521,514	521,514
Other Purposes	23,567	0	0	0	23,567
Total Committed	23,567	0	0	3,238,036	3,261,603
Assigned:					
Projected budgetary deficit	1,514,592	0	0	0	1,514,592
Capital Improvements	0	0	0	2,832,263	2,832,263
Other Purposes	237,491	0	0	0	237,491
Total Assigned	1,752,083	0	0	2,832,263	4,584,346
Unassigned:					
	3,167,880	0	0	0	3,167,880
Total Fund Balances	\$4,982,140	\$753,257	\$438,662	\$10,683,839	\$16,857,898

Stabilization Agreement - In 1994, the City established by ordinance, a revenue stabilization reserve in the Income Tax Fund and first deposited income tax monies into that fund in 1995. Effective 2009, earnings from designated investments are the primary source of revenue. Amounts in the revenue stabilization reserve may only be expended to continue basic City services due to a natural disaster or other catastrophic occurrence. The balance of the revenue stabilization reserve at December 31, 2012 is \$2,511,185.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. The City Auditor, with the guidance of the City's Treasury Investment Board, has the responsibility of investing all cash. The City has adopted an Investment Policy that follows Ohio Revised Code Chapter 135 and applies the prudent person standard. The prudent person standard requires the City Auditor to exercise the care, skill and experience that a prudent person would use to manage his/her personal financial affairs. The main objectives of the Investment Policy are the preservation of capital, maintenance of liquidity, and maximization of return on the portfolio.

Statutes require the classification of funds held by the City into three categories.

Category 1 consists of "active" funds - those funds required to be kept in a "cash" or "near cash" status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned. Protection of City cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. The City has no policy on custodial credit risk and is governed by Ohio Revised Code. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end the carrying amount of the City's deposits was \$5,095,506 and the bank balance was \$5,566,844. Federal deposit insurance covered \$1,156,328 of the bank balance and \$4,410,517 was uninsured. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and uncollateralized	\$3,804
Uninsured and collateralized with securities held by the pledging institution's trust department not in the City's name	<u>4,406,713</u>
Total Balance	<u><u>\$4,410,517</u></u>

Investment earnings of \$127,149 earned by other funds was credited to the General Fund as required by state statute.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments

The City's investments at December 31, 2012 were as follows:

	Fair Value	Credit Rating	Investment Maturities (in Months)			
			less than 6	7-12	13-18	19+
FNMA	\$6,777,571	AA+ ¹	\$501,395	\$1,002,520	\$501,770	\$4,771,886
FHLB	938,428	AA- ¹	0	0	0	938,428
Negotiable CD's	3,048,770	AAA ²	486,683	0	419,934	2,142,153
FFCB	403,986	AA+ ¹	0	0	0	403,986
FHLMC	95,124	AA+ ¹	0	0	0	95,124
Repurchase Agreements	1,733,452	*	1,733,452	0	0	0
STAR Ohio	3,079,008	AAAm ¹	3,079,008	0	0	0
Total Investments	<u>\$16,076,339</u>		<u>\$5,800,538</u>	<u>\$1,002,520</u>	<u>\$921,704</u>	<u>\$8,351,577</u>

1 Standard & Poor's

2 All are fully FDIC insured and therefore have an implied AAA credit rating

* United States Treasury and United States Agency securities underlie the repurchase agreements and are therefore not subject to credit risk disclosures.

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The City's Investment Policy does not permit the City Auditor to invest in any security maturing in more than 5 years.

Investment Credit Risk – The City has no investment policy that limits its investment choices other than the limitation of State statute for "interim" funds described previously.

Concentration of Credit Risk – The Investment Policy places no limit on the amount the Auditor may invest in one issuer. The policy limits investments with any one financial institution to 35% of the investment portfolio, with the exception of a 40% limit to investments in STAR Ohio. Of the City's total investments, 42% are FNMA, 19% are negotiable CD's, 6% are FHLB, 1% are FHLMC, 2% are FFCB, and 19% are STAR Ohio, and 11% are Repurchase Agreements.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Of the City's investment in repurchase agreements, the entire balance is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. The City has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

C. Cash with Fiscal Agents

In addition to deposits and investments, the City has uninsured and uncollateralized cash in the amount of \$342,342 being held by the Franklin and Fairfield County Engineers. This cash is restricted in its use for various road improvement projects.

D. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the combined financial statements were based on criteria set forth in GASB Statement No. 9. Repurchase agreements and certificates of deposit with an original maturity of three months or less were treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note were based on criteria set forth in GASB Statement No. 3.

A reconciliation between classifications of cash and investments on the financial statements and classifications per items A and B of this note are as follows:

	<u>Cash and Cash Equivalents *</u>	<u>Investments</u>
Per Financial Statements	\$9,563,659	\$11,608,186
Certificates of Deposit (with maturities of more than 3 months)	344,307	(344,307)
Investments:		
Repurchase Agreement	(1,733,452)	1,733,452
STAR Ohio	(3,079,008)	3,079,008
Per GASB Statement No. 3	<u>\$5,095,506</u>	<u>\$16,076,339</u>

* Does not include cash with fiscal agent.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property located in the City and used in business. Real property taxes (other than public utility) collected during 2012 were levied after October 1, 2011 on assessed values as of January 1, 2011, the lien date. Assessed values are established by the county auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made in the third year following reappraisal. The last revaluations were completed in 2008 in Franklin County and Licking County, and in Fairfield County, the last revaluation was completed in 2007. Real property taxes are paid annually or semi-annually. The first payment is due January 20; the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 88 percent of its true value. Public utility property taxes are payable on the same dates as the real property taxes described previously.

The County Treasurers collect property taxes on behalf of all taxing districts in the County including the City of Reynoldsburg. The County Auditors periodically remit to the City its portion of the taxes collected. The full tax rate for all City operations for the year ended December 31, 2012 was \$0.70 per \$1,000 of assessed value. The assessed value upon which the 2012 tax receipts were based was \$685,603,090. This amount constitutes \$675,140,150 in real property assessed value and \$10,462,940 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .07% (0.7 mills) of assessed value.

B. Income Tax

The City levies a tax of 1.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 6 - RECEIVABLES

Receivables at December 31, 2012 consisted of taxes, interest, accounts receivable, special assessments, and intergovernmental receivables arising from shared revenues. Receivables have been recorded to the extent that they are measurable at December 31, 2012, as well as intended to finance 2012 operations. All receivables have been disaggregated on the face of the basic financial statements. The only receivable not expected to be collected within the subsequent year are the special assessments which are collected over the life of the assessment.

NOTE 7 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2012:

Fund	Transfer In	Transfer Out
General Fund	\$0	\$150,000
Nonmajor Governmental Funds	\$150,000	\$0
Total Transfers	<u>\$150,000</u>	<u>\$150,000</u>

Transfers are used to move revenues from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

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CITY OF REYNOLDSBURG, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 8 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets for year ended December 31, 2012:

Historical Cost:

Class	Balance at December 31, 2011	Additions	Deletions	Balance at December 31, 2012
Capital assets not being depreciated:				
Land	\$17,177,331	\$0	\$0	\$17,177,331
Construction in Progress	2,405,281	923,884	0	3,329,165
Subtotal	19,582,612	923,884	0	20,506,496
Capital assets being depreciated:				
Buildings	11,742,218	0	0	11,742,218
Improvements Other than Buildings	2,109,827	27,606	0	2,137,433
Infrastructure	48,342,351	0	0	48,342,351
Machinery and Equipment	4,656,844	226,398	(177,467)	4,705,775
Subtotal	66,851,240	254,004	(177,467)	66,927,777
Total Cost	\$86,433,852	\$1,177,888	(\$177,467)	\$87,434,273

Accumulated Depreciation:

Class	Balance at December 31, 2011	Additions	Deletions	Balance at December 31, 2012
Buildings	(\$4,437,917)	(\$296,847)	\$0	(\$4,734,764)
Improvements Other than Buildings	(984,697)	(83,812)	0	(1,068,509)
Infrastructure	(19,798,889)	(2,106,032)	0	(21,904,921)
Machinery and Equipment	(3,703,714)	(238,738)	177,467	(3,764,985)
Total Depreciation	(\$28,925,217)	(\$2,725,429)	\$177,467	(\$31,473,179)
Net Value:	\$57,508,635			\$55,961,094

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$281,371
Leisure Time Activities	99,897
Transportation	2,161,168
General Government	182,993
Total Depreciation Expense	\$2,725,429

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 8 – CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by category of changes in business-type activities capital assets for year ended December 31, 2012:

Historical Cost:

Class	Balance at December 31, 2011	Additions	Deletions	Balance at December 31, 2012
<i>Capital assets not being depreciated:</i>				
Land	\$3,000	\$0	\$0	\$3,000
Construction in Progress	1,040,427	1,252,694	0	2,293,121
Subtotal	1,043,427	1,252,694	0	2,296,121
<i>Capital assets being depreciated:</i>				
Buildings and Improvements	162,491	0	0	162,491
Infrastructure	128,941,606	482,947	0	129,424,553
Machinery and Equipment	1,010,200	116,341	(40,283)	1,086,258
Subtotal	130,114,297	599,288	(40,283)	130,673,302
Total Cost	\$131,157,724	\$1,851,982	(\$40,283)	\$132,969,423

Accumulated Depreciation:

Class	Balance at December 31, 2011	Additions	Deletions	Balance at December 31, 2012
Buildings and Improvements	(\$148,829)	(\$642)	\$0	(\$149,471)
Infrastructure	(38,764,723)	(2,615,230)	0	(41,379,953)
Machinery and Equipment	(659,784)	(59,601)	40,283	(679,102)
Total Depreciation	(\$39,573,336)	(\$2,675,473)	\$40,283	(\$42,208,526)

Net Value:

\$91,584,388	\$90,760,897
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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 9 – DEFINED BENEFIT PENSION PLANS

All of the City’s full-time employees participate in one of two separate retirement systems which are cost-sharing multiple employer defined benefit pension plans.

A. Ohio Public Employees Retirement System (“OPERS”)

The following information was provided by OPERS to assist the City in complying with GASB Statement No. 27, “*Accounting for Pensions by State and Local Government Employers.*”

All employees of the City, except full-time uniformed police officers, participate in one of the three pension plans administered by OPERS: the Traditional Pension Plan (TP), the Member-Directed Plan (MD), and the Combined Plan (CO). The TP Plan is a cost-sharing multiple employer defined benefit pension plan. The MD Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP Plan and CO Plan. Members of the MD Plan do not qualify for ancillary benefits, including postemployment health care benefits. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Ohio Public Employees Retirement System issues a stand-alone financial report that includes financial statements and required supplementary information for OPERS. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

The ORC provides statutory authority for employee and employer contributions. For 2012, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 10.0%. The 2012 employer contribution rate for local government employer units was 14.00%, of covered payroll which is the maximum contribution rate set by State statutes. Employer contribution rates are actuarially determined. A portion of the City’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of employer contributions allocated to pension obligations for members in the Traditional Plan was 10.0% for calendar year 2012. The portion of employer contributions allocated to pension obligations for members in the Combined Plan was 7.95% for calendar year 2012. The contribution requirements of plan members and the City are established and may be amended by the OPERS Board. The City’s contributions for pension obligations to OPERS for the years ending December 31, 2012, 2011, and 2010 were \$386,539, \$396,689 and \$367,165, respectively, which were equal to the required contributions for each year. Contributions to the member-directed plan for 2012 were \$5,793 made by the City and \$4,138 made by the plan members.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

B. Ohio Police and Fire Pension Fund (“OP&F”)

All City full-time police officers participate in OP&F, a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the ORC. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% for police officers. A portion of the City’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for 2012, 12.75% of annual covered salary for police was the portion used to the fund pension obligation. The City's contributions for pension obligations to the OP&F Fund for the years ending December 31, 2012, 2011, and 2010 were \$550,027, \$536,208 and \$500,771 for police, respectively, which were equal to the required contributions for each year.

NOTE 10 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System (“OPERS”)

Plan Description – 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 plan, which includes a medical plan, prescription drug program and Medicare Part B Premium reimbursement, to qualifying member of both the Traditional Pension and the Combined Plans. Members of the Member Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 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 is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the ORC.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 10 - POSTEMPLOYMENT BENEFITS (Continued)

A. Ohio Public Employees Retirement System (“OPERS”) (Continued)

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

The OPERS Postemployment Health Care plan was established under, and is administered in accordance with Internal Revenue Code 401(h). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0% for calendar year 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% for calendar year 2012. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OPERS for the years ending December 31, 2012, 2011, and 2010 were \$154,616, \$158,675 and \$209,039, respectively, which were equal to the required contributions for each year.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

B. Ohio Police and Fire Pension Fund (“OP&F”)

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 10 - POSTEMPLOYMENT BENEFITS (Continued)

B. Ohio Police and Fire Pension Fund (“OP&F”) (Continued)

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

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. 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% for police. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units. Active members do not make contributions to the OPEB Plan.

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 2012, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees’ primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h). The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OP&F for the years ending December 31, 2012, 2011, and 2010 were \$291,191, \$283,875 and \$265,114 for police, respectively, which were equal to the required contributions for each year.

CITY OF REYNOLDSBURG, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 11 - LONG-TERM DEBT LIABILITIES

Long-term debt and other long-term liabilities of the City at December 31, 2012 were as follows:

			Balance December 31, 2011	Additions	(Reductions)	Balance December 31, 2012	Due Within One Year
Business-Type Activities							
General Obligation Bonds:							
4.4 - 5.05%	Sewer System Improvement	1998-2016	\$310,000	\$0	(\$62,000)	\$248,000	\$62,000
3.98%	Storm Sewer Improvement	2005-2015	360,000	0	(85,000)	275,000	88,000
4.26%	Water System Improvement	2007-2016	513,000	0	(94,000)	419,000	98,000
4.33%	Sewer System Improvement	2007-2017	324,000	0	(48,000)	276,000	51,000
3.50%	Water Tower Improvement	2009-2013	268,400	0	(131,900)	136,500	136,500
4.31%	Water Computer System	2010-2014	64,785	0	(20,685)	44,100	21,588
4.31%	Sewer Computer System	2010-2014	64,785	0	(20,685)	44,100	21,588
2.49%	Water System Improvement	2012-2021	0	960,000	(59,800)	900,200	90,500
2.49%	Sewer System Improvement	2012-2022	0	350,000	0	350,000	31,300
Total General Obligation Bonds			1,904,970	1,310,000	(522,070)	2,692,900	600,476
Ohio Public Works Commission Loans (OPWC):							
3.00%	Cobblestone Run/ Windsor Forest Sanitary Sewers	2000-2021	527,097	0	(48,727)	478,370	50,200
3.00%	Old Reynoldsburg North Water Line	2003-2023	255,826	0	(18,003)	237,823	18,547
3.00%	Route 256 Waterline	2003-2023	618,057	0	(43,494)	574,563	44,809
Total OPWC Loans			1,400,980	0	(110,224)	1,290,756	113,556
Compensated Absences			131,992	89,611	(107,941)	113,662	39,023
Total Business-Type Long-Term Debt			\$3,437,942	\$1,399,611	(\$740,235)	\$4,097,318	\$753,055

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 11 - LONG-TERM DEBT LIABILITIES (Continued)

				<u>Original Issue</u>
Business-Type Activities				
General Obligation Bonds:				
4.4 -	5.05%	Sewer System Improvement	1998-2016	\$1,131,500
	3.98%	Storm Sewer Improvement	2005-2015	800,000
	4.26%	Water System Improvement	2007-2016	900,000
	4.33%	Sewer System Improvement	2007-2017	500,000
	3.50%	Water Tower Improvement	2009-2013	650,000
	4.31%	Water Computer System	2010-2014	99,750
	4.31%	Sewer Computer System	2010-2014	99,750
	2.49%	Water System Improvement	2012-2021	960,000
	2.49%	Sewer System Improvement	2012-2021	350,000
Total General Obligation Bonds				<u>\$5,491,000</u>
Ohio Public Works Commission Loans (OPWC):				
3.00%	Cobblestone Run/ Windsor Forest Sanitary Sewers		2000-2021	959,964
3.00%	Old Reynoldsburg North Water Line		2003-2023	382,082
3.00%	Route 256 Waterline		2003-2023	923,082
Total OPWC Loans				<u>\$2,265,128</u>

The City issues general obligation bonds and OPWC promissory notes to provide funds for the acquisition and construction of business-type activity major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City expects that principal and interest will be paid entirely by user fees from Water, Sewer, and Storm Water Drainage operations.

