



City of Pickerington, Ohio

Comprehensive Annual Financial Report

For the year ended December 31, 2010



Dave Yost • Auditor of State

City Council
City of Pickerington
100 Lockville Road
Pickerington, Ohio 43147

We have reviewed the *Independent Auditors' Report* of the City of Pickerington, Fairfield County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2010 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

July 13, 2011

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City of Pickerington, Ohio

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

**Comprehensive Annual
Financial Report
For The Year Ended December 31, 2010**

Introductory Section

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Comprehensive Annual Financial Report
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June 10, 2011

To the Honorable Mayor O'Brien and Members of City Council,
And Citizens of the City of Pickerington:

The Comprehensive Annual Financial Report (CAFR) of the City of Pickerington, Ohio (the City), for the year ended December 31, 2010 is submitted herewith. State law requires that every general-purpose local government publish within six months of the close of each year a complete set of audited financial statements. This report is published to fulfill that requirement for the year ended December 31, 2010. This report is prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards.

Contents of the Report

This report is prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conformance with standards of financial reporting in the United States of America as established by the Governmental Accounting Standards Board (GASB) using guidelines as recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

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

In developing and revising the City's accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding:

- The safeguarding of assets from loss, theft or misuse, and
- Reliability of financial records for preparing the City's financial statements in conformity with GAAP and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

- The cost of a control should not exceed the benefits likely to be derived, and
- The evaluation of costs and benefits requires estimates and judgments by management.

Progress and Tradition in our Community
100 Lockville Road • Pickerington, Ohio 43147 • (614) 837-3974 • Fax (614) 833-2201
www.pickerington.net

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

Wilson, Shannon and Snow, Inc. have issued an unqualified opinion on the City of Pickerington's financial statements for the year ended December 31, 2010. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the City

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

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

The City's population as estimated by the United States Census Bureau for 2010 was 17,780. The unincorporated Violet Township estimated population (excluding Pickerington, Columbus, Canal Winchester and Reynoldsburg) was 20,281. As a result of reaching an official population of over 5,000 persons, Pickerington was certified as a city by the Ohio Secretary of State in 1991. Pickerington was the second city incorporated in Fairfield County and is second in size only to Lancaster.

Reporting Entity and Services Provided

The City's reporting entity is comprised of the primary government and other organizations which are included to ensure that the financial statements are not misleading. The reporting entity has been defined in accordance with the principles established by the Governmental Accounting Standards Board (GASB) in Statement No. 14, "The Financial Reporting Entity" and in GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units".

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

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

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

The City is associated with three jointly governed organizations and two insurance purchasing pools. These organizations are the Fairfield-Hocking Major Crimes Unit, the Fairfield County Regional Planning Commission, the Mid-Ohio Regional Planning Commission (MORPC), the Central Ohio Risk Management Association Inc. (CORMA), and the Ohio Municipal League Workers' Compensation Group Rating Program.

The Municipal Charter, which was enacted in 1980, became effective January 1, 1981, and was amended in 1990, 2000, 2003, 2005, 2007, and again in 2010. This Charter provides for the Mayor-Council-Manager form of government whereby the legislative powers of the City are vested in a seven member City Council. Three members are elected at large for a four-year term each biennium and the remaining four are elected at large for a four-year term the following biennium. Council appoints the Law Director, Finance Director, City Engineer, and concurs on the Mayor's appointment of the City Manager. Effective January 1, 2011 Council will also appoint the City Clerk. Council also makes citizen appointments to several boards and commissions. There are four standing Council Committees that Council appoints: Finance, Rules, Safety and Service. Council sets the compensation guidelines for City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriations, indebtedness, building permits and licenses and other municipal purposes.

The Mayor is elected by popular vote, performs ceremonial functions, recommends appointment of and acts as supervisor of the City Manager, is presiding officer of Council, is an ex-officio member of all Council Committees, appoints the Clerk of Court, and may veto Council-passed legislation.

The City Manager is the chief administrator of the City appointed by the Mayor with concurrence of Council, and is responsible for the day-to day operations of the municipality and municipal employees and appoints all department heads and hires all employees not appointed by Council.

The Director of Finance is the chief fiscal and accounting officer of the City. The responsibilities of this office include preparation and management of the capital and operating budgets and debt and treasury programs of the City.

The Engineer is the engineering adviser for the City and for all officials and departments thereof in all engineering opinions in writing and performs other such duties as described in the Ohio Revised Code. The Engineer, on request, prepares specifications and drawings for material and equipment for which the City is concerned in procuring.

In 2006, the law firm of Schottenstein, Zox and Dunn were hired as Law Director for a period of two years. Their contract was renewed in 2008 and again in 2010 for another two year period. Outside counsel was utilized for a community reinvestment area project and for bond anticipation note issues.

The City provides the following services: public safety, operation of water, sewer and stormwater utilities, parks and recreation, and a State Certified Building Department. Fire Department services are provided by Violet Township, of which the City is a part. Sanitation is awarded on a contract basis every three years. In the fall of 2009, the City entered into an agreement for 2010 with the Franklin County District Board of Health to provide health services to the City residents at a much lower cost

The annual budget serves as the foundation for the City's financial planning and control. The City complies with the requirements of the Ohio Revised Code in the adoption of the budget. Appropriations

for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for requisitions and purchase orders, and through the use of the City's automated financial system. All departments of the City were required to submit requests for appropriation to the Finance Director before October 15. The Finance Director uses these requests as the starting point for developing a proposed budget. The City adopts a 5-year Capital Improvement Budget that aids in the preparation of the budget. The City has recently prepared a 5-year financial forecast as a tool to assist Council and management in the budgetary decision making process.

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

The appropriated budget is prepared at the object level. The legal level of budgetary control is the level passed by Council which is at the object level for all funds. Any budgetary modifications at this level may only be made by ordinance of the City Council. The Finance Director is given the authority to further allocate fund appropriations within all funds. The City Council may pass supplemental appropriations at any time by ordinance. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. The General Fund and Police Major Special Revenue Fund are presented as part of the basic financial statements beginning on page 26. For other funds, this comparison is presented in the supplementary section of this report, which starts on page 92.

Economic Condition and Outlook

Commercial growth has slowed in the City, but is still outpacing the national and state commercial growth rates. Over the past few years, several projects were completed and new ones have begun. Over \$24,000,000 was invested in new construction in Pickerington over the last year with an approximate, \$3,500,000 in projects under construction or anticipated to be constructed.