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CITY OF REYNOLDSBURG, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 11 - LONG-TERM DEBT LIABILITIES (Continued)

				Balance			Balance	Due
				December 31,	Additions	(Reductions)	December 31,	Within
				2011			2012	One Year
Governmental Activities Long-Term Debt:								
General Obligation Bonds:								
2.0 - 3.75%	Street Improvement	2003-2013	\$620,000	\$0	(\$305,000)	\$315,000	\$315,000	
4.4 - 5.05%	Street Improvement	1998-2016	190,000	0	(38,000)	152,000	38,000	
3.3- 4.80%	Taylor Square TIF	1999-2013	715,000	0	(350,000)	365,000	365,000	
2.0 - 4.125%	Commercial Corridor Phase 1	2003-2023	2,900,000	0	(2,900,000)	0	0	
3.0 - 4.250%	Commercial Corridor Phase 2	2005-2025	6,915,000	0	(5,035,000)	1,880,000	345,000	
	Unamortized Premium	2005-2025	67,864	0	(45,238)	22,626	0	
4.0 - 5.000%	Taylor Square TIF Refunding	2006-2023	4,905,000	0	(15,000)	4,890,000	15,000	
	Unamortized Premium	2006-2023	26,762	0	(2,230)	24,532	0	
4.0 - 5.000%	Police Facilities Refunding	2006-2025	4,720,000	0	(250,000)	4,470,000	260,000	
	Unamortized Premium	2006-2025	31,176	0	(2,226)	28,950	0	
4.310%	Computer System Replacement	2010-2014	178,931	0	(57,130)	121,801	59,624	
1.700%	Brice Main Street Refunding	2012-2025	0	7,705,000	0	7,705,000	315,000	
Total General Obligation Bonds				21,269,733	7,705,000	(8,999,824)	19,974,909	1,712,624
Ohio Public Works Commission Loans (OPWC):								
0.00%	Lancaster Avenue Reconstruction Loan	1997-2017	315,014	0	(55,879)	259,135	55,879	
0.00%	Commercial Corridor Phase 1	2003-2019	875,000	0	(116,667)	758,333	116,667	
0.00%	Commercial Corridor Phase 2	2005-2020	1,361,250	0	(123,750)	1,237,500	123,750	
0.00%	Summit Road	2012-2038	0	72,803	0	72,803	5,500	
Total OPWC Loans				2,551,264	72,803	(296,296)	2,327,771	301,796
State Infrastructure Bank Loan (SIB)								
2.90%	SIB Loan Payable	2005-2015	127,574	0	(30,483)	97,091	31,405	
Compensated Absences				1,164,006	1,018,347	(996,527)	1,185,826	590,622
Total Governmental Activities				\$25,112,577	\$8,796,150	(\$10,323,130)	\$23,585,597	\$2,636,447

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 11 - LONG-TERM DEBT LIABILITIES (Continued)

			Original Issue
			<u> </u>
Governmental Activities Long-Term Debt:			
General Obligation Bonds:			
2.0 - 3.75%	Street Improvement	2003-2013	\$2,679,260
4.4 - 5.05%	Street Improvement	1998-2016	693,500
3.3- 4.80%	Taylor Square TIF	1999-2013	2,555,000
4.45- 5.63%	Police Facilities	2000-2011	1,105,000
3.5 - 4.00%	Taylor Road Improvement	2001-2011	467,460
3.0 - 4.250%	Commercial Corridor Phase 2	2005-2025	8,055,000
4.0 - 5.000%	Taylor Square TIF Refunding	2006-2023	4,960,000
4.0 - 5.000%	Police Facilities Refunding	2006-2025	4,760,000
4.310%	Computer System Replacement	2010-2014	275,500
1.700%	Brice Main Street Refunding	2012-2025	7,705,000
Total General Obligation Bonds			<u>\$33,255,720</u>
Ohio Public Works Commission Loans (OPWC):			
0.00%	Lancaster Avenue Reconstruction Loan	1997-2017	\$1,117,589
0.00%	Commercial Corridor Phase 1	2003-2019	1,750,000
0.00%	Commercial Corridor Phase 2	2005-2020	1,980,000
0.00%	Summit Road	2012-2037	72,803
Total OPWC Loans			<u>\$4,920,392</u>
SIB Loans:			
2.90%	SIB Loan Payable	2005-2015	<u>\$246,332</u>

The City issues general obligation bonds, OPWC promissory notes, and State Infrastructure Bank loans to provide funds for the acquisition and construction of governmental major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City expects that principal and interest will be paid from revenues of the City’s municipal income tax along with TIF proceeds for the Taylor Square, Kroger, and Brice-Main debt. These proceeds apply towards the Taylor Square TIF, Taylor Square TIF refunding, SIB Loan and the Commercial Corridor Phase I issues. Under Ohio Revised Code debt limitations, the City has the capacity to issue \$25.2 million additional unvoted general obligation debt and \$59.6 million in overall additional debt.

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 11 - LONG-TERM DEBT LIABILITIES (Continued)

A. Principal and Interest Requirements

Principal and interest requirements to retire long-term liabilities outstanding at December 31, 2012 are as follows:

Business-Type Activities:			Governmental Activities:			
Years	General Obligation Bonds		General Obligation Bonds		SIB Loan Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$600,476	\$92,821	\$1,712,624	\$635,859	\$31,405	\$2,679
2014	479,724	70,230	1,420,177	580,108	32,354	1,730
2015	446,800	51,770	1,368,000	523,012	33,332	752
2016	361,100	34,736	1,423,000	467,563	0	0
2017	194,300	21,143	1,575,000	417,029	0	0
2018-2022	610,500	40,873	8,735,000	1,316,025	0	0
2023-2026	0	0	3,665,000	189,784	0	0
Totals	<u>\$2,692,900</u>	<u>\$311,573</u>	<u>\$19,898,801</u>	<u>\$4,129,380</u>	<u>\$97,091</u>	<u>\$5,161</u>

Years	Ohio Public Works Commission Loans		Ohio Public Works Commission Loans	
	Principal	Interest	Principal	Interest
2013	\$113,556	\$37,877	\$301,796	\$0
2014	116,988	34,445	363,599	0
2015	120,524	30,909	296,296	0
2016	124,167	27,266	296,296	0
2017	127,920	23,513	258,225	0
2018-2022	602,267	58,630	811,559	0
2023-2027	85,334	1,926	0	0
Totals	<u>\$1,290,756</u>	<u>\$214,566</u>	<u>\$2,327,771</u>	<u>\$0</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 11 - LONG-TERM DEBT LIABILITIES (Continued)

B. Defeased Debt

In May 2006, the City defeased \$4,755,000 of General Obligation Bonds for Taylor Square TIF dated February 15, 1999 (the "1999 Bonds") through the issuance of \$4,960,000 of General Obligation Bonds. The net proceeds of the 2006 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$4,755,000 at December 31, 2011, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In May 2006, the City defeased \$4,345,000 of General Obligation Bonds for Police Facilities dated July 1, 2000 (the "2000 Bonds") through the issuance of \$4,760,000 of General Obligation Bonds. The net proceeds of the 2006 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$4,130,000 at December 31, 2012, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In December 2012, the City defeased \$2,670,000 of General Obligation Bonds for Commercial Corridor Phase 1 dated April 15, 2003 (the "2003 Bonds") through the issuance of \$2,715,000 of General Obligation Bonds. The net proceeds of the 2012 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$2,670,000 at December 31, 2012, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding. The refunding was undertaken to reduce total debt service payments over the next 11 years by \$329,127 and resulted in an economic gain of \$299,279 in the Governmental Activities.

In December 2012, the City defeased \$4,700,000 of General Obligation Bonds for Commercial Corridor Phase 2 dated June 15, 2005 (the "2005 Bonds") through the issuance of \$4,900,000 of General Obligation Bonds. The net proceeds of the 2012 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$4,700,000 at December 31, 2012, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding. The refunding was undertaken to reduce total debt service payments over the next 13 years by \$795,372 and resulted in an economic gain of \$414,161 in the Governmental Activities.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 12 - 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; and natural disasters. During 2012 the City contracted with several different insurance providers for various insurance coverages, as follows:

Insurance Provider	Coverage	Deductible
Argonaut Insurance Company	Automobile	\$1,000 Comprehensive; 1,000 Collision
Argonaut Insurance Company	General Liability	0
Argonaut Insurance Company	Property Casualty	1,000
Argonaut Insurance Company	Electronic Data Processing	1,000
Argonaut Insurance Company	Fine Arts	1,000
Argonaut Insurance Company	Difference in Conditions	50,000
Argonaut Insurance Company	Miscellaneous Equipment	1,000
Argonaut Insurance Company	Boiler and Machinery	1,000
Argonaut Insurance Company	Law Enforcement Liability	25,000/occurrence
Argonaut Insurance Company	Public Officials Liability	25,000/occurrence
Argonaut Insurance Company	Museum	1,000
Argonaut Insurance Company	Employee Benefits Liability	1,000
Argonaut Insurance Company	Umbrella Excess Liability	0
Argonaut Insurance Company	Employment Practices Liability	25,000

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three years.

Workers' compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

NOTE 13 – CONTRACTUAL COMMITMENTS

As of December 31, 2012, the City had the following commitments with respect to contractual obligations:

Contractual Commitments	Remaining Contractual Commitments	Projected Date of Completion
2012 Street Program	\$262,173	October 2013
Huber Village Waterline Construction	63,300	September 2013
Summit Road Reconstruction	103,219	July 2013
EPA Sewer Improvements	34,685	February 2014
Sanitary Sewer and Manhole Rehabilitation	13,684	August 2013

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 14 - CONTINGENCIES

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

NOTE 15 – JOINTLY GOVERNED ORGANIZATIONS

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. MORPC is composed of 74 representatives appointed by member governments who make up the Commission, the policy-making body of MORPC, 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 46 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Knox, Morrow, Union, 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.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS AND FIDUCIARY
FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

Federal Emergency Management Agency (FEMA) Fund

To account for Federal Emergency Management Agency funds received as reimbursement for wind storm damage. (This fund only exists on a GAAP basis and is not part of the City's appropriated budget; therefore no budgetary schedule is presented.)

Court Computerization Fund

To account for fees collected for the computerization needs of the Clerk of Courts.

Income Tax Fund

This fund is used to account for the portion of income taxes used for the operations of the Income Tax Department and account for the City's Rainy Day reserve.

Police Pension Fund

To account for taxes levied toward partial payment of the current and accrued liability for police disability and pension.

Street Construction, Maintenance and Repair Fund

To account for State levied and controlled gasoline tax and motor vehicle registration fees restricted for street construction, maintenance and repair.

State Highway Fund

To account for the portion of the State gasoline tax and motor vehicle registration fees restricted for the maintenance and repair of State highways within the City.

Gang Resistance and Education Training (G.R.E.A.T) Grant Fund

To account for federal grant monies restricted for the development of programs to educate youth about the dangers associated with joining street gangs.

Law Enforcement Fund

To account for the proceeds from the confiscation of contraband.

Drug Enforcement Fund

To account for mandatory fines collected for drug offenses.

Safety Belt Program Fund

To account for monies used for safety belt education programs.

DUI Education/Enforcement Fund

To account for financial resources used to educate the public regarding laws governing the operation of motor vehicles while under the influence of alcohol.

(Continued)

Special Revenue Funds (Continued)

Federal Forfeiture Fund

To account for monies from the United States Marshall allocated to the City based upon the City's participation in the confiscation of contraband.

Law Enforcement Assistance Fund

To account for funds received to reimburse continuing professional training programs for peace officers and troopers as per ORC109.803.

Edward Byrne Fund

The grant monies are received from the United States Department of Justice for the purpose of funding special enforcement initiatives in areas which have been identified as high crime risk.

Community Environment Fund

To account for funds used by various commissions and to pay the costs of activities intended to enrich the quality of life of the residents. Funds are primarily from gifts and donations (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.).

Supervision and Inspection Fund

To account for fees collected from builders and developers to cover the costs of inspection services required for major capital improvements.

Plot, Grade and Utility Plans Fund

To account for fees collected from builders and developers to cover the costs of engineering reviews of plot, grade and utility plans.

Unclaimed Funds Fund

To account for funds which rightfully belong to the payor and are refunded when the payor provides proof of claim for the funds within the period specified by law. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Employees Fund

To account for funds collected from the sale of soft drinks and coffee which help fund special events for City employees. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Engineering Fees/Plan Review Deposits Fund

To account for fees collected from builders to cover the costs of engineering reviews of plans and specifications.

Debt Service Funds

The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for payment.

General Debt Retirement Fund

To account for the accumulation of resources for and the payment of principal and interest on general obligation debt other than those accounted for in the proprietary funds.

Special Assessment Debt Retirement Fund

To account for revenues collected on special assessments used for the retirement of principal and interest on special assessment debt of the City

Brice-Main Tax Increment Equivalent (TIEF) Debt Retirement Fund

To account for resources that are used for payment of principal, interest and fiscal charges related to the Brice-Main Tax Increment Financing Agreement.

Kroger Tax Increment Equivalent (TIEF) Debt Retirement Fund

To account for resources that are used for payment of principal, interest and fiscal charges related to the Kroger Company Tax Increment Financing Agreement.

Summit Road Tax Increment Equivalent (TIEF) Debt Retirement Fund

To account for resources that are used in the development of public infrastructure improvements.

Taylor Road Tax Increment Equivalent (TIEF) #1 Debt Retirement Fund

To account for resources that are used for public infrastructure improvements related to the development of a housing development.

Taylor Road Tax Increment Equivalent (TIEF) #2 Debt Retirement Fund

To account for resources that are used for public infrastructure improvements related to the development of retail and commercial space.

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Capital Improvement Fund

To account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds) of the City.

Sidewalk Construction Fund

To account for fees collected from sidewalk permits used for sidewalk rehabilitation projects.

Brice-Main TIF Fund

To account for financial resources to used for infrastructure improvements.

CITY OF REYNOLDSBURG, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 2,473,972	\$ 361,302	\$ 1,318,339	\$ 4,153,613
Investments	3,094,646	67,792	2,706,577	5,869,015
Receivables:				
Taxes	290,584	421,037	44,620	756,241
Accounts	1,772	0	0	1,772
Intergovernmental	674,497	0	3,108	677,605
Interest	2,710	0	0	2,710
Special Assessments	0	0	187,361	187,361
Inventory of Supplies, at Cost	201,320	0	0	201,320
Prepaid Items	157	0	0	157
Restricted Assets:				
Cash and Cash Equivalents	0	0	270,788	270,788
Total Assets	\$ 6,739,658	\$ 850,131	\$ 4,530,793	\$ 12,120,582
Liabilities:				
Accounts Payable	\$ 45,668	\$ 1,000	\$ 3,108	\$ 49,776
Accrued Wages and Benefits Payable	32,924	0	0	32,924
Intergovernmental Payable	94,018	0	0	94,018
Retainage Payable	0	0	270,788	270,788
Total Liabilities	172,610	1,000	273,896	447,506
Deferred Inflows of Resources:				
Property Tax	187,256	108,700	0	295,956
Unavailable Revenue	462,801	37,729	192,751	693,281
Total Deferred Inflows of Resources	650,057	146,429	192,751	989,237
Fund Balances:				
Nonspendable	201,477	0	0	201,477
Restricted	2,998,992	702,702	710,369	4,412,063
Committed	2,716,522	0	521,514	3,238,036
Assigned	0	0	2,832,263	2,832,263
Total Fund Balances	5,916,991	702,702	4,064,146	10,683,839
Total Liabilities, Deferred Inflows, and Funds Balances	\$ 6,739,658	\$ 850,131	\$ 4,530,793	\$ 12,120,582

CITY OF REYNOLDSBURG, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2012**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 451,412	\$ 1,937,502	\$ 246,000	\$ 2,634,914
Intergovernmental Revenues	1,402,998	0	3,108	1,406,106
Charges for Services	45,761	0	0	45,761
Licenses and Permits	0	0	2,213	2,213
Investment Earnings	25,981	0	426	26,407
Special Assessments	0	0	39,737	39,737
Fines and Forfeitures	111,932	0	0	111,932
All Other Revenue	24,982	0	0	24,982
Total Revenues	<u>2,063,066</u>	<u>1,937,502</u>	<u>291,484</u>	<u>4,292,052</u>
Expenditures:				
Current:				
Security of Persons and Property	231,879	0	0	231,879
Community Environment	45,432	0	0	45,432
Transportation	880,142	0	0	880,142
General Government	354,138	64,437	0	418,575
Capital Outlay	0	0	277,912	277,912
Debt Service:				
Principal Retirement	0	1,432,109	0	1,432,109
Interest and Fiscal Charges	0	710,689	0	710,689
Advance Refunding Escrow	0	20,000	275,000	295,000
Total Expenditures	<u>1,511,591</u>	<u>2,227,235</u>	<u>552,912</u>	<u>4,291,738</u>
Excess (Deficiency) of Revenues Over Expenditures	551,475	(289,733)	(261,428)	314
Other Financing Sources (Uses):				
Ohio Public Works Commission Loan	0	0	72,803	72,803
Refunding General Obligation Bonds Issued	0	7,705,000	0	7,705,000
Payment to Refunded Bond Escrow Agent	0	(7,622,276)	0	(7,622,276)
Transfers In	0	150,000	0	150,000
Total Other Financing Sources (Uses)	<u>0</u>	<u>232,724</u>	<u>72,803</u>	<u>305,527</u>
Net Change in Fund Balances	551,475	(57,009)	(188,625)	305,841
Fund Balances at Beginning of Year	5,391,287	759,711	4,252,771	10,403,769
Change in Inventory	(25,771)	0	0	(25,771)
Fund Balances End of Year	<u>\$ 5,916,991</u>	<u>\$ 702,702</u>	<u>\$ 4,064,146</u>	<u>\$ 10,683,839</u>

CITY OF REYNOLDSBURG, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012**

	FEMA Fund	Court Computerization Fund	Income Tax Fund	Police Pension Fund
Assets:				
Cash and Cash Equivalents	\$ 0	\$ 128,723	\$ 945,670	\$ 25,558
Investments	0	0	1,610,652	0
Receivables:				
Taxes	0	0	94,018	196,566
Accounts	0	0	0	0
Intergovernmental	2,308	0	0	11,169
Interest	0	0	0	0
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 2,308	\$ 128,723	\$ 2,650,340	\$ 233,293
Liabilities:				
Accounts Payable	\$ 0	\$ 9,015	\$ 289	\$ 0
Accrued Wages and Benefits Payable	0	0	3,904	0
Intergovernmental Payable	0	0	94,018	0
Total Liabilities	0	9,015	98,211	0
Deferred Inflows of Resources:				
Property Tax	0	0	0	187,256
Unavailable Revenue	0	0	0	20,479
Total Deferred Inflows of Resources	0	0	0	207,735
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	2,308	119,708	0	25,558
Committed	0	0	2,552,129	0
Total Fund Balances	2,308	119,708	2,552,129	25,558
Total Liabilities, Deferred Inflows and Fund Balances	\$ 2,308	\$ 128,723	\$ 2,650,340	\$ 233,293

CITY OF REYNOLDSBURG, OHIO

Street, Construction, Maintenance and Repair Fund	State Highway Fund	G.R.E.A.T. Grant Fund	Law Enforcement Fund	Drug Enforcement Fund	Safety Belt Program Fund
\$ 766,231	\$ 100,964	\$ 550	\$ 187,549	\$ 23,113	\$ 4,376
1,311,218	172,776	0	0	0	0
0	0	0	0	0	0
1,012	0	0	0	0	0
611,420	49,575	0	0	0	0
2,258	341	0	0	0	0
201,320	0	0	0	0	0
157	0	0	0	0	0
<u>\$ 2,893,616</u>	<u>\$ 323,656</u>	<u>\$ 550</u>	<u>\$ 187,549</u>	<u>\$ 23,113</u>	<u>\$ 4,376</u>
\$ 34,855	\$ 789	\$ 0	\$ 0	\$ 0	\$ 0
29,020	0	0	0	0	0
0	0	0	0	0	0
<u>63,875</u>	<u>789</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
408,995	33,259	0	0	0	0
<u>408,995</u>	<u>33,259</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
201,477	0	0	0	0	0
2,219,269	289,608	550	187,549	23,113	4,376
0	0	0	0	0	0
<u>2,420,746</u>	<u>289,608</u>	<u>550</u>	<u>187,549</u>	<u>23,113</u>	<u>4,376</u>
<u>\$ 2,893,616</u>	<u>\$ 323,656</u>	<u>\$ 550</u>	<u>\$ 187,549</u>	<u>\$ 23,113</u>	<u>\$ 4,376</u>

(Continued)

CITY OF REYNOLDSBURG, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012**

	DUI Education/ Enforcement Fund	Federal Forfeiture Fund	Law Enforcement Assistance Fund	Edward Byrne Fund
Assets:				
Cash and Cash Equivalents	\$ 16,860	\$ 98,612	\$ 11,410	\$ 3
Investments	0	0	0	0
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	25	0	0	0
Interest	0	111	0	0
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 16,885	\$ 98,723	\$ 11,410	\$ 3
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
Total Liabilities	0	0	0	0
Deferred Inflows of Resources:				
Property Tax	0	0	0	0
Unavailable Revenue	0	68	0	0
Total Deferred Inflows of Resources	0	68	0	0
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	16,885	98,655	11,410	3
Committed	0	0	0	0
Total Fund Balances	16,885	98,655	11,410	3
Total Liabilities, Deferred Inflows and Fund Balances	\$ 16,885	\$ 98,723	\$ 11,410	\$ 3

CITY OF REYNOLDSBURG, OHIO

Supervision and Inspection Fund	Plot, Grade and Utility Plans Fund	Engineering Fees/Plan Review Deposits Fund	Total Nonmajor Special Revenue Funds
\$ 38,854	\$ 25,690	\$ 99,809	\$ 2,473,972
0	0	0	3,094,646
0	0	0	290,584
0	0	760	1,772
0	0	0	674,497
0	0	0	2,710
0	0	0	201,320
0	0	0	157
<u>\$ 38,854</u>	<u>\$ 25,690</u>	<u>\$ 100,569</u>	<u>\$ 6,739,658</u>
\$ 0	\$ 720	\$ 0	\$ 45,668
0	0	0	32,924
<u>0</u>	<u>0</u>	<u>0</u>	<u>94,018</u>
<u>0</u>	<u>720</u>	<u>0</u>	<u>172,610</u>
0	0	0	187,256
<u>0</u>	<u>0</u>	<u>0</u>	<u>462,801</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>650,057</u>
0	0	0	201,477
0	0	0	2,998,992
<u>38,854</u>	<u>24,970</u>	<u>100,569</u>	<u>2,716,522</u>
<u>38,854</u>	<u>24,970</u>	<u>100,569</u>	<u>5,916,991</u>
<u>\$ 38,854</u>	<u>\$ 25,690</u>	<u>\$ 100,569</u>	<u>\$ 6,739,658</u>

CITY OF REYNOLDSBURG, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

	FEMA Fund	Court Computerization Fund	Income Tax Fund	Police Pension Fund
Revenues:				
Taxes	\$ 0	\$ 0	\$ 276,459	\$ 174,953
Intergovernmental Revenues	2,308	0	0	14,415
Charges for Services	0	0	0	0
Investment Earnings	0	0	547	0
Fines and Forfeitures	0	31,466	0	0
All Other Revenue	0	0	0	0
Total Revenues	2,308	31,466	277,006	189,368
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	192,705
Community Environment	0	0	0	0
Transportation	0	0	0	0
General Government	0	26,028	328,110	0
Total Expenditures	0	26,028	328,110	192,705
Excess (Deficiency) of Revenues Over Expenditures	2,308	5,438	(51,104)	(3,337)
Fund Balances at Beginning of Year	0	114,270	2,603,233	28,895
Change in Inventory	0	0	0	0
Fund Balances End of Year	\$ 2,308	\$ 119,708	\$ 2,552,129	\$ 25,558

CITY OF REYNOLDSBURG, OHIO

Street Construction, Maintenance and Repair Fund	State Highway Fund	G.R.E.A.T. Grant Fund	Law Enforcement Fund	Drug Enforcement Fund	Safety Belt Program Fund
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
1,273,187	103,231	0	0	0	0
0	0	0	0	0	0
21,564	3,146	0	0	0	0
0	0	0	28,929	4,288	0
24,982	0	0	0	0	0
<u>1,319,733</u>	<u>106,377</u>	<u>0</u>	<u>28,929</u>	<u>4,288</u>	<u>0</u>
0	0	0	3,666	0	0
0	0	0	0	0	0
782,934	97,208	0	0	0	0
0	0	0	0	0	0
<u>782,934</u>	<u>97,208</u>	<u>0</u>	<u>3,666</u>	<u>0</u>	<u>0</u>
536,799	9,169	0	25,263	4,288	0
1,909,718	280,439	550	162,286	18,825	4,376
(25,771)	0	0	0	0	0
<u>\$ 2,420,746</u>	<u>\$ 289,608</u>	<u>\$ 550</u>	<u>\$ 187,549</u>	<u>\$ 23,113</u>	<u>\$ 4,376</u>

(Continued)

CITY OF REYNOLDSBURG, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

	DUI Education/ Enforcement Fund	Federal Forfeiture Fund	Law Enforcement Assistance Fund	Edward Byrne Fund
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	9,857
Charges for Services	0	0	0	0
Investment Earnings	0	724	0	0
Fines and Forfeitures	4,957	42,292	0	0
All Other Revenue	0	0	0	0
Total Revenues	<u>4,957</u>	<u>43,016</u>	<u>0</u>	<u>9,857</u>
Expenditures:				
Current:				
Security of Persons and Property	0	25,651	0	9,857
Community Environment	0	0	0	0
Transportation	0	0	0	0
General Government	0	0	0	0
Total Expenditures	<u>0</u>	<u>25,651</u>	<u>0</u>	<u>9,857</u>
Excess (Deficiency) of Revenues Over Expenditures	4,957	17,365	0	0
Fund Balances at Beginning of Year	11,928	81,290	11,410	3
Change in Inventory	0	0	0	0
Fund Balances End of Year	<u>\$ 16,885</u>	<u>\$ 98,655</u>	<u>\$ 11,410</u>	<u>\$ 3</u>

CITY OF REYNOLDSBURG, OHIO

Supervision and Inspection Fund	Plot, Grade and Utility Plans Fund	Engineering Fees/Plan Review Deposits Fund	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 451,412
0	0	0	1,402,998
0	15,525	30,236	45,761
0	0	0	25,981
0	0	0	111,932
0	0	0	24,982
<u>0</u>	<u>15,525</u>	<u>30,236</u>	<u>2,063,066</u>
0	0	0	231,879
0	13,200	32,232	45,432
0	0	0	880,142
<u>0</u>	<u>0</u>	<u>0</u>	<u>354,138</u>
<u>0</u>	<u>13,200</u>	<u>32,232</u>	<u>1,511,591</u>
0	2,325	(1,996)	551,475
38,854	22,645	102,565	5,391,287
<u>0</u>	<u>0</u>	<u>0</u>	<u>(25,771)</u>
<u>\$ 38,854</u>	<u>\$ 24,970</u>	<u>\$ 100,569</u>	<u>\$ 5,916,991</u>

CITY OF REYNOLDSBURG, OHIO

**Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2012**

	General Debt Retirement Fund	Special Assessment Debt Retirement Fund	Brice-Main TIEF Debt Retirement Fund	Kroger TIEF Debt Retirement Fund
Assets:				
Cash and Cash Equivalents	\$ 39,803	\$ 28,735	\$ 88,281	\$ 106,026
Investments	67,792	0	0	0
Receivables:				
Taxes	312,337	0	25,000	60,000
Total Assets	\$ 419,932	\$ 28,735	\$ 113,281	\$ 166,026
Liabilities:				
Accounts Payable	\$ 1,000	\$ 0	\$ 0	\$ 0
Total Liabilities	1,000	0	0	0
Deferred Inflows of Resources:				
Property Tax	0	0	25,000	60,000
Unavailable Revenue	37,729	0	0	0
Total Deferred Inflows of Resources	37,729	0	25,000	60,000
Fund Balances:				
Restricted	381,203	28,735	88,281	106,026
Total Fund Balances	381,203	28,735	88,281	106,026
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 419,932	\$ 28,735	\$ 113,281	\$ 166,026

CITY OF REYNOLDSBURG, OHIO

Summit Road TIEF Debt Retirement Fund	Taylor Road TIEF #1 Debt Retirement Fund	Taylor Road TIEF #2 Debt Retirement Fund	Total Nonmajor Debt Service Funds
\$ 5,106 0	\$ 82,091 0	\$ 11,260 0	\$ 361,302 67,792
1,000	20,000	2,700	421,037
<u>\$ 6,106</u>	<u>\$ 102,091</u>	<u>\$ 13,960</u>	<u>\$ 850,131</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,000</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,000</u>
1,000	20,000	2,700	108,700
0	0	0	37,729
<u>1,000</u>	<u>20,000</u>	<u>2,700</u>	<u>146,429</u>
<u>5,106</u>	<u>82,091</u>	<u>11,260</u>	<u>702,702</u>
<u>5,106</u>	<u>82,091</u>	<u>11,260</u>	<u>702,702</u>
<u>\$ 6,106</u>	<u>\$ 102,091</u>	<u>\$ 13,960</u>	<u>\$ 850,131</u>

CITY OF REYNOLDSBURG, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2012**

	General Debt Retirement Fund	Special Assessment Debt Retirement Fund	Brice-Main TIEF Debt Retirement Fund	Kroger TIEF Debt Retirement Fund
Revenues:				
Taxes	\$ 1,721,994	\$ 0	\$ 195,210	\$ 0
Total Revenues	<u>1,721,994</u>	<u>0</u>	<u>195,210</u>	<u>0</u>
Expenditures:				
Current:				
General Government	0	0	64,089	0
Debt Service:				
Principal Retirement	1,241,626	0	160,000	30,483
Interest and Fiscal Charges	666,580	0	40,508	3,601
Advance Refunding Escrow	20,000	0	0	0
Total Expenditures	<u>1,928,206</u>	<u>0</u>	<u>264,597</u>	<u>34,084</u>
Excess (Deficiency) of Revenues Over Expenditures	(206,212)	0	(69,387)	(34,084)
Other Financing Sources (Uses):				
Refunding General Obligation Bonds Issued	7,705,000	0	0	0
Payment to Refunded Bond Escrow Agent	(7,622,276)	0	0	0
Transfers In	150,000	0	0	0
Total Other Financing Sources (Uses)	<u>232,724</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	26,512	0	(69,387)	(34,084)
Fund Balances at Beginning of Year	<u>354,691</u>	<u>28,735</u>	<u>157,668</u>	<u>140,110</u>
Fund Balances End of Year	<u>\$ 381,203</u>	<u>\$ 28,735</u>	<u>\$ 88,281</u>	<u>\$ 106,026</u>

CITY OF REYNOLDSBURG, OHIO

Summit Road TIEF Debt Retirement Fund	Taylor Road TIEF #1 Debt Retirement Fund	Taylor Road TIEF #2 Debt Retirement Fund	Total Nonmajor Debt Service Funds
\$ 0	\$ 19,556	\$ 742	\$ 1,937,502
0	19,556	742	1,937,502
0	339	9	64,437
0	0	0	1,432,109
0	0	0	710,689
0	0	0	20,000
0	339	9	2,227,235
0	19,217	733	(289,733)
0	0	0	7,705,000
0	0	0	(7,622,276)
0	0	0	150,000
0	0	0	232,724
0	19,217	733	(57,009)
5,106	62,874	10,527	759,711
\$ 5,106	\$ 82,091	\$ 11,260	\$ 702,702

CITY OF REYNOLDSBURG, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2012**

	Capital Improvement Fund	Sidewalk Construction Fund	Brice-Main TIF Fund	Total Nonmajor Capital Projects Funds
Assets:				
Cash and Cash Equivalents	\$ 1,054,399	\$ 255,196	\$ 8,744	\$ 1,318,339
Investments	2,257,040	434,645	14,892	2,706,577
Receivables:				
Taxes	44,620	0	0	44,620
Intergovernmental	3,108	0	0	3,108
Special Assessments	0	187,361	0	187,361
Restricted Assets:				
Cash and Cash Equivalents	270,788	0	0	270,788
Total Assets	\$ 3,629,955	\$ 877,202	\$ 23,636	\$ 4,530,793
Liabilities:				
Accounts Payable	\$ 0	\$ 3,108	\$ 0	\$ 3,108
Retainage Payable	270,788	0	0	270,788
Total Liabilities	270,788	3,108	0	273,896
Deferred Inflows of Resources:				
Unavailable Revenue	5,390	187,361	0	192,751
Total Deferred Inflows of Resources	5,390	187,361	0	192,751
Fund Balances:				
Restricted	0	686,733	23,636	710,369
Committed	521,514	0	0	521,514
Assigned	2,832,263	0	0	2,832,263
Total Fund Balances	3,353,777	686,733	23,636	4,064,146
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,629,955	\$ 877,202	\$ 23,636	\$ 4,530,793

CITY OF REYNOLDSBURG, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012**

	Capital Improvement Fund	Sidewalk Construction Fund	Brice-Main TIF Fund	Total Nonmajor Capital Project Funds
Revenues:				
Taxes	\$ 246,000	\$ 0	\$ 0	\$ 246,000
Intergovernmental Revenues	3,108	0	0	3,108
Licenses and Permits	0	2,213	0	2,213
Investment Earnings	426	0	0	426
Special Assessments	0	39,737	0	39,737
Total Revenues	249,534	41,950	0	291,484
Expenditures:				
Capital Outlay	273,575	3,241	1,096	277,912
Debt Service:				
Advance Refunding Escrow	196,000	0	79,000	275,000
Total Expenditures	469,575	3,241	80,096	552,912
Excess (Deficiency) of Revenues Over Expenditures	(220,041)	38,709	(80,096)	(261,428)
Other Financing Sources (Uses):				
Ohio Public Works Commission Loan	72,803	0	0	72,803
Total Other Financing Sources (Uses)	72,803	0	0	72,803
Net Change in Fund Balances	(147,238)	38,709	(80,096)	(188,625)
Fund Balances at Beginning of Year	3,501,015	648,024	103,732	4,252,771
Fund Balances End of Year	\$ 3,353,777	\$ 686,733	\$ 23,636	\$ 4,064,146