The following commercial development projects were completed during 2010:

- C3 Church expanded its facility located at 200 Hill Road South with a 5,700 square foot addition with an estimated value of \$560,000.
- Petland opened a new 5,060 square foot addition to the Shoppes at Stonecreek located on State Route 256 with an estimated building value of \$500,000.
- Volunteer Energy Services expanded their corporate headquarters located at 790 Windmill Drive with a 6,196 square foot building addition with an estimated value of \$608,000.
- Pizza Cottage opened a new 7,300 square foot restaurant located on Hill Road with an estimated value of \$730,000.
- Salon 101 Hair Design renovated and expanded a former residence into a new commercial salon of 1,688 square feet with an estimated value of \$ 125,000 in the Olde Pickerington Village.

- Spence Environmental Consulting renovated and expanded a former residence into a new 1,674 square foot office use in the Olde Pickerington Village with renovations valued at an estimated \$20,500.

Under Construction

- Construction is underway on the renovation and expansion of the Pickerington Central High School located on Opportunity Way between Hill and Lockville Roads. Upon completion, the building area will be over 207,000 square feet, and the estimated value of the renovation/expansion is \$12,000,000.
- Construction is also currently taking place on the 98,688 square foot renovation and expansion of the Ridgeview Junior High School located at 130 Hill Road South with an estimated value of \$16,000,000.
- Construction on a 4,320 square foot expansion of the Embroidery Barn located at 591 Hill Road North is continuing. The expansion is estimated to be valued at \$250,000.
- Essie's Angels Hair Salon is renovating and expanding a former residence into a new commercial building of 2,346 square feet with an estimated value of \$50,000 in the Olde Pickerington Village.

Planned Constructed

- Raising Cane's received zoning approval for a new 2,722 square foot restaurant to be constructed on State Route 256 near the Offices at Stonecreek. Construction is anticipated to begin in the spring of 2011.
- A final development plan has been approved for the Windmill Medical Complex, which will include approximately 39,000 square feet of medical office and related uses. Construction is expected to begin on the first 12,000 square foot medical office building in March 2011.
- Plans have been submitted for an approximate 28,000 square foot retail development by Anchor 204 to be located on State Route 204 west of Freedom Way. Construction is expected to begin in the Spring of 2011.
- A new 12,000 plus square foot medical office building is being planned for an early construction start in January 2011 at the Offices at Stonecreek.
- In 2010, a petition was filed to annex approximately 47 acres of land located at the northwest corner of Diley and Busey Roads into the City of Pickerington. The annexation is expected to be complete in February 2011. The property will receive city services, and anticipated development will include office and retail uses.

The Planning and Zoning Commissions has given approval for the preliminary development plans to several future projects: Hunters Run Plaza Phase V, a 34,840 square foot retail development located on the southwest corner of State Route 204 and Freedom Way; The Shoppes at Yarmouth, a 38,100 square foot retail development located on the northeast corner of State Route 204 and Freedom Way; Anchor State Route 204 Business Park, an approximate 28,700 square foot retail development located on the northwest corner of State Route 204 and Freedom Way and Mayflower Village, an approximate 47 acre various use development comprising of office, retail and townhouses located on Hill Road North just

north of the railroad tracks. Zane Commercial Subdivision located on Hill Road North just south of Old State Route 256, received final plat approval for seven lots on 11.628 acres.

The City has also continued to enhance the economic development opportunities in the State Route 33 corridor by maintaining a strong presence in the Central Ohio region through its participation in the Route 33 Growth Alliance, the Mid-Ohio Regional Planning Commission, and the Mid-Ohio Development Exchange to fund a marketing strategy for the area.

The City co-sponsored the Fourth of July festivities in conjunction with Violet Township. The City was also a co-sponsor of the Pickerington Violet Festival providing financial and Police support. The Pickerington Violet Festival is a venue to showcase the community, held in late July, which brings an estimated 20,000 visitors into the community.

The Recreation Department co-sponsored several events with various service organizations such as Children's Hospital TWIG #165 Breakfast with the Bunny, OPVA Jazz and Blues Ribfest, the Haunted Village, Pickerington Senior Center Breakfast with Santa, Pickerington KIDZ.com Fest, Fall Fest and Free signature events with Friday Flicks presented by Fairfield Federal, the Giant Eagle Summer Concert Series, and the Youth Fishing Derby.

Impact Fees for Park, Police, Municipal Government and Streets were established by Council and implemented in late 2005. Impact fees are not derived from a specific program, and are utilized for general permanent improvement purposes in the City. These fees increase each year based on the consumer price index. This source of revenue is assisting the City in keeping pace with the growing community by providing funding for capital improvements. Over \$2,727,420 has been collected from December 2005 to December 2010. Impact Fees have been and are being used to pay debt on the Police Station, the City's twenty percent share of the Diley Road Improvement Project, the municipal building expansion, and major park improvements.

Major Initiatives

For the Year:

Police Department

With the area continuing to grow, the Police Department's staff hired one public safety dispatcher and three auxiliary officers to fill vacant positions. The police staff which includes the chief, two commanders, twenty patrol officers, three detectives, and five auxiliaries is dedicated to protecting and serving the City's residents. The Mounted Patrol Unit that was created in June 2007 with the donation of a registered American Quarter Horse and registered Palomino called Prince donated by Mrs. Sheri Beckman was used for security and investigative purposes, parades, festivals and community relations. In 2010, the Police Department's K9 unit was re-established which had not been active since the death of Zar in 2006. Several thousand dollars in donations were received in the latter part of 2009 to purchase a German shepherd dog and pay for equipment to outfit the K-9 vehicle. The Police Department's K9 was purchased from a breeder/trainer in West Virginia. Officer Gallagher and his partner shadow successfully completed training and certification through the Ohio Peace Officer Training Academy. In addition to general police K9 services and duties, Shadow's specialized strengths are related to drug detection, tracking and search and rescue. Within the first few weeks of working together Officer Gallagher and Shadow participated in the recovery of over 1,100 pounds of marijuana.

During 2010, over 900 students participated in the DARE Program, which was partially funded from a State Grant in the amount of \$27,244. The Dare Program benefited from the receipts from a golf outing

that generated nearly \$6,100. The Police Department in coordination with the Ohio State Highway Patrol participated in an “OVI Blitz” and the “Click It Or Ticket” campaign and was awarded a new speed measuring device for participating in the program. In the area of training, five self-defense classes were conducted for women with nearly 150 individuals participating in basic defensive tactics program.

All City personnel continued to be trained in NIMS (National Incident Management System) in the event of a man made or natural disaster of any scale. Public Safety Dispatchers represented the department at the NENA/APCO Gold Star Conference in Columbus, Ohio and the Fairfield County 9-1-1 Dispatcher Recognition Luncheon in Lancaster, Ohio. A Commander was presented an award at the Seventh Annual Blue Coat Appreciation Dinner that was hosted by the Knights of Columbus.