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2012**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 9,525,356	\$ 9,492,253	\$ 10,948,806	\$ 1,456,553
Intergovernmental Revenues	1,798,750	1,798,750	1,522,000	(276,750)
Charges for Services	196,250	196,250	212,062	15,812
Licenses and Permits	211,255	211,255	227,620	16,365
Investment Earnings	600,000	600,000	154,745	(445,255)
Fines and Forfeitures	639,000	639,000	448,216	(190,784)
All Other Revenues	384,426	384,426	494,871	110,445
Total Revenues	<u>13,355,037</u>	<u>13,321,934</u>	<u>14,008,320</u>	<u>686,386</u>
Expenditures:				
Security of Persons and Property:				
Police Department:				
Personal Services	7,308,156	7,364,751	7,344,083	20,668
Materials and Supplies	286,140	315,658	281,811	33,847
Contractual Services	470,719	510,687	481,417	29,270
Capital Outlay	154,900	181,023	148,368	32,655
Total Security of Persons and Property	<u>8,219,915</u>	<u>8,372,119</u>	<u>8,255,679</u>	<u>116,440</u>
Public Health and Welfare Services:				
Miscellaneous:				
Contractual Services	205,667	205,667	205,667	0
Total Public Health and Welfare Services	<u>205,667</u>	<u>205,667</u>	<u>205,667</u>	<u>0</u>
Leisure Time Activities:				
Recreation Department:				
Personal Services	701,121	701,121	659,661	41,460
Materials and Supplies	89,550	94,279	87,568	6,711
Contractual Services	236,805	240,655	209,523	31,132
Capital Outlay	16,000	25,200	24,369	831
Total Leisure Time Activities	<u>1,043,476</u>	<u>1,061,255</u>	<u>981,121</u>	<u>80,134</u>

(Continued)

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Community Environment:				
Building Department:				
Personal Services	266,710	256,710	196,748	59,962
Materials and Supplies	12,500	12,555	5,902	6,653
Contractual Services	70,600	117,495	117,001	494
Total Building Department	<u>349,810</u>	<u>386,760</u>	<u>319,651</u>	<u>67,109</u>
Service Department:				
Personal Services	474,405	474,405	461,777	12,628
Materials and Supplies	20,500	20,985	13,446	7,539
Contractual Services	340,150	372,155	355,918	16,237
Total Service Department	<u>835,055</u>	<u>867,545</u>	<u>831,141</u>	<u>36,404</u>
Engineering Department:				
Personal Services	89,170	87,170	72,484	14,686
Materials and Supplies	3,900	3,900	770	3,130
Contractual Services	42,850	43,658	34,346	9,312
Capital Outlay	1,000	1,000	191	809
Total Engineering Department	<u>136,920</u>	<u>135,728</u>	<u>107,791</u>	<u>27,937</u>
Total Community Environment	<u>1,321,785</u>	<u>1,390,033</u>	<u>1,258,583</u>	<u>131,450</u>
General Government:				
Mayor:				
Personal Services	163,709	163,709	163,550	159
Materials and Supplies	1,700	1,700	1,202	498
Contractual Services	37,000	37,045	33,439	3,606
Total Mayor	<u>202,409</u>	<u>202,454</u>	<u>198,191</u>	<u>4,263</u>
City Council:				
Personal Services	190,829	190,981	187,505	3,476
Materials and Supplies	900	900	557	343
Contractual Services	25,665	28,607	25,434	3,173
Total City Council	<u>217,394</u>	<u>220,488</u>	<u>213,496</u>	<u>6,992</u>

(Continued)

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Auditor:				
Personal Services	293,607	293,607	276,987	16,620
Materials and Supplies	3,000	3,638	2,847	791
Contractual Services	61,400	61,749	59,224	2,525
Total Auditor	358,007	358,994	339,058	19,936
City Attorney:				
Personal Services	431,885	431,885	430,365	1,520
Materials and Supplies	3,500	3,500	1,689	1,811
Contractual Services	70,500	72,395	43,469	28,926
Capital Outlay	500	500	480	20
Total City Attorney	506,385	508,280	476,003	32,277
Development Director:				
Personal Services	228,989	137,189	98,192	38,997
Materials and Supplies	2,000	2,038	1,041	997
Contractual Services	17,150	58,150	49,595	8,555
Total Development Director	248,139	197,377	148,828	48,549
Clerk of Court:				
Personal Services	173,147	168,147	166,127	2,020
Materials and Supplies	4,500	4,570	4,080	490
Contractual Services	85,900	92,900	91,028	1,872
Total Clerk of Court	263,547	265,617	261,235	4,382
Human Resources:				
Personal Services	31,316	31,316	31,245	71
Materials and Supplies	7,500	8,064	6,306	1,758
Contractual Services	25,376	25,681	16,068	9,613
Total Human Resources	64,192	65,061	53,619	11,442
Computer Systems:				
Personal Services	92,020	106,020	97,405	8,615
Materials and Supplies	5,500	5,563	4,072	1,491
Contractual Services	154,850	157,997	146,872	11,125
Capital Outlay	50,000	50,000	28,932	21,068
Total Computer Systems	302,370	319,580	277,281	42,299

(Continued)

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Vehicle Maintenance:				
Personal Services	131,930	133,930	132,196	1,734
Materials and Supplies	87,200	91,619	79,137	12,482
Contractual Services	39,200	40,701	30,873	9,828
Total Vehicle Maintenance	<u>258,330</u>	<u>266,250</u>	<u>242,206</u>	<u>24,044</u>
Commissions:				
Personal Services	43,011	52,811	52,767	44
Materials and Supplies	600	951	732	219
Contractual Services	15,800	46,363	24,540	21,823
Total Commissions	<u>59,411</u>	<u>100,125</u>	<u>78,039</u>	<u>22,086</u>
General Administrative:				
Personal Services	307,002	284,368	257,276	27,092
Materials and Supplies	5,500	6,169	3,798	2,371
Contractual Services	405,609	446,912	410,646	36,266
Capital Outlay	10,000	10,667	8,667	2,000
Total General Administrative	<u>728,111</u>	<u>748,116</u>	<u>680,387</u>	<u>67,729</u>
Total General Government	<u>3,208,295</u>	<u>3,252,342</u>	<u>2,968,343</u>	<u>283,999</u>
Total Expenditures	<u>13,999,138</u>	<u>14,281,416</u>	<u>13,669,393</u>	<u>612,023</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(644,101)	(959,482)	338,927	1,298,409
Other Financing Sources (Uses):				
Transfers In	9,000	9,000	0	(9,000)
Transfers Out	0	(150,000)	(150,000)	0
Total Other Financing Sources (Uses)	<u>9,000</u>	<u>(141,000)</u>	<u>(150,000)</u>	<u>(9,000)</u>
Net Change in Fund Balance	(635,101)	(1,100,482)	188,927	1,289,409
Fund Balance at Beginning of Year	2,893,865	2,893,865	2,893,865	0
Prior Year Encumbrances	325,828	325,828	325,828	0
Fund Balance at End of Year	<u>\$ 2,584,592</u>	<u>\$ 2,119,211</u>	<u>\$ 3,408,620</u>	<u>\$ 1,289,409</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Special Revenue Fund – Permissive Tax Fund
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 219,800	\$ 1,324,687	\$ 1,324,857	\$ 170
Investment Earnings	200	200	5,919	5,719
Total Revenues	<u>220,000</u>	<u>1,324,887</u>	<u>1,330,776</u>	<u>5,889</u>
Expenditures:				
Transportation:				
Contractual Services	1,000	1,000	0	1,000
Capital Outlay	0	1,228,174	1,125,828	102,346
Debt Service:				
Principal Retirement	109,800	109,800	109,800	0
Interest and Fiscal Charges	8,096	8,096	8,096	0
Total Expenditures	<u>118,896</u>	<u>1,347,070</u>	<u>1,243,724</u>	<u>103,346</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	101,104	(22,183)	87,052	109,235
Fund Balance at Beginning of Year	291,784	291,784	291,784	0
Prior Year Encumbrances	27,814	27,814	27,814	0
Fund Balance at End of Year	<u>\$ 420,702</u>	<u>\$ 297,415</u>	<u>\$ 406,650</u>	<u>\$ 109,235</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Debt Service Fund – Taylor Square TIEF Debt Retirement Fund
For the Year Ended December 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,300,000	\$ 2,059,134	\$ 2,059,134	\$ 0
Total Revenues	<u>1,300,000</u>	<u>2,059,134</u>	<u>2,059,134</u>	<u>0</u>
Expenditures:				
General Government:				
Contractual Services	20,000	43,023	43,023	0
Other Operating Expenditures	1,245,000	1,245,000	884,762	360,238
Debt Service:				
Principal Retirement	365,000	365,000	365,000	0
Interest and Fiscal Charges	<u>239,523</u>	<u>239,523</u>	<u>239,523</u>	<u>0</u>
Total Expenditures	<u>1,869,523</u>	<u>1,892,546</u>	<u>1,532,308</u>	<u>360,238</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(569,523)	166,588	526,826	360,238
Other Financing Sources (Uses):				
Transfers In	610,000	610,000	0	(610,000)
Transfers Out	<u>(604,523)</u>	<u>(604,523)</u>	<u>0</u>	<u>604,523</u>
Total Other Financing Sources (Uses)	<u>5,477</u>	<u>5,477</u>	<u>0</u>	<u>(5,477)</u>
Net Change in Fund Balance	(564,046)	172,065	526,826	354,761
Fund Balance at Beginning of Year	<u>851,093</u>	<u>851,093</u>	<u>851,093</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 287,047</u>	<u>\$ 1,023,158</u>	<u>\$ 1,377,919</u>	<u>\$ 354,761</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 35,000	\$ 35,000	\$ 29,766	\$ (5,234)
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>29,766</u>	<u>(5,234)</u>
Expenditures:				
General Government:				
Materials and Supplies	15,000	15,000	12,354	2,646
Contractual Services	25,000	31,000	26,408	4,592
Capital Outlay	<u>15,000</u>	<u>15,000</u>	<u>2,180</u>	<u>12,820</u>
Total Expenditures	<u>55,000</u>	<u>61,000</u>	<u>40,942</u>	<u>20,058</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,000)	(26,000)	(11,176)	14,824
Fund Balance at Beginning of Year	<u>111,484</u>	<u>111,484</u>	<u>111,484</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 91,484</u>	<u>\$ 85,484</u>	<u>\$ 100,308</u>	<u>\$ 14,824</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

INCOME TAX FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 347,500	\$ 273,208	\$ 275,246	\$ 2,038
Investment Earnings	2,500	2,500	547	(1,953)
Total Revenues	<u>350,000</u>	<u>275,708</u>	<u>275,793</u>	<u>85</u>
Expenditures:				
General Government:				
Personal Services	71,417	71,417	71,295	122
Materials and Supplies	600	1,201	1,141	60
Contractual Services	<u>870,300</u>	<u>870,454</u>	<u>254,825</u>	<u>615,629</u>
Total Expenditures	<u>942,317</u>	<u>943,072</u>	<u>327,261</u>	<u>615,811</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(592,317)	(667,364)	(51,468)	615,896
Fund Balance at Beginning of Year	2,606,377	2,606,377	2,606,377	0
Prior Year Encumbrances	889	889	889	0
Fund Balance at End of Year	<u>\$ 2,014,949</u>	<u>\$ 1,939,902</u>	<u>\$ 2,555,798</u>	<u>\$ 615,896</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 211,535	\$ 174,953	\$ 174,953	\$ 0
Intergovernmental Revenues	<u>20,000</u>	<u>14,415</u>	<u>14,415</u>	<u>0</u>
Total Revenues	<u>231,535</u>	<u>189,368</u>	<u>189,368</u>	<u>0</u>
Expenditures:				
Security of Persons and Property:				
Personal Services	230,000	190,000	190,000	0
Contractual Services	<u>3,000</u>	<u>3,000</u>	<u>2,705</u>	<u>295</u>
Total Expenditures	<u>233,000</u>	<u>193,000</u>	<u>192,705</u>	<u>295</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,465)	(3,632)	(3,337)	295
Fund Balance at Beginning of Year	<u>28,895</u>	<u>28,895</u>	<u>28,895</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 27,430</u>	<u>\$ 25,263</u>	<u>\$ 25,558</u>	<u>\$ 295</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 1,285,000	\$ 1,285,000	\$ 1,279,205	\$ (5,795)
Investment Earnings	25,000	25,000	14,794	(10,206)
All Other Revenues	<u>40,000</u>	<u>40,000</u>	<u>25,895</u>	<u>(14,105)</u>
Total Revenues	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,319,894</u>	<u>(30,106)</u>
Expenditures:				
Transportation:				
Personal Services	630,535	630,535	576,962	53,573
Materials and Supplies	220,010	228,181	112,593	115,588
Contractual Services	103,735	109,647	91,618	18,029
Capital Outlay	<u>27,507</u>	<u>52,284</u>	<u>52,199</u>	<u>85</u>
Total Expenditures	<u>981,787</u>	<u>1,020,647</u>	<u>833,372</u>	<u>187,275</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	368,213	329,353	486,522	157,169
Fund Balance at Beginning of Year	1,456,397	1,456,397	1,456,397	0
Prior Year Encumbrances	<u>51,836</u>	<u>51,836</u>	<u>51,836</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,876,446</u>	<u>\$ 1,837,586</u>	<u>\$ 1,994,755</u>	<u>\$ 157,169</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 105,000	\$ 105,000	\$ 103,719	\$ (1,281)
Investment Earnings	0	0	2,234	2,234
Total Revenues	<u>105,000</u>	<u>105,000</u>	<u>105,953</u>	<u>953</u>
Expenditures:				
Transportation:				
Materials and Supplies	68,940	68,940	61,924	7,016
Contractual Services	21,800	22,669	20,170	2,499
Capital Outlay	<u>16,474</u>	<u>16,474</u>	<u>16,296</u>	<u>178</u>
Total Expenditures	<u>107,214</u>	<u>108,083</u>	<u>98,390</u>	<u>9,693</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,214)	(3,083)	7,563	10,646
Fund Balance at Beginning of Year	262,481	262,481	262,481	0
Prior Year Encumbrances	<u>1,780</u>	<u>1,780</u>	<u>1,780</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 262,047</u>	<u>\$ 261,178</u>	<u>\$ 271,824</u>	<u>\$ 10,646</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>550</u>	<u>550</u>	<u>550</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 550</u>	<u>\$ 550</u>	<u>\$ 550</u>	<u>\$ 0</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 75,000	\$ 75,000	\$ 28,929	\$ (46,071)
Total Revenues	<u>75,000</u>	<u>75,000</u>	<u>28,929</u>	<u>(46,071)</u>
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	<u>143,114</u>	<u>163,114</u>	<u>4,494</u>	<u>158,620</u>
Total Expenditures	<u>143,114</u>	<u>163,114</u>	<u>4,494</u>	<u>158,620</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(68,114)	(88,114)	24,435	112,549
Fund Balance at Beginning of Year	<u>163,114</u>	<u>163,114</u>	<u>163,114</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 95,000</u>	<u>\$ 75,000</u>	<u>\$ 187,549</u>	<u>\$ 112,549</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 7,500	\$ 4,288	\$ 4,288	\$ 0
Total Revenues	<u>7,500</u>	<u>4,288</u>	<u>4,288</u>	<u>0</u>
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	<u>18,825</u>	<u>18,825</u>	<u>0</u>	<u>18,825</u>
Total Expenditures	<u>18,825</u>	<u>18,825</u>	<u>0</u>	<u>18,825</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,325)	(14,537)	4,288	18,825
Fund Balance at Beginning of Year	<u>18,825</u>	<u>18,825</u>	<u>18,825</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 7,500</u>	<u>\$ 4,288</u>	<u>\$ 23,113</u>	<u>\$ 18,825</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	4,376	4,376	0	4,376
Total Expenditures	4,376	4,376	0	4,376
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,376)	(4,376)	0	4,376
Fund Balance at Beginning of Year	4,376	4,376	4,376	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,376</u>	<u>\$ 4,376</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 5,500	\$ 5,500	\$ 4,933	\$ (567)
Total Revenues	<u>5,500</u>	<u>5,500</u>	<u>4,933</u>	<u>(567)</u>
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	<u>11,732</u>	<u>11,732</u>	<u>0</u>	<u>11,732</u>
Total Expenditures	<u>11,732</u>	<u>11,732</u>	<u>0</u>	<u>11,732</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(6,232)	(6,232)	4,933	11,165
Fund Balance at Beginning of Year	<u>11,732</u>	<u>11,732</u>	<u>11,732</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,500</u>	<u>\$ 5,500</u>	<u>\$ 16,665</u>	<u>\$ 11,165</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Investment Earnings	\$ 0	\$ 0	\$ 726	\$ 726
Fines and Forfeitures	<u>10,000</u>	<u>10,000</u>	<u>42,292</u>	<u>32,292</u>
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>43,018</u>	<u>33,018</u>
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	<u>70,778</u>	<u>80,278</u>	<u>25,651</u>	<u>54,627</u>
Total Expenditures	<u>70,778</u>	<u>80,278</u>	<u>25,651</u>	<u>54,627</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,778)	(70,278)	17,367	87,645
Fund Balance at Beginning of Year	<u>81,245</u>	<u>81,245</u>	<u>81,245</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 20,467</u>	<u>\$ 10,967</u>	<u>\$ 98,612</u>	<u>\$ 87,645</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 1,000	\$ 1,000	\$ 0	\$ (1,000)
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>0</u>	<u>(1,000)</u>
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	<u>11,410</u>	<u>11,410</u>	<u>0</u>	<u>11,410</u>
Total Expenditures	<u>11,410</u>	<u>11,410</u>	<u>0</u>	<u>11,410</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,410)	(10,410)	0	10,410
Fund Balance at Beginning of Year	<u>11,410</u>	<u>11,410</u>	<u>11,410</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 11,410</u>	<u>\$ 10,410</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

EDWARD BYRNE FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 9,857	\$ 9,857	\$ 0
Total Revenues	<u>0</u>	<u>9,857</u>	<u>9,857</u>	<u>0</u>
Expenditures:				
Security of Persons and Property:				
Personal Services	<u>0</u>	<u>9,857</u>	<u>9,857</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>9,857</u>	<u>9,857</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>3</u>	<u>3</u>	<u>3</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 0</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>20,183</u>	<u>20,183</u>	<u>20,183</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 20,183</u>	<u>\$ 20,183</u>	<u>\$ 20,183</u>	<u>\$ 0</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

SUPERVISION AND INSPECTION FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Charges for Services	\$ 40,000	\$ 40,000	\$ 0	\$ (40,000)
Total Revenues	<u>40,000</u>	<u>40,000</u>	<u>0</u>	<u>(40,000)</u>
Expenditures:				
Community Environment:				
Contractual Services	0	23,243	4,134	19,109
Total Expenditures	<u>0</u>	<u>23,243</u>	<u>4,134</u>	<u>19,109</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	40,000	16,757	(4,134)	(20,891)
Fund Balance at Beginning of Year	34,720	34,720	34,720	0
Prior Year Encumbrances	4,134	4,134	4,134	0
Fund Balance at End of Year	<u>\$ 78,854</u>	<u>\$ 55,611</u>	<u>\$ 34,720</u>	<u>\$ (20,891)</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 15,525</u>	<u>\$ 525</u>
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>15,525</u>	<u>525</u>
Expenditures:				
Community Environment:				
Contractual Services	<u>0</u>	<u>29,956</u>	<u>26,928</u>	<u>3,028</u>
Total Expenditures	<u>0</u>	<u>29,956</u>	<u>26,928</u>	<u>3,028</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,000	(14,956)	(11,403)	3,553
Fund Balance at Beginning of Year	8,807	8,807	8,807	0
Prior Year Encumbrances	<u>13,838</u>	<u>13,838</u>	<u>13,838</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 37,645</u>	<u>\$ 7,689</u>	<u>\$ 11,242</u>	<u>\$ 3,553</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	<u>\$ 0</u>	<u>\$ 24,524</u>	<u>\$ 24,524</u>	<u>\$ 0</u>
Total Revenues	<u>0</u>	<u>24,524</u>	<u>24,524</u>	<u>0</u>
Expenditures:				
General Government:				
Other Operating Expenditures	<u>0</u>	<u>27,746</u>	<u>5,208</u>	<u>22,538</u>
Total Expenditures	<u>0</u>	<u>27,746</u>	<u>5,208</u>	<u>22,538</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(3,222)	19,316	22,538
Fund Balance at Beginning of Year	<u>27,746</u>	<u>27,746</u>	<u>27,746</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 27,746</u>	<u>\$ 24,524</u>	<u>\$ 47,062</u>	<u>\$ 22,538</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	EMPLOYEES FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
All Other Revenues	<u>\$ 3,000</u>	<u>\$ 1,656</u>	<u>\$ 1,656</u>	<u>\$ 0</u>
Total Revenues	<u>3,000</u>	<u>1,656</u>	<u>1,656</u>	<u>0</u>
Expenditures:				
General Government:				
Materials and Supplies	<u>500</u>	<u>1,656</u>	<u>1,604</u>	<u>52</u>
Total Expenditures	<u>500</u>	<u>1,656</u>	<u>1,604</u>	<u>52</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,500	0	52	52
Fund Balance at Beginning of Year	<u>900</u>	<u>900</u>	<u>900</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,400</u>	<u>\$ 900</u>	<u>\$ 952</u>	<u>\$ 52</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 34,087</u>	<u>\$ (15,913)</u>
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>34,087</u>	<u>(15,913)</u>
Expenditures:				
Community Environment:				
Contractual Services	<u>0</u>	<u>78,187</u>	<u>40,042</u>	<u>38,145</u>
Total Expenditures	<u>0</u>	<u>78,187</u>	<u>40,042</u>	<u>38,145</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,000	(28,187)	(5,955)	22,232
Fund Balance at Beginning of Year	73,544	73,544	73,544	0
Prior Year Encumbrances	<u>24,410</u>	<u>24,410</u>	<u>24,410</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 147,954</u>	<u>\$ 69,767</u>	<u>\$ 91,999</u>	<u>\$ 22,232</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2012**

GENERAL DEBT RETIREMENT FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 1,421,000	\$ 1,395,905	\$ 1,695,894	\$ 299,989
Total Revenues	<u>1,421,000</u>	<u>1,395,905</u>	<u>1,695,894</u>	<u>299,989</u>
Expenditures:				
Debt Service:				
Principal Retirement	1,241,626	1,241,626	1,241,626	0
Interest and Fiscal Charges	587,782	665,582	665,580	2
Advance Refunding Escrow	<u>0</u>	<u>20,000</u>	<u>20,000</u>	<u>0</u>
Total Expenditures	<u>1,829,408</u>	<u>1,927,208</u>	<u>1,927,206</u>	<u>2</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(408,408)	(531,303)	(231,312)	299,991
Other Financing Sources (Uses):				
Refunding General Obligation Bonds Issued	0	7,704,990	7,705,000	10
Payment to Refunded Bond Escrow Agent	0	(7,622,276)	(7,622,276)	0
Transfers In	<u>300,000</u>	<u>450,000</u>	<u>150,000</u>	<u>(300,000)</u>
Total Other Financing Sources (Uses)	<u>300,000</u>	<u>532,714</u>	<u>232,724</u>	<u>(299,990)</u>
Net Change in Fund Balance	(108,408)	1,411	1,412	1
Fund Balance at Beginning of Year	<u>106,183</u>	<u>106,183</u>	<u>106,183</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (2,225)</u>	<u>\$ 107,594</u>	<u>\$ 107,595</u>	<u>\$ 1</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	28,735	28,735	28,735	0
Fund Balance at End of Year	<u>\$ 28,735</u>	<u>\$ 28,735</u>	<u>\$ 28,735</u>	<u>\$ 0</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2012**

BRICE-MAIN TIEF DEBT RETIREMENT FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 150,000	\$ 195,209	\$ 195,210	\$ 1
Total Revenues	<u>150,000</u>	<u>195,209</u>	<u>195,210</u>	<u>1</u>
Expenditures:				
General Government:				
Contractual Services	2,100	2,214	2,214	0
Other Operating Expenditures	115,000	123,750	61,875	61,875
Debt Service:				
Principal Retirement	160,000	160,000	160,000	0
Interest and Fiscal Charges	<u>40,508</u>	<u>40,508</u>	<u>40,508</u>	<u>0</u>
Total Expenditures	<u>317,608</u>	<u>326,472</u>	<u>264,597</u>	<u>61,875</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(167,608)	(131,263)	(69,387)	61,876
Fund Balance at Beginning of Year	<u>157,668</u>	<u>157,668</u>	<u>157,668</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (9,940)</u>	<u>\$ 26,405</u>	<u>\$ 88,281</u>	<u>\$ 61,876</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2012**

KROGER TIEF DEBT RETIREMENT FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 75,000	\$ 0	\$ 0	\$ 0
Total Revenues	<u>75,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:				
General Government:				
Contractual Services	800	800	0	800
Debt Service:				
Principal Retirement	30,483	30,483	30,483	0
Interest and Fiscal Charges	<u>3,601</u>	<u>3,601</u>	<u>3,601</u>	<u>0</u>
Total Expenditures	<u>34,884</u>	<u>34,884</u>	<u>34,084</u>	<u>800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	40,116	(34,884)	(34,084)	800
Fund Balance at Beginning of Year	<u>140,110</u>	<u>140,110</u>	<u>140,110</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 180,226</u>	<u>\$ 105,226</u>	<u>\$ 106,026</u>	<u>\$ 800</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 5,000	\$ 5,000	\$ 0	\$ (5,000)
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>(5,000)</u>
Expenditures:				
General Government:				
Contractual Services	<u>125</u>	<u>125</u>	<u>0</u>	<u>125</u>
Total Expenditures	<u>125</u>	<u>125</u>	<u>0</u>	<u>125</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,875	4,875	0	(4,875)
Fund Balance at Beginning of Year	<u>5,106</u>	<u>5,106</u>	<u>5,106</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 9,981</u>	<u>\$ 9,981</u>	<u>\$ 5,106</u>	<u>\$ (4,875)</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 20,000	\$ 20,000	\$ 19,556	\$ (444)
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>19,556</u>	<u>(444)</u>
Expenditures:				
General Government:				
Contractual Services	<u>800</u>	<u>800</u>	<u>339</u>	<u>461</u>
Total Expenditures	<u>800</u>	<u>800</u>	<u>339</u>	<u>461</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	19,200	19,200	19,217	17
Fund Balance at Beginning of Year	<u>62,874</u>	<u>62,874</u>	<u>62,874</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 82,074</u>	<u>\$ 82,074</u>	<u>\$ 82,091</u>	<u>\$ 17</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 2,700	\$ 2,700	\$ 742	\$ (1,958)
Total Revenues	<u>2,700</u>	<u>2,700</u>	<u>742</u>	<u>(1,958)</u>
Expenditures:				
General Government:				
Contractual Services	<u>50</u>	<u>50</u>	<u>9</u>	<u>41</u>
Total Expenditures	<u>50</u>	<u>50</u>	<u>9</u>	<u>41</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,650	2,650	733	(1,917)
Fund Balance at Beginning of Year	<u>10,527</u>	<u>10,527</u>	<u>10,527</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 13,177</u>	<u>\$ 13,177</u>	<u>\$ 11,260</u>	<u>\$ (1,917)</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012***

CAPITAL IMPROVEMENT FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 186,820	\$ 241,165	\$ 242,271	\$ 1,106
Intergovernmental Revenues	0	0	108,722	108,722
Investment Earnings	1,500	1,500	426	(1,074)
All Other Revenues	0	179,950	0	(179,950)
Total Revenues	<u>188,320</u>	<u>422,615</u>	<u>351,419</u>	<u>(71,196)</u>
Expenditures:				
Capital Outlay	0	700,139	375,258	324,881
Debt Service:				
Advance Refunding Escrow	0	196,633	196,000	633
Total Expenditures	<u>0</u>	<u>896,772</u>	<u>571,258</u>	<u>325,514</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	188,320	(474,157)	(219,839)	254,318
Other Financing Sources (Uses):				
OPWC Loans	0	0	72,803	72,803
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>72,803</u>	<u>72,803</u>
Net Change in Fund Balance	188,320	(474,157)	(147,036)	327,121
Fund Balance at Beginning of Year	3,446,355	3,446,355	3,446,355	0
Prior Year Encumbrances	181,419	181,419	181,419	0
Fund Balance at End of Year	<u>\$ 3,816,094</u>	<u>\$ 3,153,617</u>	<u>\$ 3,480,738</u>	<u>\$ 327,121</u>

CITY OF REYNOLDSBURG, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses and Permits	\$ 1,385	\$ 1,385	\$ 2,213	\$ 828
Special Assessments	<u>43,615</u>	<u>43,615</u>	<u>39,737</u>	<u>(3,878)</u>
Total Revenues	<u>45,000</u>	<u>45,000</u>	<u>41,950</u>	<u>(3,050)</u>
Expenditures:				
Capital Outlay	<u>0</u>	<u>182,903</u>	<u>61,738</u>	<u>121,165</u>
Total Expenditures	<u>0</u>	<u>182,903</u>	<u>61,738</u>	<u>121,165</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	45,000	(137,903)	(19,788)	118,115
Fund Balance at Beginning of Year	586,419	586,419	586,419	0
Prior Year Encumbrances	<u>61,605</u>	<u>61,605</u>	<u>61,605</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 693,024</u>	<u>\$ 510,121</u>	<u>\$ 628,236</u>	<u>\$ 118,115</u>

CITY OF REYNOLDSBURG, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Capital Outlay	0	25,059	25,048	11
Debt Service:				
Advance Refunding Escrow	<u>0</u>	<u>79,000</u>	<u>79,000</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>104,059</u>	<u>104,048</u>	<u>11</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(104,059)	(104,048)	11
Fund Balance at Beginning of Year	33,909	33,909	33,909	0
Prior Year Encumbrances	<u>70,150</u>	<u>70,150</u>	<u>70,150</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 104,059</u>	<u>\$ 0</u>	<u>\$ 11</u>	<u>\$ 11</u>

Fiduciary Funds

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

Agency Fund

Mayor's Court Fund

To account for funds that are held by the Mayor's court.

School Activities Fund

To account for fees collected from participating students to cover the costs of various school activities.

Miscellaneous Fund

To account primarily for insurance copayments.

Board of Building Standards Fund

To account for funds from the three percent (3%) fees as required by Ohio Revised Code.

Reynoldsburg Visitors and Activities Bureau Fund

To account for 30% of the hotel tax revenues collected by the City which are to be paid to the Reynoldsburg Visitors and Activities Bureau.

Demolition Expense Fund

To account for funds on deposit to insure the clean up or repair of damaged property.

Columbus Sewer Capacity Fund

To account for one third of all sewer capacity charges which are payable by contract to the City of Columbus.

CITY OF REYNOLDSBURG, OHIO

**Combining Statement Of Changes In Assets And Liabilities
Agency Fund
For the Year Ended December 31, 2012**

	Balance December 31, 2011	Additions	Deductions	Balance December 31, 2012
<u>Mayor's Court:</u>				
Assets:				
Cash and Cash Equivalents	\$22,041	\$166,979	(\$169,816)	\$19,204
Accounts Receivable	2,870	5,227	(2,870)	5,227
Total Assets	<u>\$24,911</u>	<u>\$172,206</u>	<u>(\$172,686)</u>	<u>\$24,431</u>
Liabilities:				
Intergovernmental Payable	\$9,229	\$120,125	(\$122,156)	\$7,198
Due to Others	15,682	52,081	(50,530)	17,233
Total Liabilities	<u>\$24,911</u>	<u>\$172,206</u>	<u>(\$172,686)</u>	<u>\$24,431</u>
<u>School Activities:</u>				
Assets:				
Cash and Cash Equivalents	\$2,836	\$0	\$0	\$2,836
Total Assets	<u>\$2,836</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,836</u>
Liabilities:				
Due to Others	\$2,836	\$0	\$0	\$2,836
Total Liabilities	<u>\$2,836</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,836</u>
<u>Miscellaneous:</u>				
Assets:				
Cash and Cash Equivalents	\$10,993	\$189,651	(\$185,803)	\$14,841
Total Assets	<u>\$10,993</u>	<u>\$189,651</u>	<u>(\$185,803)</u>	<u>\$14,841</u>
Liabilities:				
Due to Others	\$10,993	\$189,651	(\$185,803)	\$14,841
Total Liabilities	<u>\$10,993</u>	<u>\$189,651</u>	<u>(\$185,803)</u>	<u>\$14,841</u>
<u>Board of Building Standards:</u>				
Assets:				
Cash and Cash Equivalents	\$8,935	\$3,733	(\$3,633)	\$9,035
Total Assets	<u>\$8,935</u>	<u>\$3,733</u>	<u>(\$3,633)</u>	<u>\$9,035</u>
Liabilities:				
Intergovernmental Payable	\$8,935	\$3,733	(\$3,633)	\$9,035
Total Liabilities	<u>\$8,935</u>	<u>\$3,733</u>	<u>(\$3,633)</u>	<u>\$9,035</u>

(Continued)

CITY OF REYNOLDSBURG, OHIO

**Combining Statement Of Changes In Assets And Liabilities
Agency Fund
For the Year Ended December 31, 2012**

	Balance December 31, 2011	Additions	Deductions	Balance December 31, 2012
<u>Reynoldsburg Visitors and Activities Bureau:</u>				
Assets:				
Cash and Cash Equivalents	\$0	\$75,000	(\$75,000)	\$0
Taxes Receivable	8,743	9,507	(8,743)	9,507
Total Assets	<u>\$8,743</u>	<u>\$84,507</u>	<u>(\$83,743)</u>	<u>\$9,507</u>
Liabilities:				
Intergovernmental Payable	\$8,743	\$84,507	(\$83,743)	\$9,507
Total Liabilities	<u>\$8,743</u>	<u>\$84,507</u>	<u>(\$83,743)</u>	<u>\$9,507</u>
<u>Demolition Expense</u>				
Assets:				
Cash and Cash Equivalents	\$41,000	\$22,759	(\$62,759)	\$1,000
Total Assets	<u>\$41,000</u>	<u>\$22,759</u>	<u>(\$62,759)</u>	<u>\$1,000</u>
Liabilities:				
Due to Others	\$41,000	\$22,759	(\$62,759)	\$1,000
Total Liabilities	<u>\$41,000</u>	<u>\$22,759</u>	<u>(\$62,759)</u>	<u>\$1,000</u>
<u>Columbus Sewer Capacity:</u>				
Assets:				
Cash and Cash Equivalents	\$23,045	\$39,573	(\$6,088)	\$56,530
Total Assets	<u>\$23,045</u>	<u>\$39,573</u>	<u>(\$6,088)</u>	<u>\$56,530</u>
Liabilities:				
Intergovernmental Payable	\$23,045	\$39,573	(\$6,088)	\$56,530
Total Liabilities	<u>\$23,045</u>	<u>\$39,573</u>	<u>(\$6,088)</u>	<u>\$56,530</u>
<u>Totals - All Agency Funds:</u>				
Assets:				
Cash and Cash Equivalents	\$108,850	\$497,695	(\$503,099)	\$103,446
Taxes Receivable	8,743	9,507	(8,743)	9,507
Accounts Receivable	2,870	5,227	(2,870)	5,227
Total Assets	<u>\$120,463</u>	<u>\$512,429</u>	<u>(\$514,712)</u>	<u>\$118,180</u>
Liabilities:				
Intergovernmental Payable	\$49,952	\$247,938	(\$215,620)	\$82,270
Due to Others	70,511	264,491	(299,092)	35,910
Total Liabilities	<u>\$120,463</u>	<u>\$512,429</u>	<u>(\$514,712)</u>	<u>\$118,180</u>



STATISTICAL SECTION



STATISTICAL TABLES

This part of the City’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.