In September 2010, the Pickerington Police Department took part in “Walk With A Cop Day”, walking children to school. Several Officers spent three mornings walking elementary school children to their schools through three different neighborhoods.

Streets Department

The Service Department while performing its standard services of leaf pickup, street sweeping, utility infrastructure maintenance, street maintenance, snow removal and mosquito fogging also oversaw several construction projects. The City crews maintain 59.62 miles of existing streets that lie within its borders. The North Hill Road (State Route 256) corridor from Diley Road to Turnberry Road, received a major traffic flow upgrade. FHWA’s ACS Lite traffic control software was added to the eight traffic signals. The ACS software monitors traffic flow and adjusts the signal timing to minimize delays.

All phases of the Diley Road widening project have been completed. The project consisted of reconstruction and widening of 2.95 miles of Diley Road to five lanes with curb, gutter, storm sewer, multi-use path and sidewalks, limited street lighting, and traffic signals at Long Road and Wright Road/W. Columbus Street. The replacement of a small bridge, an at-grade crossing of Norfolk Southern railroad tracks, and the relocation and upgrade of water and sanitary sewer lines was included in this \$22 million plus project. The City has received 80 percent funding through a federal government grant administered through the Mid Ohio Regional Planning Commission for the construction and land right-of-way purchases.

Engineering Department

Concept drawings for a safety and capacity upgrade to SR 256 were developed. The proposed project would add a third southbound lane to SR 256 between SR 204 and Refugee Road, add a third northbound lane to SR 256 at SR 204, upgrade 8 traffic signals to include mast arms, signal backplates, large street name signs and lighting. It is anticipated the City will apply in 2011 for up to a \$5,000,000 Ohio Department of Transportation (ODOT) safety grant for this project.

Town Square Drive was extended 700 feet from the existing cul-de-sac to Center Street providing a much needed east-west connector road across the Olde Village section of the City. A \$500,000 Mid Ohio Regional Planning Commission (MORPC) grant was obtained to improve the intersection of Center/Milnor/Meadows. Pickerington obtained a Safe Routes to School grant for sidewalks and bike paths for Violet Elementary School. A computerized pavement management system was implemented. Asphalt overlays were done for portions of Lockville Road, Melrose Blvd., McLeod Parc, SR 204, West Columbus Street and Winderly Lane. Work continued on possible bike path links to the Diley Road multi-use path and to Pickerington Ponds Metro Park.

A water system master plan and a sanitary sewer master plan are near completion. The master plans will provide the city with accurate locations and computer models of their water and sewer systems. A 750,000 gallon elevated water storage tank was erected off of Refugee Road. The tank will become operational in 2011. Design was started on converting the water treatment plant from an ion exchange (salt) water softening system to a reverse osmosis water softening system. The estimated \$2,000,000 project should be completed in 2011. The \$11,000,000 expansion of the wastewater treatment plant was completed during the year.

Utilities Department

During 2010, the Water Treatment plant production averaged 1.38 MGD per day for a total of 503.10 MG produced during the year. The 750,000 gallon elevated water tower is estimated to be completed by mid year 2011.

The Wastewater Treatment plant expansion was completed in September 2010. The construction commenced in October of 2008. This expansion doubled plant capacity from 1.6 MGD to 3.2 MGD.

Urban Forestry

During 2010, service workers planted 88 trees and pruned 633 trees around the City. Due to the City staff planting all the trees, a cost savings of 30-40 percent was realized over the cost for an independent contractor to do the planting. Staff is presently inventorying all the street trees and has developed a database that lists the trees by species and address. The City has been honored as "Tree City USA" for the 18th year in a row. The City Arborist retired and Council decided not to fund this position for 2010.

Parks and Recreation Department

The City's Parks System has five parks within its corporation limits totaling more than 157.33 acres of passive and active parkland. The City's largest and most-used park, Sycamore Park provides tennis courts, softball diamonds, picnic shelters, horseshoe courts, fishing, sledding, and jogging/walking trails. In the lower level of Sycamore Park, an 8,000 square foot skate park facility was designed for beginner through advance skill levels with SkateWave ramps, rails and obstacles.

The Pickerington Recreation Department can look back on 2010 as a hugely successful year, which included 1,559 registrants for the various programs, classes and workshops, and 312 renters for the various parks facilities.

Additionally, the special events sponsored or co-sponsored by the Department came off without a hitch, except for one Sunday Summer Concert which was rained out, and was the first weather-cancelled music event in eleven years.

SPRING

Highlights in 2010 included the May opening of the City's Disc Golf Course -- and subsequent November tournament-- on the course. Casual play throughout the spring and summer months exceeded city expectations.

Also noteworthy was a 33 percent growth of garden plots and gardeners involved in the Pickerington Community Gardens.

Events sponsored with Pickerington Kids.com, Pickerington Local Schools, and Children's Hospital included "Breakfast with the Bunny" and KidzFest were well-attended.

SUMMER

The Adult Softball Leagues had a total of 40 teams in 5 Leagues, and the Summer Playground program drew over 140 registrants. Three separate sessions of tennis classes were filled throughout the summer.

Summer Department activity also included the July Fourth Parade with more than 100 applicants, and an enormous crowd witnessed the fireworks later that night. Giant Eagle sponsored the Department's Summer Concert Series for the fourth straight year, and Fairfield Federal sponsored the Friday Night Flicks, which brought great crowds to Sycamore Park on Friday and Sunday evenings throughout June, July and August. The August Fishing Derby produced new highs in participants and numbers of fish caught.

Also in August, a new Recreation Administrator was hired. Rebecca Medinger assumed her duties on August 16.

The Department was subsequently re-organized, with many of the responsibilities related to parks maintenance being transferred to the Service Department.

The Pickerington Community Pool brought in a total of 574 pool passes. Swimming lessons attracted 222 youngsters, and all summer programs classes, and workshops attracted 573 registrants.

AUTUMN AND WINTER

In October, both the Haunted Village and Tots Trick or Treat drew praise from an impressive numbers of attendees.

In co-sponsored events, "Breakfast with Santa" earned the Senior Center its most profitable holiday event in six years.

The Holiday Gathering and Tree-lighting event was enhanced by two caroling groups, carriage rides, two Santa Clauses, crafts, and a museum open house.

The Department sponsored a first-ever holiday decorating contest for Olde Pickerington Village. Girl Scouts helped the city load the Mitten Tree for needy families in Fairfield County.

"Letter's to Santa" responded to 199 youngsters who used the City Hall mailbox to the North Pole.

The Men's 30 and over Basketball League had a total of 5 teams, and the Co-Rec Volleyball League had 9 teams participate.

New this winter was the installation of the temporary ice rink at Victory Park which brought several ice skating and hockey fans out to enjoy. The Department will monitor its use and the public interest to determine if future expansion is appropriate.