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City’s ability to generate its most significant local revenue source, which is income tax.	
Debt Capacity	S 18 – S 27
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.	
Economic and Demographic Information	S 28 – S 31
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.	
Operating Information	S 32 – S 39
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 district provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

City of Reynoldsburg, Ohio

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2003	2004	2005	2006
Governmental Activities:				
Net Investment in Capital Assets	\$21,070,934	\$24,969,249	\$24,861,005	\$25,831,147
Restricted for:				
Capital Projects	5,097,245	1,509,571	2,327,921	2,718,914
Debt Service	2,674,357	2,776,054	2,134,790	1,987,453
Security of Persons and Property	582,240	540,111	259,827	171,494
Streets and Highways	1,941,809	2,061,282	2,440,749	3,153,426
Other Purposes	12,564	21,474	40,066	60,640
Unrestricted	5,389,663	7,719,304	7,930,223	9,399,249
Total Governmental Activities Net Position	<u>\$36,768,812</u>	<u>\$39,597,045</u>	<u>\$39,994,581</u>	<u>\$43,322,323</u>
Business-type Activities:				
Net Investment in Capital Assets	\$83,471,745	\$88,441,530	\$89,763,557	\$89,887,751
Unrestricted	9,328,151	8,098,948	7,643,387	7,350,786
Total Business-type Activities Net Position	<u>\$92,799,896</u>	<u>\$96,540,478</u>	<u>\$97,406,944</u>	<u>\$97,238,537</u>
Primary Government:				
Net Investment in Capital Assets	\$104,542,679	\$113,410,779	\$114,624,562	\$115,718,898
Restricted	10,308,215	6,908,492	7,203,353	8,091,927
Unrestricted	14,717,814	15,818,252	15,573,610	16,750,035
Total Primary Government Net Position	<u>\$129,568,708</u>	<u>\$136,137,523</u>	<u>\$137,401,525</u>	<u>\$140,560,860</u>

Source: City Auditor's Office

City of Reynoldsburg, Ohio

2007	2008	2009	2010	2011	2012
\$26,683,290	\$27,305,149	\$28,869,219	\$32,035,039	\$33,932,566	\$34,412,783
3,035,857	3,922,243	3,613,279	1,134,099	981,542	897,730
1,700,533	1,609,256	2,409,042	1,252,775	1,172,528	1,136,201
215,501	369,976	422,079	313,336	343,295	388,646
3,377,670	3,979,363	4,728,645	4,108,056	4,278,398	4,240,989
77,448	123,960	146,219	86,991	114,270	122,016
10,163,448	10,230,103	9,136,452	9,695,540	10,907,844	10,475,900
<u>\$45,253,747</u>	<u>\$47,540,050</u>	<u>\$49,324,935</u>	<u>\$48,625,836</u>	<u>\$51,730,443</u>	<u>\$51,674,265</u>
\$89,292,098	\$88,020,788	\$89,118,788	\$89,474,184	\$88,791,438	\$87,196,242
6,643,911	6,474,380	5,677,545	4,635,591	4,329,262	4,429,168
<u>\$95,936,009</u>	<u>\$94,495,168</u>	<u>\$94,796,333</u>	<u>\$94,109,775</u>	<u>\$93,120,700</u>	<u>\$91,625,410</u>
\$115,975,388	\$115,325,937	\$117,988,007	\$121,509,223	\$122,724,004	\$121,609,025
8,407,009	10,004,798	11,319,264	6,895,257	6,890,033	6,785,582
16,807,359	16,704,483	14,813,997	14,331,131	15,237,106	14,905,068
<u>\$141,189,756</u>	<u>\$142,035,218</u>	<u>\$144,121,268</u>	<u>\$142,735,611</u>	<u>\$144,851,143</u>	<u>\$143,299,675</u>

City of Reynoldsburg, Ohio

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2003	2004	2005	2006
Expenses				
Governmental Activities:				
Security of Persons and Property	\$6,039,205	\$6,557,808	\$6,890,178	\$7,060,773
Public Health and Welfare Services	153,435	153,435	156,728	171,180
Leisure Time Activities	923,353	1,009,373	1,024,894	1,052,430
Community Environment	1,268,719	1,486,994	1,500,429	1,451,918
Transportation	1,892,940	2,339,986	2,365,068	2,287,980
General Government	3,380,063	3,460,390	3,511,329	3,928,930
Interest and Fiscal Charges	1,246,889	977,178	1,110,381	1,008,523
<i>Total Governmental Activities Expenses</i>	<u>14,904,604</u>	<u>15,985,164</u>	<u>16,559,007</u>	<u>16,961,734</u>
Business-type Activities:				
Water	3,184,330	3,461,916	3,989,375	3,857,790
Sewer	3,406,153	3,950,405	4,600,169	5,014,137
Storm Water Drainage	999,141	1,102,753	1,237,899	1,350,167
Solid Waste	1,152,346	1,337,273	1,398,689	1,703,552
<i>Total Business-type Activities Expenses</i>	<u>8,741,970</u>	<u>9,852,347</u>	<u>11,226,132</u>	<u>11,925,646</u>
<i>Total Primary Government Expenses</i>	<u>\$23,646,574</u>	<u>\$25,837,511</u>	<u>\$27,785,139</u>	<u>\$28,887,380</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Security of Persons and Property	\$94,463	\$129,026	\$123,595	\$125,261
Leisure Time Activities	118,160	147,265	151,814	157,401
Community Environment	585,959	619,202	662,013	607,502
Transportation	50,563	43,776	30,224	95,716
General Government	330,220	286,163	465,994	467,449
Operating Grants and Contributions	1,637,930	1,854,057	1,887,916	1,626,644
Capital Grants and Contributions	238,394	2,763,642	169,499	1,423,240
<i>Total Governmental Activities Program Revenues</i>	<u>3,055,689</u>	<u>5,843,131</u>	<u>3,491,055</u>	<u>4,503,213</u>

City of Reynoldsburg, Ohio

2007	2008	2009	2010	2011	2012
\$7,198,282	\$7,538,445	\$7,825,619	\$8,047,511	\$8,313,332	\$8,652,688
181,525	187,894	202,756	202,756	205,060	205,667
1,032,327	1,075,975	1,026,937	1,068,709	1,072,964	1,034,234
1,387,674	1,469,899	1,400,304	1,369,353	1,296,322	1,262,546
3,138,021	2,332,596	2,920,784	3,154,638	3,240,861	3,181,127
3,930,785	4,060,263	4,238,424	5,330,658	3,940,560	4,812,660
1,158,623	1,112,434	1,062,833	1,024,105	973,721	1,185,952
<u>18,027,237</u>	<u>17,777,506</u>	<u>18,677,657</u>	<u>20,197,730</u>	<u>19,042,820</u>	<u>20,334,874</u>
5,116,826	4,481,951	4,816,281	5,406,907	5,676,863	5,912,386
5,241,879	5,954,793	5,902,500	6,001,699	5,560,004	6,425,300
1,239,614	1,262,426	1,329,529	1,291,400	1,403,284	1,377,501
1,710,685	1,723,339	1,880,289	1,926,930	1,952,789	1,997,966
<u>13,309,004</u>	<u>13,422,509</u>	<u>13,928,599</u>	<u>14,626,936</u>	<u>14,592,940</u>	<u>15,713,153</u>
<u>\$31,336,241</u>	<u>\$31,200,015</u>	<u>\$32,606,256</u>	<u>\$34,824,666</u>	<u>\$33,635,760</u>	<u>\$36,048,027</u>
\$199,887	\$246,031	\$282,832	\$221,495	\$165,271	\$257,866
159,369	145,092	133,171	126,528	126,719	133,218
585,943	381,973	316,132	399,479	378,827	313,762
20,329	399,957	3,192	6,379	542	0
546,533	647,441	607,597	543,378	626,789	618,522
1,797,593	2,148,105	2,343,211	1,831,555	1,990,530	1,759,520
1,683,442	0	1,669,837	1,755,091	2,071,639	44,182
<u>4,993,096</u>	<u>3,968,599</u>	<u>5,355,972</u>	<u>4,883,905</u>	<u>5,360,317</u>	<u>3,127,070</u>

(continued)

City of Reynoldsburg, Ohio

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2003	2004	2005	2006
Business-type Activities:				
Charges for Services				
Water	2,482,729	2,574,487	3,169,519	2,901,355
Sewer	3,154,335	3,265,408	3,721,862	4,092,723
Storm Water Drainage	341,649	464,632	569,395	582,678
Solid Waste	1,298,247	1,072,732	1,503,527	1,678,565
Capital Grants and Contributions	2,474,206	6,215,670	3,128,295	2,501,918
<i>Total Business-type Activities Program Revenues</i>	<u>9,751,166</u>	<u>13,592,929</u>	<u>12,092,598</u>	<u>11,757,239</u>
<i>Total Primary Government Program Revenues</i>	<u>12,806,855</u>	<u>19,436,060</u>	<u>15,583,653</u>	<u>16,260,452</u>
Net (Expense)/Revenue				
Governmental Activities	(11,848,915)	(10,142,033)	(13,067,952)	(12,458,521)
Business-type Activities	1,009,196	3,740,582	866,466	(168,407)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$10,839,719)</u>	<u>(\$6,401,451)</u>	<u>(\$12,201,486)</u>	<u>(\$12,626,928)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$237,613	\$228,457	\$233,097	\$271,494
Special Purposes	152,191	176,686	163,754	190,783
Debt Service	917,183	949,298	1,056,077	1,383,333
Income Taxes	8,424,114	8,947,081	8,808,522	9,948,975
Other Local Taxes	237,076	257,146	160,626	304,518
Intergovernmental Revenue, Unrestricted	1,949,041	1,914,893	2,013,512	2,136,401
Investment Earnings	296,558	395,434	719,458	1,224,757
Miscellaneous	151,692	101,271	310,442	326,002
Transfers	360,312	0	0	0
<i>Total Governmental Activities</i>	<u>12,725,780</u>	<u>12,970,266</u>	<u>13,465,488</u>	<u>15,786,263</u>
Business-type Activities:				
Transfers	(360,312)	0	0	0
<i>Total Business-type Activities</i>	<u>(360,312)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$12,365,468</u>	<u>\$12,970,266</u>	<u>\$13,465,488</u>	<u>\$15,786,263</u>
Change in Net Position				
Governmental Activities	\$876,865	\$2,828,233	\$397,536	\$3,327,742
Business-type Activities	648,884	3,740,582	866,466	(168,407)
<i>Total Primary Government Change in Net Position</i>	<u>\$1,525,749</u>	<u>\$6,568,815</u>	<u>\$1,264,002</u>	<u>\$3,159,335</u>

Source: City Auditor's Office

City of Reynoldsburg, Ohio

2007	2008	2009	2010	2011	2012
3,556,765	4,062,023	4,253,418	4,654,152	5,203,135	5,519,628
4,536,083	4,840,368	4,946,876	4,943,361	5,045,760	5,501,957
602,276	625,131	626,389	630,923	689,566	644,511
1,708,926	1,704,494	1,763,223	1,855,450	1,824,653	1,962,981
1,602,426	749,652	2,636,672	1,856,492	840,751	588,786
<u>12,006,476</u>	<u>11,981,668</u>	<u>14,226,578</u>	<u>13,940,378</u>	<u>13,603,865</u>	<u>14,217,863</u>
16,999,572	15,950,267	19,582,550	18,824,283	18,964,182	17,344,933
(13,034,141)	(13,808,907)	(13,321,685)	(15,313,825)	(13,682,503)	(17,207,804)
<u>(1,302,528)</u>	<u>(1,440,841)</u>	<u>297,979</u>	<u>(686,558)</u>	<u>(989,075)</u>	<u>(1,495,290)</u>
<u>(\$14,336,669)</u>	<u>(\$15,249,748)</u>	<u>(\$13,023,706)</u>	<u>(\$16,000,383)</u>	<u>(\$14,671,578)</u>	<u>(\$18,703,094)</u>
\$292,237	\$286,358	\$292,624	\$293,689	\$281,971	\$246,452
204,507	198,463	202,776	202,616	199,361	173,098
1,265,886	1,366,851	2,108,557	1,818,217	1,688,532	2,274,642
9,272,146	10,480,193	9,965,514	9,577,833	11,747,263	12,509,144
455,794	361,048	362,324	424,645	471,836	525,544
1,905,440	2,150,735	1,582,537	1,805,443	1,722,990	1,105,401
1,380,242	964,817	282,276	197,157	236,803	191,617
189,313	286,745	313,148	295,126	438,354	125,728
0	0	(3,186)	0	0	0
<u>14,965,565</u>	<u>16,095,210</u>	<u>15,106,570</u>	<u>14,614,726</u>	<u>16,787,110</u>	<u>17,151,626</u>
0	0	3,186	0	0	0
<u>0</u>	<u>0</u>	<u>3,186</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$14,965,565</u>	<u>\$16,095,210</u>	<u>\$15,109,756</u>	<u>\$14,614,726</u>	<u>\$16,787,110</u>	<u>\$17,151,626</u>
\$1,931,424	\$2,286,303	\$1,784,885	(\$699,099)	\$3,104,607	(\$56,178)
<u>(1,302,528)</u>	<u>(1,440,841)</u>	<u>301,165</u>	<u>(686,558)</u>	<u>(989,075)</u>	<u>(1,495,290)</u>
<u>\$628,896</u>	<u>\$845,462</u>	<u>\$2,086,050</u>	<u>(\$1,385,657)</u>	<u>\$2,115,532</u>	<u>(\$1,551,468)</u>

City of Reynoldsburg, Ohio

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	230,128	142,006	219,243	201,071
Unreserved	<u>5,279,232</u>	<u>4,709,563</u>	<u>4,849,575</u>	<u>6,122,782</u>
<i>Total General Fund</i>	<u>5,509,360</u>	<u>4,851,569</u>	<u>5,068,818</u>	<u>6,323,853</u>
All Other Governmental Funds				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Reserved	6,342,827	4,326,791	8,099,503	4,949,497
Unreserved, Reported in:				
Special Revenue Funds	3,114,034	3,111,355	3,111,814	3,783,256
Capital Projects Funds	<u>1,801,477</u>	<u>568,143</u>	<u>3,909,493</u>	<u>1,782,919</u>
Total All Other Governmental Funds	<u>11,258,338</u>	<u>8,006,289</u>	<u>15,120,810</u>	<u>10,515,672</u>
<i>Total Governmental Funds</i>	<u><u>\$16,767,698</u></u>	<u><u>\$12,857,858</u></u>	<u><u>\$20,189,628</u></u>	<u><u>\$16,839,525</u></u>

Source: City Auditor's Office

Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

City of Reynoldsburg, Ohio

2007	2008	2009	2010	2011	2012
\$0	\$0	\$0	\$0	\$37,126	\$29,187
0	0	0	0	11,265	9,423
0	0	0	0	23,567	23,567
0	0	0	0	893,738	1,752,083
0	0	0	0	3,639,068	3,167,880
189,662	260,699	212,824	224,177	0	0
6,806,817	6,628,103	5,466,472	3,227,092	0	0
<u>6,996,479</u>	<u>6,888,802</u>	<u>5,679,296</u>	<u>3,451,269</u>	<u>4,604,764</u>	<u>4,982,140</u>
0	0	0	0	228,208	201,477
0	0	0	0	4,701,499	5,603,982
0	0	0	0	3,470,235	3,238,036
0	0	0	0	2,798,077	2,832,263
3,754,729	3,051,343	3,619,369	2,261,041	0	0
4,232,434	4,978,966	5,735,411	5,000,970	0	0
1,650,336	2,833,617	3,052,753	3,539,361	0	0
<u>9,637,499</u>	<u>10,863,926</u>	<u>12,407,533</u>	<u>10,801,372</u>	<u>11,198,019</u>	<u>11,875,758</u>
<u>\$16,633,978</u>	<u>\$17,752,728</u>	<u>\$18,086,829</u>	<u>\$14,252,641</u>	<u>\$15,802,783</u>	<u>\$16,857,898</u>

City of Reynoldsburg, Ohio

Changes in Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)

	2003	2004	2005	2006
Revenues:				
Taxes	\$9,825,937	\$10,336,287	\$10,383,609	\$12,218,705
Intergovernmental Revenues	3,524,494	4,030,538	3,745,488	4,528,994
Charges for Services	369,293	402,127	409,851	441,235
Licenses and Permits	394,029	410,091	440,446	345,774
Investment Earnings	299,148	354,127	677,917	1,225,735
Special Assessments	43,898	41,232	41,653	121,276
Fines and Forfeitures	329,755	339,522	484,313	492,286
All Other Revenue	241,024	216,860	411,292	417,115
Total Revenue	15,027,578	16,130,784	16,594,569	19,791,120
Expenditures:				
Current:				
Security of Persons and Property	5,698,827	6,564,820	6,766,485	6,803,846
Public Health and Welfare Services	153,435	153,435	156,728	171,180
Leisure Time Activities	858,586	832,256	873,608	927,432
Community Environment	1,258,918	1,461,914	1,507,953	1,458,641
Transportation	791,305	1,486,916	1,181,498	895,661
General Government	3,227,584	3,320,549	3,338,052	3,772,329
Capital Outlay	3,357,832	5,021,285	2,531,568	7,296,353
Debt Service:				
Principal Retirement	951,469	1,246,308	1,377,725	1,519,643
Interest and Fiscal Charges	1,242,550	980,878	1,274,636	1,139,458
Advance Refunding Escrow				
Total Expenditures	17,540,506	21,068,361	19,008,253	23,984,543
Excess (Deficiency) of Revenues Over Expenditures	(2,512,928)	(4,937,577)	(2,413,684)	(4,193,423)

City of Reynoldsburg, Ohio

2007	2008	2009	2010	2011	2012
\$11,426,247	\$12,638,888	\$12,950,279	\$12,326,889	\$14,546,665	\$15,800,045
3,913,526	4,097,222	5,511,551	5,255,750	5,796,606	4,106,209
465,386	263,420	246,190	257,288	254,885	257,823
287,527	272,201	209,763	280,988	272,031	229,833
1,397,864	889,323	376,009	209,303	245,175	200,992
54,484	80,809	42,361	49,065	44,446	39,737
565,885	795,520	796,690	639,141	680,878	584,850
366,610	379,155	402,156	409,957	529,550	378,803
<u>18,477,529</u>	<u>19,416,538</u>	<u>20,534,999</u>	<u>19,428,381</u>	<u>22,370,236</u>	<u>21,598,292</u>
6,912,036	7,158,981	7,550,268	7,722,369	8,015,723	8,440,986
181,525	187,894	202,756	202,756	205,060	205,667
919,317	967,660	924,048	994,898	970,662	956,195
1,374,794	1,469,797	1,398,091	1,367,087	1,296,538	1,255,097
1,553,329	1,532,204	1,424,750	2,242,205	1,407,506	1,697,216
3,771,065	3,963,494	4,118,690	5,587,780	4,103,538	4,680,351
1,243,010	276,818	2,073,902	2,674,842	2,011,384	277,912
1,632,423	1,734,530	1,434,906	1,830,983	1,944,652	1,906,909
1,125,859	1,080,278	1,030,649	992,110	939,579	958,308
					295,000
<u>18,713,358</u>	<u>18,371,656</u>	<u>20,158,060</u>	<u>23,615,030</u>	<u>20,894,642</u>	<u>20,673,641</u>
(235,829)	1,044,882	376,939	(4,186,649)	1,475,594	924,651

(Continued)

City of Reynoldsburg, Ohio

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2003	2004	2005	2006
Other Financing Sources (Uses):				
Ohio Public Works Commission Loan	737,161	1,012,839	1,337,990	642,010
General Obligation Bonds Issued	4,300,000	0	8,055,000	0
Premium on General Obligation Bonds	0	0	100,543	84,674
Refunding General Obligation Bonds	3,313,262	0	0	9,720,000
Payment to Refunded Bond Escrow Agent	(3,225,600)	0	0	(9,641,147)
State Infrastructure Bank Loan	0	0	239,105	0
Transfers In	12,758,914	616,042	0	0
Transfers Out	(12,398,602)	(616,042)	0	0
Total Other Financing Sources (Uses)	<u>5,485,135</u>	<u>1,012,839</u>	<u>9,732,638</u>	<u>805,537</u>
Net Change in Fund Balance	<u>\$2,972,207</u>	<u>(\$3,924,738)</u>	<u>\$7,318,954</u>	<u>(\$3,387,886)</u>
Debt Service as a Percentage of Noncapital Expenditures	15.54%	14.85%	16.46%	16.10%

Source: City Auditor's Office

City of Reynoldsburg, Ohio

2007	2008	2009	2010	2011	2012
0	0	0	176,955	0	72,803
0	0	0	275,500	0	0
0	0	0	0	0	0
0	0	0	0	0	7,705,000
0	0	0	0	0	(7,622,276)
7,227	0	0	0	0	0
250,000	1,450,000	819,551	1,300,000	150,000	150,000
(250,000)	(1,450,000)	(822,737)	(1,300,000)	(150,000)	(150,000)
7,227	0	(3,186)	452,455	0	155,527
(\$228,602)	\$1,044,882	\$373,753	(\$3,734,194)	\$1,475,594	\$1,080,178
15.96%	16.57%	14.08%	14.58%	15.71%	14.67%

City of Reynoldsburg, Ohio

Income Tax Revenues by Source, Governmental Funds Last Ten Years

Tax year	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Income Tax Rate	1.50%	1.50%	1.50%	1.50%	1.50%
Estimated Personal Income (in thousands)	\$1,100,597	\$1,142,871	\$1,202,908	\$1,264,242	\$1,282,119
Total Tax Collected	\$9,818,631	\$8,369,792	\$8,929,106	\$9,375,220	\$9,962,186
Income Tax Receipts					
Withholding	6,348,529	6,362,214	6,828,800	6,719,183	7,356,637
Percentage	64.66%	76.01%	76.48%	71.67%	73.85%
Net Profits	2,212,407	846,187	849,478	1,432,818	1,414,656
Percentage	22.53%	10.11%	9.51%	15.28%	14.20%
Individuals	1,257,695	1,161,391	1,250,828	1,223,219	1,190,893
Percentage	12.81%	13.88%	14.01%	13.05%	11.95%
Income Tax by Business Type					
Retail/Grocery	50.97%	55.49%	59.42%	62.09%	60.43%
Education/Government	13.59%	17.25%	18.15%	17.37%	18.19%
Service	7.46%	10.91%	9.40%	9.45%	10.74%
Industrial	1.46%	2.02%	2.23%	2.28%	2.33%
Construction/Real Estate	21.40%	7.58%	4.34%	2.13%	2.21%
Medical	1.63%	2.54%	2.43%	2.06%	2.47%
Financial	1.20%	1.33%	1.07%	1.92%	1.10%
Restaurants	1.59%	1.96%	1.98%	1.68%	1.68%
Miscellaneous	0.70%	0.92%	0.98%	1.02%	0.85%
Total Tax	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: City Income Tax Department

Note: Amounts are presented on a cash basis.

City of Reynoldsburg, Ohio

2008	2009	2010	2011	2012
1.50%	1.50%	1.50%	1.50%	1.50%
\$1,379,804	\$1,342,638	\$1,372,975	\$1,426,067	\$1,438,872
\$10,398,560	\$9,935,053	\$9,663,360	\$11,622,722	\$12,389,479
8,086,173	8,290,320	7,480,371	8,017,488	9,431,349
77.77%	83.45%	77.41%	68.98%	76.12%
1,110,985	508,177	1,181,588	2,454,396	1,766,638
10.68%	5.11%	12.23%	21.12%	14.26%
1,201,402	1,136,556	1,001,401	1,150,838	1,191,492
11.55%	11.44%	10.36%	9.90%	9.62%
64.20%	64.79%	67.10%	69.34%	69.13%
16.56%	17.10%	14.66%	13.65%	12.28%
10.42%	7.00%	8.60%	8.25%	9.84%
2.29%	3.40%	2.65%	2.41%	2.50%
1.14%	1.18%	0.86%	0.74%	0.70%
2.12%	2.62%	2.19%	2.12%	1.87%
0.93%	0.98%	1.05%	1.01%	1.26%
1.50%	1.96%	2.32%	1.83%	1.90%
0.84%	0.97%	0.57%	0.65%	0.52%
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>



City of Reynoldsburg, Ohio

Income Tax Collections Current Year and Nine Years Ago

Income Level	Income Tax Year 2011			
	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$24,999	3,564	33.75%	\$40,433,617	7.22%
25,000 - 49,999	2,615	24.76%	95,562,230	17.07%
50,000 - 74,999	1,716	16.25%	105,995,257	18.93%
75,000 - 99,999	1,172	11.10%	101,080,544	18.06%
Over 100,000	1,493	14.14%	216,720,498	38.72%
Total	10,560	100.00%	\$559,792,146	100.00%

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to Reynoldsburg	\$1,999,419
Taxes Credited to Other Municipalities	6,375,800
	\$8,375,219

Income Level	Income Tax Year 2002			
	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$24,999	4,122	33.16%	\$47,001,642	7.98%
25,000 - 49,999	3,502	28.16%	128,338,285	21.77%
50,000 - 74,999	2,312	18.59%	142,750,414	24.22%
75,000 - 99,999	1,368	11.00%	117,958,974	20.01%
Over 100,000	1,130	9.09%	153,349,969	26.02%
Total	12,434	100.00%	\$589,399,284	100.00%

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to Reynoldsburg	\$2,418,223
Taxes Credited to Other Municipalities	6,782,274
	\$9,200,497

Source: City Income Tax Department

Note: 2011 is most current data because Income Tax collections for 2012 are not finalized until 2013

City of Reynoldsburg, Ohio

Ratio of Outstanding Debt By Type Last Ten Years

	2003	2004	2005	2006
Governmental Activities ⁽¹⁾				
General Obligation Bonds ^{(1) (a)}	\$12,633,102	\$11,782,674	\$19,138,857	\$18,304,473
General Obligation Bonds (TIF supported) ^{(1) (a)}	9,995,000	9,665,000	9,325,000	9,004,438
Special Assessment Bonds	50,000	40,000	30,000	20,000
Ohio Public Works Commission Loan	1,499,211	2,456,170	3,563,281	4,032,745
State Infrastructure Bank Loan	0	0	239,105	239,105
Installment Loan	0	0	0	0
Business-type Activities ⁽¹⁾				
General Obligation Bonds	\$3,206,013	\$2,799,781	\$3,179,967	\$2,692,404
Ohio Public Works Commission Loan	2,173,988	2,087,127	1,997,641	1,905,451
Total Primary Government	<u>\$29,557,314</u>	<u>\$28,830,752</u>	<u>\$37,473,851</u>	<u>\$36,198,616</u>
Population ⁽²⁾				
City of Reynoldsburg	32,537	32,553	32,914	33,059
Outstanding Debt Per Capita	\$908	\$886	\$1,139	\$1,095
Income ^{(3) (a)}				
Personal (in thousands)	1,100,597	1,142,871	1,202,908	1,264,242
Percentage of Personal Income	2.69%	2.52%	3.12%	2.86%

Sources:

- (1) City Auditor's Office
 - (a) Net of Deferred Charge on Refunding
- (2) Mid Ohio Regional Planning Commission and US Bureau of Census, Population Division
- (3) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

City of Reynoldsburg, Ohio

2007	2008	2009	2010	2011	2012
\$17,448,701	\$16,548,392	\$15,794,867	\$15,232,905	\$14,331,448	\$13,063,447
8,552,707	8,075,976	7,589,245	7,087,514	6,565,783	6,060,002
10,000	0	0	0	0	0
3,736,449	3,440,153	3,292,005	3,024,515	2,551,264	2,327,769
246,332	213,762	185,884	157,163	127,574	97,091
0	0	0	0	0	0
<u>\$3,539,871</u>	<u>\$2,899,875</u>	<u>\$2,970,195</u>	<u>\$2,550,553</u>	<u>\$1,904,970</u>	<u>\$2,692,900</u>
<u>1,810,474</u>	<u>1,712,627</u>	<u>1,662,600</u>	<u>1,507,971</u>	<u>1,400,980</u>	<u>1,290,755</u>
<u><u>\$35,344,534</u></u>	<u><u>\$32,890,785</u></u>	<u><u>\$31,494,796</u></u>	<u><u>\$29,560,621</u></u>	<u><u>\$26,882,019</u></u>	<u><u>\$25,531,964</u></u>
33,544	35,787	35,818	35,970	35,970	36,293
\$1,054	\$919	\$879	\$822	\$747	\$703
1,282,119	1,379,804	1,342,638	1,372,975	1,426,067	1,438,872
2.76%	2.38%	2.35%	2.15%	1.89%	1.77%

City of Reynoldsburg, Ohio

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	2003	2004	2005	2006
Population (1)	32,537	32,553	32,914	33,059
Income (2)				
Personal (in thousands)	\$1,100,597	\$1,142,871	\$1,202,908	\$1,264,242
General Bonded Debt				
General Obligation Bonds (3)	\$25,834,115	\$24,247,455	\$31,643,824	\$30,001,315
Resources Available to Pay Principal (4)	\$1,696,420	\$1,716,173	\$1,003,880	\$676,709
Net General Bonded Debt	\$24,137,695	\$22,531,282	\$30,639,944	\$29,324,606
Ratio of Net Bonded Debt to Personal Income	2.19%	1.97%	2.55%	2.32%
Net Bonded Debt per Capita	\$741.85	\$692.14	\$930.91	\$887.04

Source:

- (1) Mid Ohio Regional Planning Commission and US Bureau of Census, Population Division
- (2) US Department of Commerce, Bureau of Economic Analysis
- (3) Net of Deferred Charge on Refunding
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

City of Reynoldsburg, Ohio

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
33,544	35,787	35,818	35,970	35,970	36,293
\$1,282,119	\$1,379,804	\$1,342,638	\$1,372,975	\$1,426,067	\$1,438,872
\$29,541,279	\$27,524,243	\$26,354,307	\$24,870,972	\$22,802,201	\$21,816,349
\$385,146	\$442,600	\$604,314	\$304,634	\$354,691	\$381,203
\$29,156,133	\$27,081,643	\$25,749,993	\$24,566,338	\$22,447,510	\$21,435,146
2.27%	1.96%	1.92%	1.79%	1.57%	1.49%
\$869.19	\$756.75	\$718.91	\$682.97	\$624.06	\$590.61



City of Reynoldsburg, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2012*

<u>Jurisdiction</u>	<u>Net Debt Outstanding (1)</u>	<u>Percentage Applicable to the City of Reynoldsburg (2)</u>	<u>Amount Applicable to the City of Reynoldsburg</u>
Direct:			
City of Reynoldsburg	\$21,167,106	100.00%	\$21,167,106
Overlapping:			
Reynoldsburg City School District	103,664,908	90.85%	94,179,569
Franklin County	257,170,000	1.83%	4,706,211
Licking County	16,601,338	4.70%	780,263
Eastland JVS	3,150,000	9.01%	283,815
Fairfield County	13,344,849	0.83%	110,762
Pickerington Local School District	148,589,852	2.27%	3,372,990
SWACO	118,535,000	2.50%	2,963,375
		Subtotal	<u>106,396,985</u>
		Total	<u><u>\$127,564,091</u></u>

Source: Fairfield County Auditor, Franklin County Auditor, Licking County Auditor

- (1) Net of Deferred Charge on Refunding
- (2) Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

City of Reynoldsburg, Ohio

*Debt Limitations
Last Ten Years*

Tax Year	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Total Debt				
Net Assessed Valuation	\$644,711,884	\$659,659,756	\$726,596,481	\$758,887,966
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	67,694,748	69,264,274	76,292,631	79,683,236
City Debt Outstanding (2)	12,633,102	11,782,674	19,138,857	18,304,473
Less: Applicable Debt Service Fund Amounts	<u>(1,696,420)</u>	<u>(1,716,173)</u>	<u>(1,003,880)</u>	<u>(676,709)</u>
Net Indebtedness Subject to Limitation	<u>10,936,682</u>	<u>10,066,501</u>	<u>18,134,977</u>	<u>17,627,764</u>
Overall Legal Debt Margin	<u>\$56,758,066</u>	<u>\$59,197,773</u>	<u>\$58,157,654</u>	<u>\$62,055,472</u>
Unvoted Debt				
Net Assessed Valuation	\$644,711,884	\$659,659,756	\$726,596,481	\$758,887,966
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	35,459,154	36,281,287	39,962,806	41,738,838
City Debt Outstanding (2)	12,633,102	11,782,674	19,138,857	18,304,473
Less: Applicable Debt Service Fund Amounts	<u>(1,696,420)</u>	<u>(1,716,173)</u>	<u>(1,003,880)</u>	<u>(676,709)</u>
Net Indebtedness Subject to Limitation	<u>10,936,682</u>	<u>10,066,501</u>	<u>18,134,977</u>	<u>17,627,764</u>
Overall Legal Debt Margin	<u>\$24,522,472</u>	<u>\$26,214,786</u>	<u>\$21,827,829</u>	<u>\$24,111,074</u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only, net of Deferred Charge on Refunding.
Enterprise Debt is not considered in the computation of the Legal Debt Margin.
Taylor Square and Brice Main Tax Increment Equivalent Bonds are not considered in the computation of the Legal Debt Margin.