The Department restructured the Winter Program Guide to make it easier to use as well as increasing the number of programs offered for a wide variety of activities for the family. Subsequent guides will be similarly formatted.

Building and Regulations Department

The Building Department issues permits and completes inspections for all commercial and residential new builds, additions, alterations, repairs and replacement of mechanical equipment. Building permits were up another 17 percent over 2009 which increased from the 2008 figures. A total of 432 permits were issued in 2010 which included 66 single family homes, 93 commercial and 273 permits for home improvement projects. This increase is reflected in a 10 percent increase in total fees collected up to \$1,094,554.00 including building department fees, municipal fees and impact fees.

Code enforcement was moved back under the direction of the Building Department and continues to improve on the success it has achieved in the past. The code enforcement department responded to complaints concerning high grass, signs, parking and property maintenance issues. In 2010 code enforcement began to utilize software to track each complaint received. All complaints are compiled into a data base and the status is tracked until the matter has been resolved.

Personnel Department

In 2010, Outgoing Finance Director and Interim Personnel Director Linda Fersch not only coordinated the hiring of her Finance Director replacement she helped reshape the organization through the hiring of a new City Manager, Chief Building Official/Building Regulations Director, an Economic Development Director, a Deputy Finance Director, a Recreation Administrator, a Utilities Operator I, three replacement police officers, one replacement full time Public Safety Dispatcher, and one replacement part time Public Safety Dispatcher. Thirty-seven seasonal employees were hired for the pool, summer playground program, and parks/service departments. In addition, the last two months of the year, Ms. Fersch's time was devoted to recruiting and training her replacement for the Human Resources Director position. Seventy-four applications were received for that position.

There were several promotions during the year. A Police Commander, Police Sergeant and Wastewater Plant Chief Operator vacancies provided a promotional opportunity for three employees. A new position for Public Safety Dispatcher II was created and was filled internally through a testing process.

Both AFSCME and FOP union contracts were finalized in 2010 with both contracts extending to through 2012. Council amended the Administrative Code to move employee hiring procedures from the Personnel Appeals Board to the City Manager. This streamlines the hiring process while leaving the appeals board functions in place.

In January 2010, working with the Employee Insurance Review Committee and representatives of McGohan-Brabender, the City changed insurance companies for medical and prescription drugs from Medical Mutual to Anthem Blue Cross Blue Shield. All employees now have the same High Deductible/Health Savings Plan. At the Open Enrollment in December 2010, Anthem agreed to increase premiums to only a 6.3 percent for 2011. This was significant since the market rate was around a 15 percent increase. The City is realizing almost a \$100,000 savings with High Deductible/Health Savings insurance program compared to the traditional PPO plan. Another \$237,000 is being saved by employees opting to take a monetary incentive not to be enrolled in the health insurance. The Vision Service contract was renewed with no increase. Delta Dental had a 4 percent premium increase.

At a ceremony at the Municipal Building and at the Police Department 35 employees were recognized with certificates for their years of service.

Linda Fersch retired on December 31, 2010. Lynn Miller joined the department in November 2010 in order to assume the position of Human Resources Director commencing January 1, 2011.

Finance Department

The Finance Department continued to receive a positive return from income tax due to the growth in the area. In 2010, on a cash basis income tax revenue increased 2.8 percent over 2009. This equates to \$129,086 in additional revenue. Delinquency collections and penalty and interest brought in \$278,952 due to concentrated efforts for compliance and utilizing Mayor's Court to prosecute cases. To ease the preparation of City tax returns, residents were able access the "Tax Tool" on the City's website to view their estimated payments and to calculate and prepare their City tax returns. For 2010 the tax office personnel coordinated with a vendor to provide software to enable citizens to file their tax returns on line. Mailers containing the information for e-filing and access to internet personalized tax forms were sent in lieu of paper forms. This enabled taxpayers to prepare returns online and e-file them, saving time, postage and form costs.

Working with an outside consultant as a financial advisor has enabled the City to work towards consolidating its current note debt for a future restructuring into long- term bonds. The City obtained a credit rating for the first time in 2004 with Moody's Financial Corporation, which rated the City an "A-2" for bond issues and an "MIG 1" for notes. This rating was maintained in every year from 2005 through 2010. The overall rating of the City was upgraded to "A-1" status in 2007 and was reaffirmed in 2008, 2009 and 2010. This note rating brought a significantly low rate of 1.25 percent on the City's \$8,462,000 bond anticipation notes issued in February 2010. During 2010, the City made principal payments in the amount of \$1,355,525 on outstanding bonds, loans and capital leases, retired \$10,966,250 in revenue and bond anticipation notes, and made interest payments in the amount of \$717,540. During 2010, bond anticipation notes in the amount of \$2,000,000 were issued for the water tower project.

This year will mark the eighteenth year of filing financial statements according to accounting principles generally accepted in the United States of America (GAAP) and the seventh year that the City has submitted a Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association for their Certificate of Achievement Program.

For the Future:

Upon completion of the Water and Sewer Master Plans, there are some major capital improvements occurring in the utilities area. The City has designed and taken bids on a \$2,000,000 reverse osmosis water softening system. A 750,000 gallon elevated water storage tank, designed by URS Corporation will be completed by summer 2011.

The City has completed a project that was identified in the Growth Management Strategy and Assessment Plan adopted in 2005. The Diley Road corridor study was completed in 2010, to capture economic development opportunities that the new five lane road should yield. Furthermore, in the past few years the City has adopted impact fees, residential design standards and a Parks and Recreation Facilities Master Plan per the Growth Management Plan and Assessment Plan.

While commercial development in the City of Pickerington continues to outpace activity in other area cities, the main concern is the rising cost of providing critical City services to our citizens. The cost of fuel, road salt, vehicles and other supplies and materials is increasing faster than revenues. These increases, coupled with State-mandated collective bargaining which adds to the labor and health care costs, has lead City Council to undertake a comprehensive review of all aspects of the General Fund budget.

As a result, consideration is being given to contracting for some City services to reduce cost and trim expenses. The City has also been promoting regionalism with the local Township, County and

surrounding communities. The City's goal in order to remain competitive in the future is to continue to focus on the development process and to complete all projects in a timely manner. It should be noted that one of the key reasons the City's tax rate has not increased for over thirty years from the original one percent, is largely due to the success as a community enhancing our commercial tax base.

The citizen task force committee, a Utility Fees Review Committee, created in 2006 recommended a 13 percent increase in water rates and a 19 percent increase in sewer rates for 5 years in order to allow the two systems to be self-sufficient. 2010 was the fourth year of the increase in water and sewer rates. Council reviewed the storm water fees which have not been raised since their inception in 2001. Legislation was passed in 2010 to increase the monthly fee from \$3.00 per equivalent residential unit to \$4.00 per equivalent residential unit effective January 1, 2011.

Awards and Acknowledgements

The Finance Director received the Mary Taylor, CPA Auditor of State's Award "Making Your Tax Dollars Count" for outstanding commitment to the highest standards of financial reporting for the years 2005, 2006, 2008 and 2009 due to the filing of the Comprehensive Annual Financial Report (CAFR) and having no audit citations.

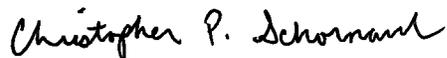
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (CAFR) to the City of Pickerington for its comprehensive annual financial report for the year ended December 31, 2009. This was the sixth year that the City had filed a CAFR and received this reward for each of the six years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

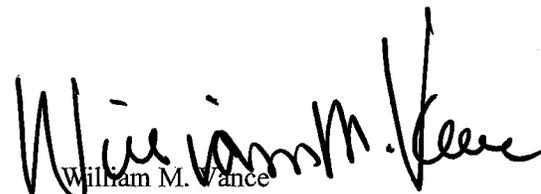
Tree City USA – The City received its eighteenth Tree City USA Award for the year ended December 31, 2010. This prestigious award recognized the City for its annual program of planting new trees and maintaining and removing old trees.

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

Respectfully submitted,



Christopher P. Schornack
Finance Director



William M. Vance
City Manager

**City of Pickerington, Ohio
List of City Officials
December 31, 2010**

City Council

Mayor	Mitch O'Brien
President Pro Tempore	Tricia Sanders
Vice President Pro Tempore	Brian Sauer
Council Member	Tony Barletta
Council Member	Gavin Blair
Council Member	Jeff Fix
Council Member	Cristie Hammond
Council Member	Brian Wisniewski

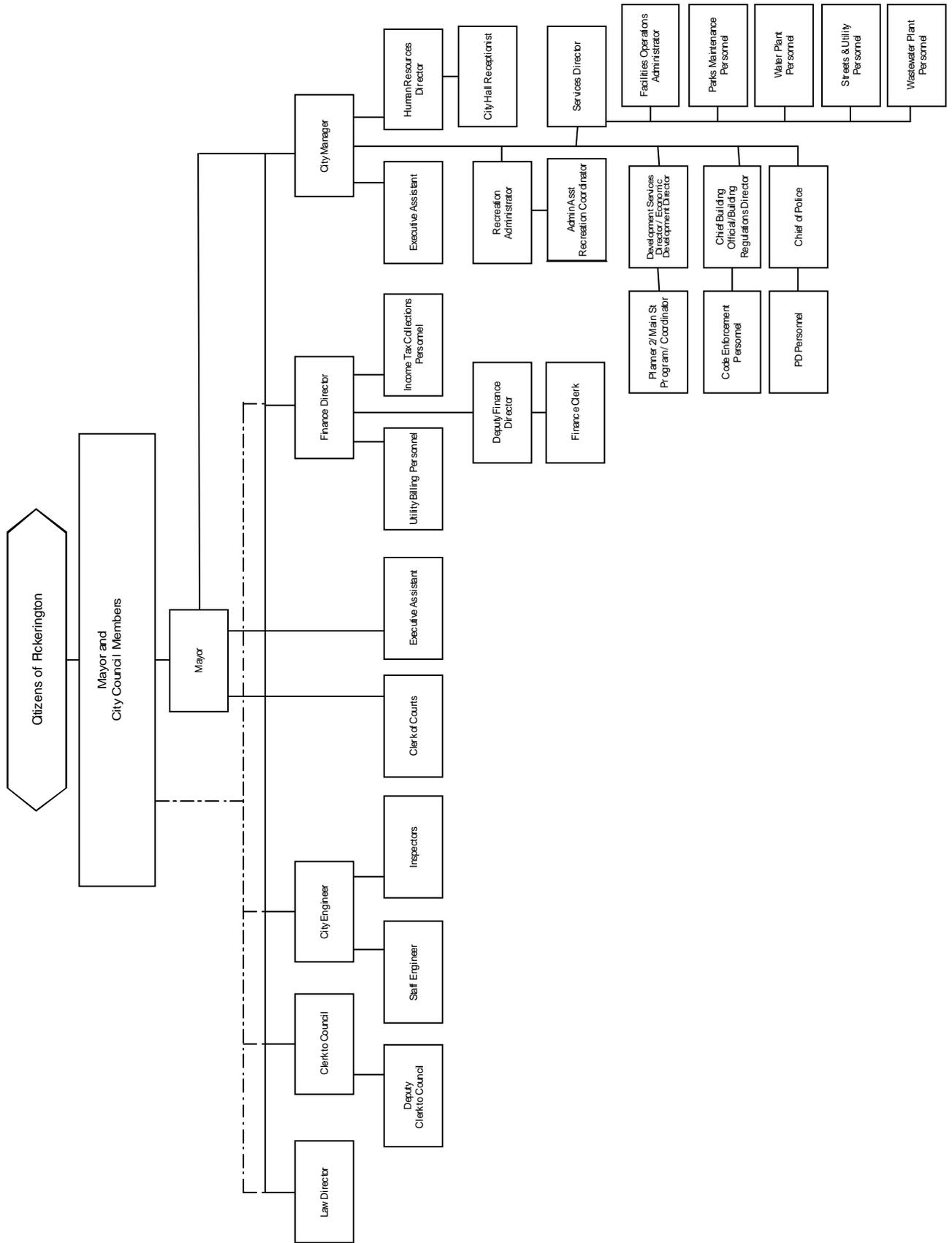
Appointed Officials

City Manager	William Vance
Law Director	Schottenstein, Zox & Dunn, LPA
Municipal Clerk	Lynda Yartin
City Engineer	Greg Bachman
Finance Director	Christopher Schornack

Executive Staff

Deputy Finance Director	Stephanie Spencer
Income Tax Administrator	Janice Eichner
Mayor's Court Clerk	Molly Schwartz
Parks and Recreation Administrator	Rebecca Medinger
Personnel Director	Lynn Miller
Economic Development Director	Susan Crotty
Planning and Zoning Director	Lance Schultz
Chief of Police	Michael Taylor
Services Director	Edward Drobina

City of Pickerington Organization Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Pickerington
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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.