Source: City Auditor's Office

City of Reynoldsburg, Ohio

2007	2008	2009	2010	2011	2012
\$773,005,287	\$791,801,444	\$775,259,416	\$775,730,720	\$685,603,900	\$687,943,990
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
81,165,555	83,139,152	81,402,239	81,451,726	71,988,410	72,234,119
17,448,701	16,548,392	15,794,867	15,232,905	14,331,448	13,063,447
(385,146)	(442,600)	(604,314)	(304,634)	(354,691)	(381,203)
17,063,555	16,105,792	15,190,553	14,928,271	13,976,757	12,682,244
<u>\$64,102,000</u>	<u>\$67,033,360</u>	<u>\$66,211,686</u>	<u>\$66,523,455</u>	<u>\$58,011,653</u>	<u>\$59,551,875</u>
\$773,005,287	\$791,801,444	\$775,259,416	\$775,730,720	\$685,603,900	\$687,943,990
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
42,515,291	43,549,079	42,639,268	42,665,190	37,708,215	37,836,919
17,448,701	16,548,392	15,794,867	15,232,905	14,331,448	13,063,447
(385,146)	(442,600)	(604,314)	(304,634)	(354,691)	(381,203)
17,063,555	16,105,792	15,190,553	14,928,271	13,976,757	12,682,244
<u>\$25,451,736</u>	<u>\$27,443,287</u>	<u>\$27,448,715</u>	<u>\$27,736,919</u>	<u>\$23,731,458</u>	<u>\$25,154,675</u>

City of Reynoldsburg, Ohio

*Pledged Revenue Coverage
Last Ten Years*

	2003	2004	2005	2006	2007
Special Assessment Bonds (1)					
Special Assessment Collections	\$8,793	\$8,804	\$10,382	\$8,618	\$8,715
Debt Service					
Principal	10,000	10,000	10,000	10,000	10,000
Interest	2,880	2,400	1,920	1,440	960
Coverage	0.68	0.71	0.87	0.75	0.80
Tax Increment Financing Bonds (2)					
Property Tax Collections	\$917,183	\$958,137	\$1,053,077	\$1,423,332	\$1,265,886
Debt Service					
Principal	45,000	445,000	385,000	385,000	460,000
Interest	386,192	508,375	495,013	427,699	377,802
Coverage	2.13	1.00	1.20	1.75	1.51

(1) In 1993 the City issued \$123,000 of Special Assessment Bonds, which were paid in full during 2008.

(2) In 1999 the City issued \$7,920,000 of Tax Increment Financing Bonds.

 In 2003 the City issued \$4,300,000 of Tax Increment Financing Bonds.

 In 2006 the City defeased \$4,755,000 of Tax Increment Financing Bonds through the issue of \$4,960,000 Bonds.

 In 2012 the City defeased \$885,000 of Tax Increment Financing Bonds through the issue of \$895,950 Bonds.

Source: City Auditor's Office

City of Reynoldsburg, Ohio

2008	2009	2010	2011	2012
\$7,991	\$0	\$237	\$62	\$0
10,000	0	0	0	0
480	0	0	0	0
0.76	0.00	0.00	0.00	0.00
\$1,366,851	\$2,108,557	\$1,818,217	\$1,688,532	\$2,274,642
485,000	522,878	538,721	559,589	555,483
361,147	349,114	328,882	306,963	283,632
1.62	2.42	2.10	1.95	2.71

City of Reynoldsburg, Ohio

Demographic and Economic Statistics Last Ten Years

Calendar Year	2003	2004	2005	2006	2007
Population ⁽¹⁾					
City of Reynoldsburg	32,537	32,553	32,914	33,059	33,544
Franklin County	1,081,840	1,084,994	1,086,152	1,089,365	1,095,662
Income ^{(2) (a)}					
Total Personal (in thousands)	1,100,597	1,142,871	1,202,908	1,264,242	1,282,119
Per Capita	33,826	35,108	36,547	38,242	38,222
Unemployment Rate ⁽³⁾					
Federal	6.0%	5.5%	5.1%	4.6%	4.6%
State	6.2%	6.2%	5.9%	5.5%	5.6%
Franklin County	5.4%	5.4%	5.2%	4.7%	4.7%
Civilian Work Force Estimates ⁽³⁾					
State	5,863,981	5,869,136	5,891,633	5,933,957	5,976,500
Franklin County	600,211	598,757	599,681	609,718	618,800
City of Reynoldsburg	n/a	n/a	n/a	15,583	18,800

Sources:

(1) US Bureau of Census, Population Division for 2003-2011

(2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2011 for presentation of 2012 statistics, the City is using the latest information available.

(a) Per Capita Income is only available by County, Total Personal Income is a calculation, 2012 is an estimate

(3) State Department of Labor Statistics

n/a - Data is not available

City of Reynoldsburg, Ohio

2008	2009	2010	2011	2012
35,787	35,818	35,970	35,970	36,293
1,109,535	1,117,702	1,163,414	1,163,414	1,195,537
1,379,804	1,342,638	1,372,975	1,426,067	1,438,872
38,556	37,485	38,170	39,646	39,646
5.8%	9.3%	9.6%	8.9%	8.1%
6.6%	10.2%	10.1%	8.6%	7.2%
5.5%	8.3%	8.5%	7.4%	6.1%
5,986,400	5,970,200	5,897,600	5,806,000	5,747,900
626,000	629,800	627,100	616,700	625,800
19,100	19,000	19,000	19,100	19,400



City of Reynoldsburg, Ohio

Principal Employers Current Year and Nine Years Ago

		2012		
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment
Mast Global Logistics	Retail	2,531	1	16.45%
Reynoldsburg City Schools	Public Education	875	2	5.69%
State of Ohio	Government	580	3	3.77%
Walmart	Retail	390	4	2.53%
Target	Retail	327	5	2.13%
Victoria's Secret Stores	Retail	299	6	1.94%
Kroger	Retail	276	7	1.79%
LimitedBrands Service Co	Retail	274	8	1.78%
Victoria's Secret Stores LLC	Retail	247	9	1.61%
Dynalab	Manufacturing	240	10	1.56%
Total		<u>6,039</u>		
Total Employment within the City		<u>15,386</u>		
		2003		
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment
Victoria's Secret Stores Inc	Retail	949	1	6.77%
Bath & Body Work	Retail	718	2	5.12%
Reynoldsburg City Schools	Education	680	3	4.85%
Walmart	Retail	525	4	3.74%
State of Ohio	Government	500	5	3.57%
Charming Shoppes of Delaware	Retail	325	6	2.32%
Sam's Club	Retail	219	7	1.56%
Home Depot	Retail	160	8	1.14%
City of Reynoldsburg	Government	140	9	1.00%
Dynalab Inc	Manufacturing	130	10	0.93%
Total		<u>4,346</u>		
Total Employment within the City		<u>14,020</u>		

Source: City Income Tax Department

City of Reynoldsburg, Ohio

Full Time Equivalent Employees by Function Last Ten Years

	2003	2004	2005	2006	2007
Governmental Activities					
General Government					
Finance	6.00	5.00	5.00	5.00	5.00
City Council	6.50	6.50	6.50	6.50	6.50
Computer Systems	2.00	2.00	2.00	2.00	2.00
Development	3.00	3.00	3.00	3.00	3.00
Civil Service	0.50	0.50	0.50	0.50	0.50
Human Resources	2.00	2.00	1.00	1.00	1.00
Clerk of Courts	3.50	3.50	3.50	3.50	3.50
City Attorney	4.50	4.50	5.00	4.50	4.50
Mayor	2.00	2.00	2.00	2.00	2.00
Vehicle Maintenance	2.00	2.00	2.00	2.00	2.00
Engineer					
Security of Persons and Property					
Police	65.50	66.50	68.50	70.00	68.00
Transportation					
Street	7.50	8.50	8.50	7.50	7.00
Leisure Time Activities					
Parks and Recreation	12.00	12.50	12.50	12.00	12.00
Senior Citizen Center	2.00	2.00	2.00	2.00	2.00
Community Environment					
Building	6.50	6.50	6.50	6.00	6.00
Service	7.00	8.00	8.00	8.00	8.00
Business-Type Activities					
Utilities					
Water	6.50	6.50	6.50	5.50	6.50
Sewer	4.50	4.50	4.50	4.50	5.50
Storm Water	2.00	3.00	3.00	3.00	3.00
<i>Total Employees</i>	<u>145.50</u>	<u>149.00</u>	<u>150.50</u>	<u>148.50</u>	<u>148.00</u>

Method: 1.00 for each full-time, 0.50 for each part-time and seasonal employees are calculated based on hours paid.

Source: City Auditor's Office

City of Reynoldsburg, Ohio

2008	2009	2010	2011	2012
5.00	5.00	4.00	4.50	4.50
6.50	6.50	6.00	5.50	5.50
2.00	1.00	0.00	1.00	2.00
3.00	3.00	3.00	2.00	1.00
0.50	0.50	0.50	0.50	0.00
1.00	1.00	1.00	0.50	0.50
2.50	3.00	3.00	3.00	3.00
4.50	4.50	4.50	5.00	5.00
1.50	1.50	1.50	1.50	1.50
2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00
70.00	68.00	69.00	69.00	69.00
8.00	8.00	8.00	8.00	8.00
11.00	10.00	10.00	10.00	10.00
2.00	2.00	2.00	2.00	2.00
6.00	5.00	4.00	2.00	4.00
8.00	8.00	8.00	7.00	7.00
6.50	6.50	6.50	6.50	6.50
4.50	4.50	4.50	4.50	4.50
3.00	3.00	3.00	3.00	3.00
148.50	144.00	141.50	138.50	140.00

City of Reynoldsburg, Ohio

Operating Indicators by Function Last Ten Years

	2003	2004	2005	2006	2007
Governmental Activities					
General Government					
Court					
Number of Traffic Cases	2,956	2,022	3,991	3,812	4,673
Number of Criminal Cases	631	590	647	628	762
Number of Parking Cases	386	492	582	402	448
Licenses and Permits					
Number of Building Permits	976	770	691	758	284
Number of Other Permits	2,034	1,869	1,413	948	792
Number of Licenses	562	545	521	452	516
Number of Inspections	7,246	8,012	6,561	4,421	2,952
Security of Persons and Property					
Police					
Number of Offense Reports	3,481	3,373	4,328	3,827	3,745
Number of Traffic Accident Reports	1,069	1,039	984	808	859
Alarm Calls	2,089	2,039	1,512	1,479	1,440
Prisoners through our jails	616	514	518	670	860
Speeding citations	1,542	852	2,279	2,363	3,174
OMVI arrests	252	390	581	471	397
Narcotic and Weapon Warrants	6	21	24	15	22
Transportation					
Street					
Number of times streets needed snow removed	38	19	31	5	18
Tons of salt used	2,503	1,925	2,839	263	1,953
Number of locations marked for OUPS	941	1,037	2,822	3,682	6,420
Number of new signs installed	127	97	287	123	152
Number of repairs to city owned street lights	591	342	346	850	294
Number of hours mowing grass	395	338	525	576	271
Leisure Time Activities					
Recreation/Seniors					
Number of Program Participants	3,809	4,012	4,024	3,805	3,819
Community Environment					
Number of Plot Grade Utility reviews	18	14	21	20	16
Number of Project Inspections	9	9	13	18	17
Number of Capital Improvement Projects	8	12	14	10	12

City of Reynoldsburg, Ohio

2008	2009	2010	2011	2012
5,303	4,898	3,960	4,001	3,169
841	667	619	636	606
538	486	378	592	466
300	450	434	426	436
810	608	559	901	552
501	444	482	433	625
4,413	5,874	4,430	2,098	1,525
3,951	3,879	3,809	3,845	4,225
800	830	850	791	1,276
1,467	1,814	1,814	2,088	2,039
940	751	707	1,022	773
3,197	2,403	2,033	2,125	1,511
366	361	335	453	298
23	24	23	24	22
28	20	29	20	18
1,879	1,359	2,264	1,973	1,118
4,080	1,859	2,168	2,524	2,498
95	123	257	450	258
819	828	1,037	890	882
335	555	528	685	493
3,775	3,668	2,839	2,496	2,029
14	6	3	7	5
16	2	5	7	5
5	4	7	3	3

(Continued)

City of Reynoldsburg, Ohio

Operating Indicators by Function Last Ten Years

	2003	2004	2005	2006	2007
Business-Type Activities					
Water / Sewer					
Number of Water accounts	10,511	10,689	10,868	10,935	10,978
Number of Sewer accounts	10,374	10,570	10,750	10,820	10,863
Water Main Breaks	33	33	33	22	47
Daily Average Consumption (1,000 of gallons)	3,016	3,217	3,520	3,387	3,386
Number of work orders	2,922	2,993	2,844	2,946	2,877
Number of fire hydrants painted	600	600	600	600	600
Storm Water Drainage					
Number of work orders	546	829	880	968	815
Solid Waste					
Number of Customers Served	9,568	9,721	9,876	9,935	9,859

Source: Mayor's Annual Reports

n/a - Data is not available

City of Reynoldsburg, Ohio

2008	2009	2010	2011	2012
10,995	10,976	10,968	10,968	10,968
10,888	10,873	10,859	10,859	10,859
37	51	42	28	60
3,219	3,246	3,509	3,468	3,430
3,426	3,103	2,895	3,029	2,607
600	600	600	600	600
747	833	672	747	728
9,902	9,835	9,824	9,824	9,868

City of Reynoldsburg, Ohio

Capital Asset Statistics by Function Last Ten Years

	2003	2004	2005	2006	2007
Governmental Activities					
General Government					
Public Buildings	1	1	1	1	1
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Patrol Cruisers	14	16	16	16	16
Transportation					
Street					
Streets (linear miles)	111	111	111	112	112
Street Lights	1,804	1,805	1,817	1,911	1,974
Leisure Time Activities					
Recreation/Seniors					
Land (acres)	285	285	285	285	285
Buildings	1	1	1	1	1
Parks	6	6	6	6	6
Business-Type Activities					
Utilities					
Water					
Waterlines (Miles)	135	138	139	141	142
Number of Hydrants	1,567	1,586	1,600	1,624	1,627
Average Daily Consumption	3,016,500	3,216,600	3,520,500	3,387,000	3,386,100
Sewer					
Sewerlines (Miles)	136	137	138	139	141
Manholes	3,355	3,379	3,442	3,479	3,504
Storm Water Drainage					
Storm Drains (Miles)	110	110	111	111	112

Source: City Auditor's Office

City of Reynoldsburg, Ohio

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	1	1	1	1
1	1	1	1	1
16	16	16	16	16
112	112	112	112	112
2,009	2,030	2,048	2,056	2,082
285	285	285	285	285
1	1	1	1	1
6	6	6	6	6
142	143	144	144	145
1,629	1,658	1,659	1,668	1,668
3,218,700	3,246,000	3,509,500	3,468,000	3,430,180
141	143	143	143	144
3,513	3,556	3,556	3,583	3,583
112	114	115	115	115





Dave Yost • Auditor of State

CITY OF REYNOLDSBURG

FRANKLIN 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
AUGUST 15, 2013**