President

Executive Director

Financial Section



INDEPENDENT AUDITORS' REPORT

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

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, Ohio (the City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Police Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3A, the City implemented GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. Also disclosed in Note 3B, the City restated net assets to account for loan proceeds received from the Ohio Department of Transportation State Infrastructure Bank loan program.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS
Ten West Locust Street
Newark, Ohio 43055
(740) 345-6611
1-800-523-6611
FAX (740) 345-5635

City of Pickerington
Fairfield County
Independent Auditors' Report

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2011, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, 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. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. 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.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
June 10, 2011

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2010
Unaudited

The discussion and analysis of the City of Pickerington's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2010. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements, and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2010 are as follows:

- The City's total net assets increased by \$2,755,134, from the total net assets at the beginning of the year 2010.
- At the end of the current year, the City's governmental activities reported total net assets of \$48,388,258, a decrease of \$1,957,278 from the prior year.
- At the end of the current year, unreserved fund balance for the General Fund was \$3,578,121, which represents a 17 percent increase from the prior year.

Using this Annual Financial Report

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

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

Reporting the City as a Whole

Statement of Net Assets and Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2010?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2010
Unaudited

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

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

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

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

Reporting the City's Most Significant Funds

Fund Financial Statements

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

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

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

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2010
Unaudited

The City maintains a number of individual governmental funds. Information for the major funds, identified earlier, is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 18 through 27 of this report.

Proprietary Funds The City uses enterprise funds to account for its water, sewer, stormwater, and aquatic recreation center operations. For water and sewer operations, the City charges a fee to customers, based upon the amount of usage, to recover the costs of the services provided, and to cover the capital assets associated with the services. For stormwater operations, the City charges a flat monthly fee. For the aquatic recreation center the City charges a fee for pool passes and concessions. The proprietary fund financial statements can be found on pages 28 through 35 of this report.

Fiduciary Fund The City accounts for resources held for the benefit of parties outside the government as a fiduciary fund. This fund is not reflected in the government-wide financial statements because the resources of this fund are not available to support the City's own programs. The City uses accrual accounting for fiduciary funds, much like that of the proprietary funds. The fiduciary fund financial statement can be found on page 36.

The City as a Whole

Recall that the Statement of Net Assets looks at the City as a whole. Table I provides a summary of the City's net assets for 2010 compared to 2009.

Table I
Net Assets

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2010	Restated 2009	2010	2009	2010	Restated 2009
Assets						
Current and Other Assets	\$10,169,550	\$10,482,319	\$8,113,055	\$6,364,017	\$18,282,605	\$16,846,336
Capital Assets, Net	57,380,868	60,493,815	59,405,536	51,561,736	116,786,404	112,055,551
<i>Total Assets</i>	<u>67,550,418</u>	<u>70,976,134</u>	<u>67,518,591</u>	<u>57,925,753</u>	<u>135,069,009</u>	<u>128,901,887</u>
Liabilities						
Current and Other Liabilities	5,466,110	6,155,004	2,564,222	1,577,074	8,030,332	7,732,078
Long-term Liabilities	13,696,050	14,475,594	18,888,640	14,995,362	32,584,690	29,470,956
<i>Total Liabilities</i>	<u>19,162,160</u>	<u>20,630,598</u>	<u>21,452,862</u>	<u>16,572,436</u>	<u>40,615,022</u>	<u>37,203,034</u>
Net Assets						
Invested in Capital Assets, Net of Related Debt	41,960,655	43,487,617	39,844,968	35,699,418	81,805,623	79,187,035
Restricted	2,892,339	3,292,624	0	0	2,892,339	3,292,624
Unrestricted	3,535,264	3,565,295	6,220,761	5,653,899	9,756,025	9,219,194
<i>Total Net Assets</i>	<u>\$48,388,258</u>	<u>\$50,345,536</u>	<u>\$46,065,729</u>	<u>\$41,353,317</u>	<u>\$94,453,987</u>	<u>\$91,698,853</u>

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2010
Unaudited

Total governmental activities assets decreased \$3,425,716. The majority of the decrease is due to a decrease in capital assets in the amount of \$3,112,947. During 2010, the City transferred \$2,894,017 in governmental assets to business-type activities due to the completion of the Diley Road Widening and Realignment Project.

Total governmental activities long-term liabilities decreased \$779,544. During 2010, the City drew down \$258,967 in loan proceeds from the Ohio Department of Transportation for a State Infrastructure Bank Loan for the purpose of financing the Diley Road Widening and Realignment Project. During 2010, the City made principal payments in the amount of \$544,851 on the outstanding State Infrastructure Bank Loan. The City retired \$60,000 of the outstanding general obligation street improvement bonds and \$308,856 of the outstanding capital leases. The City also retired \$2,780,000 in long-term governmental bond anticipation notes and issued \$2,295,000 in long-term governmental bond anticipation notes, resulting in a decrease of \$485,000 in long-term bond anticipation notes.

Total business-type activities assets increased \$9,592,838. The majority of the increase is due to an increase in cash and cash equivalents and capital assets in the amounts of \$1,533,851 and \$7,843,800, respectively. During 2010, the City received and capitalized \$3,995,744 in Ohio Water Development Authority loan proceeds for the City's wastewater treatment plant project and \$2,000,000 in bond anticipation notes for the State Route 256 water tower project. In addition, during 2010 the City transferred \$2,894,017 in capital assets from governmental activities to business-type activities due to the completion of the Diley Road Widening and Realignment Project. The capital asset increases were offset by current year depreciation in the amount of \$1,185,594.

Total business-type activities liabilities increased \$4,880,426. This increase is primarily due to increases in retainage payable in the amount of \$391,603, short-term notes payable in the amount of \$511,000, and long-term liabilities in the amount of \$3,893,278. During 2010, the City obtained \$3,995,744 in Ohio Water Development Authority loans for the wastewater treatment plant project and \$2,000,000 in bond anticipation notes for the State Route 256 water tower project. During 2010, the City retired \$3,682,000 in long-term business-type bond anticipation notes and issued \$3,989,000 in long-term business-type bond anticipation notes, resulting in an increase in the amount of \$307,000 in long-term bond anticipation notes. During 2010, the City made principal payments in the amount of \$370,000 on outstanding general obligation water system and sewer treatment bonds.

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2010
Unaudited

Table 2 shows the changes in net assets for 2010, compared to the changes in net assets for 2009.

Table 2
Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2010	Restated 2009	2010	2009	2010	Restated 2009
Revenues						
Program Revenues						
Charges for Services	\$1,334,064	\$1,047,409	\$5,947,285	\$5,044,965	\$7,281,349	\$6,092,374
Operating Grants and Contributions	969,941	973,695	0	0	969,941	973,695
Capital Grants and Contributions	1,351,949	4,631,410	1,019,919	1,303,858	2,371,868	5,935,268
<i>Total Program Revenues</i>	<u>3,655,954</u>	<u>6,652,514</u>	<u>6,967,204</u>	<u>6,348,823</u>	<u>10,623,158</u>	<u>13,001,337</u>
General Revenue						
Property and Other Taxes	2,437,869	2,395,893	0	0	2,437,869	2,395,893
Income Taxes	4,643,326	4,527,504	0	0	4,643,326	4,527,504
Franchise Taxes	245,377	189,705	0	0	245,377	189,705
Grants and Entitlements	496,743	595,467	0	0	496,743	595,467
Investment Earnings	92,724	145,561	58,010	78,236	150,734	223,797
Payment in Lieu of Taxes	738,217	939,085	0	0	738,217	939,085
Impact Fees	264,926	323,888	0	0	264,926	323,888
Miscellaneous	244,404	322,661	235	28,084	244,639	350,745
<i>Total General Revenues</i>	<u>9,163,586</u>	<u>9,439,764</u>	<u>58,245</u>	<u>106,320</u>	<u>9,221,831</u>	<u>9,546,084</u>
<i>Total Revenues</i>	<u>12,819,540</u>	<u>16,092,278</u>	<u>7,025,449</u>	<u>6,455,143</u>	<u>19,844,989</u>	<u>22,547,421</u>
Program Expenses						
General Government	3,000,709	2,486,109	0	0	3,000,709	2,486,109
Security of Persons and Property	4,239,816	4,151,605	0	0	4,239,816	4,151,605
Transportation	2,952,265	2,279,416	0	0	2,952,265	2,279,416
Leisure Time Activities	561,867	679,915	0	0	561,867	679,915
Public Health Services	93,643	103,452	0	0	93,643	103,452
Community Environment	614,957	565,244	0	0	614,957	565,244
Interest and Fiscal Charges	419,544	556,662	0	0	419,544	556,662
Water	0	0	2,202,930	1,963,643	2,202,930	1,963,643
Sewer	0	0	2,374,695	2,235,878	2,374,695	2,235,878
Stormwater	0	0	447,488	474,946	447,488	474,946
Aquatic Recreation	0	0	181,941	274,966	181,941	274,966
<i>Total Program Expenses</i>	<u>11,882,801</u>	<u>10,822,403</u>	<u>5,207,054</u>	<u>4,949,433</u>	<u>17,089,855</u>	<u>15,771,836</u>
Increase before transfers	936,739	5,269,875	1,818,395	1,505,710	2,755,134	6,775,585
Transfers	(2,894,017)	(14,197)	2,894,017	14,197	0	0
<i>Change in Net Assets</i>	<u>(1,957,278)</u>	<u>5,255,678</u>	<u>4,712,412</u>	<u>1,519,907</u>	<u>2,755,134</u>	<u>6,775,585</u>
Net Assets Beginning of Year - Restated (See Note 3)	50,345,536	45,089,858	41,353,317	39,833,410	91,698,853	84,923,268
<i>Net Assets End of Year</i>	<u>\$48,388,258</u>	<u>\$50,345,536</u>	<u>\$46,065,729</u>	<u>\$41,353,317</u>	<u>\$94,453,987</u>	<u>\$91,698,853</u>

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2010
Unaudited

Governmental Activities

Grants and contributions accounted for 18 percent of total governmental revenues. Of the 18 percent, operating grants and contributions accounted for 8 percent of total governmental revenues while capital grants and contributions accounted for 10 percent. Capital grants and contributions consist of \$1,351,949 in federal funds administered by the Ohio Department of Transportation for the Diley Road Improvement Project.

Property and income tax revenue provided 55 percent of total governmental revenues. Of the 55 percent, 36 percent of total governmental revenues were generated from income taxes and 19 percent was generated from property and other local taxes. These revenue sources comprise the largest components of City revenues. Income taxes, property and other taxes, and grants and contributions combined together, provided 73 percent of the City's total governmental revenues.

The City received \$1,334,064, or 10 percent, of total governmental revenues, in charges for services. These direct charges to citizens include recreation fees, court fines and forfeitures, police security services, and licenses and permits.

The City's security of persons and property activities accounted for \$4,239,816, or 36 percent, of total program expenses. Transportation services utilized \$2,952,265, or 25 percent, of total program expenses.

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

Table 3
Governmental Activities

	Total Cost of Services	Net Cost of Services	Restated Total Cost of Services	Restated Net Cost of Services
	2010	2010	2009	2009
General Government	\$3,000,709	\$2,972,078	\$2,486,109	\$2,455,614
Security of Persons and Property	4,239,816	3,652,859	4,151,605	3,643,209
Transportation	2,952,265	726,086	2,279,416	(3,209,841)
Leisure Time Activities	561,867	416,559	679,915	526,983
Public Health Services	93,643	93,643	103,452	103,452
Community Environment	614,957	(53,922)	565,244	93,810
Interest and Fiscal Charges	419,544	419,544	556,662	556,662
Totals	\$11,882,801	\$8,226,847	\$10,822,403	\$4,169,889

Business-Type Activities

The City's business-type activities are for water, sewer, stormwater, and aquatic recreation services. During 2010, program revenues exceeded expenses by \$1,760,150.

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The minimum water rate is \$3.47 per each thousand gallons of water used up to a maximum of 12,000 gallons plus a \$4.50 per month service charge. A water fee of \$5.33 is assessed for each thousand gallons used in excess of 12,000 gallons per month. Sewer fees are calculated on the amount of water used. The minimum sewer rate is \$25.81 per month up to 3,000 gallons of water. A sewer fee of \$8.60 is assessed for each thousand gallons of water used in excess of 3,000 per month. Stormwater fees are assessed at a flat rate of a \$3.00 per month.

The City's Funds

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

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

General Fund

The General Fund is the primary operating fund of the City. At the end of 2010, unreserved fund balance was \$3,578,121, while total fund balance was \$3,625,992. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance, to total expenditures. Unreserved fund balance represents 101 percent of total General Fund expenditures, while total fund balance represents 103 percent of General Fund expenditures.

The fund balance of the City's General Fund increased by \$499,123 during the current year. The key factors for the increase were an increase in income taxes and charges for services in the amounts of \$207,824 and \$108,171, respectively. The increase in income tax revenues is due to delinquent collections. The increase in charges for services is due to the Water Fund reimbursing the General Fund for costs associated with the installation of water lines for the Diley Road Widening and Realignment project.

Other Major Governmental Funds

Police Fund

The fund balance of the Police Fund at December 31, 2010 is \$431,499, an increase of \$100,076 from the prior year. The increase in fund balance is primarily due to a decrease in expenditures in the amount of \$86,920.

Debt Service Fund

The fund balance of the Debt Service Fund at December 31, 2010 is \$18,122, a decrease of \$50,285 from the prior year.

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Tax Increment Financing Agreement Windmill/ Diley Construction Fund

The fund balance of the Tax Increment Financing Agreement Windmill/ Diley Construction Fund at December 31, 2010 is (\$1,820,615), a reduction of the deficit of \$115,424 from the prior year. The decrease in the deficit is primarily due to an increase in payment in lieu of taxes and a decrease in notes payable in the amounts of \$78,854 and \$175,000, respectively.

Diley Road Improvement Fund

The fund balance of the Diley Road Improvement Fund at December 31, 2010, is (\$176,941) an increase in the deficit of \$143,353 from the prior year. During 2010, the City received \$1,351,949 in Federal grant monies administered by the Ohio Department of Transportation and \$258,967 in bank loan proceeds from the State Infrastructure Bank and expensed \$1,704,158 in capital outlay and \$2,906 in interest and fiscal charges.

Proprietary Funds

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

The City's major proprietary funds are the Water Fund, the Sewer Fund, and the Stormwater Fund. The Water Fund's net assets increased \$1,775,202, the Sewer Fund's net assets increased \$1,571,647, and the Stormwater Fund's net assets increased \$1,346,206. The increases can be primarily attributed to an increase in water and sewer rates in addition to capital contributions from other funds. During 2010, water rates increased 13 percent from \$3.07 per 1,000 gallons to \$3.47 per 1,000 gallons and sewer rates increased 19 percent from \$21.69 under 3,000 gallons to \$25.81 under 3,000 gallons. Capital contributions from other funds amounted to \$2,894,017.

Budgetary Highlights

General Fund

The City made numerous revisions to the original appropriations approved by City Council. Overall, these changes resulted in an increase in appropriations from the original budget in the amount of \$260,780. The majority of this increase was due to an increase in general government program expenditures in the amount of \$323,981. The general government program original appropriations increased in the amount of \$11,500 to fill the vacant Deputy Finance Director's position, increased in the amount of \$200,000 for the Viola Park settlement, and increased in the amount of \$5,000 for the Violet Festival contribution.

Actual expenditures were less than the final budgeted expenditures by \$799,183; general government actual expenditures were \$373,672 less than budgeted and community environment actual expenditures were \$391,742 less than budgeted. These differences are due to the following factors: a decrease in building inspection services and engineering deposit refunds in the amounts of \$247,900 and \$50,000, respectively; a decrease in income tax refunds in the amount of \$34,864; a decrease in property tax payments in the amount of \$17,637 due to Diley Road exemptions; a decrease in council meeting expenses and advertisements in the amounts of \$8,970 and \$4,520, respectively; a decrease in network repair and upgrades in the amount of \$22,264 due to the City not purchasing a new server; and a decrease in legal services in the amount of \$16,623 due to conservative budgeting for legal counsel.

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The City's actual revenues were greater than the final budgeted revenues by \$514,214. This increase is primarily due to the following factors: an increase in charges for services in the amount of \$178,841 due to the Water Fund reimbursing the General Fund for costs associated with the installation of water lines for the Diley Road Widening and Realignment project; an increase in licenses and permits in the amount of \$167,551 due to Pickerington Local School District renovating and constructing new buildings; and an increase in cable franchise fees, which resulted in an increase of \$63,589 in other revenue compared to the budgeted amount of \$176,424.

At December 31, 2010, the fund balance on a budgetary basis is \$1,164,157 better than initially projected in the original budget.

Capital Assets and Debt Administration

Capital Assets

As of December 31, 2010, the City had \$116,786,404 invested in capital assets, net of accumulated depreciation. Table 4 shows 2010 balances compared to 2009.

Table 4
Capital Assets at December 31, 2010 with comparative as of December 31, 2009
(Net of Depreciation)

	<u>Government Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	2010	2009	2010	2009	2010	2009
Land	\$6,308,936	\$6,228,031	\$1,873,817	\$1,416,217	\$8,182,753	\$7,644,248
Construction in Progress	90,159	16,703,437	14,463,260	8,943,710	14,553,419	25,647,147
Land Improvements	775,759	855,486	172,829	161,951	948,588	1,017,437
Buildings	3,645,458	3,722,908	9,018,160	9,241,173	12,663,618	12,964,081
Equipment	446,017	508,237	1,564,480	1,866,837	2,010,497	2,375,074
Infrastructure	45,863,699	32,228,668	32,191,573	29,842,818	78,055,272	62,071,486
Vehicles	250,840	247,048	121,417	89,030	372,257	336,078
Totals	\$57,380,868	\$60,493,815	\$59,405,536	\$51,561,736	\$116,786,404	\$112,055,551

For additional information on capital assets, see Note 10 to the basic financial statements.

The total increase in the City's capital assets, net of accumulated depreciation, for the current year was \$4,730,853. During 2010, the City capitalized \$1,704,158 for the Diley Road Widening and Realignment Project. The City received State Infrastructure Bank loan proceeds and Ohio Department of Transportation administered Federal grant monies to fund this project. The City obtained \$3,995,744 in Ohio Water Development Authority loans and capitalized \$3,995,744 for the wastewater treatment plant expansion project. In addition, during 2010, the City issued \$2,000,000 in bond anticipation notes for the State Route 256 water tower project and capitalized \$1,211,667 of the amount issued.

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2010
Unaudited

Debt

As of December 31, 2010 and December 31, 2009, the City had total long-term debt of \$31,420,073 and \$28,659,181, respectively, as follows:

Table 5
Outstanding Debt
As of December 31, 2010, with comparative for December 31, 2009

	Governmental Activities		Business-Type Activities		Totals	
	2010	Restated 2009	2010	2009	2010	Restated 2009
General Obligation Bonds	\$1,252,974	\$1,313,871	\$3,160,584	\$3,506,230	\$4,413,558	\$4,820,101
Bond Anticipation Notes	2,295,000	2,780,000	3,989,000	3,682,000	6,284,000	6,462,000
Long-Term Loans	5,997,677	6,283,561	0	0	5,997,677	6,283,561
OWDA Loans	0	0	11,530,965	7,596,594	11,530,965	7,596,594
Capital Leases	3,162,195	3,454,802	31,678	42,123	3,193,873	3,496,925
Totals	\$12,707,846	\$13,832,234	\$18,712,227	\$14,826,947	\$31,420,073	\$28,659,181

During 2010, the City issued long-term bond anticipation notes in the amount of \$6,284,000 and repaid \$6,462,000 in long-term bond anticipation, incurred \$258,967 in long-term loans, \$16,249 in capital leases, and \$3,995,744 in OWDA loans, and repaid \$544,851 in long-term loans, \$61,373 in OWDA loans, and \$430,000 in general obligation bonds. In total capital lease balances decreased \$303,052.

The City's overall legal debt margin was \$32,646,361 at December 31, 2010. For additional information on debt, see Note 16 to the basic financial statements.

Current Finance Related Activities

- The City's income tax rate of 1 percent with a ½ percent credit for tax paid to other municipalities has not increased since its inception in 1976, but revenues have continued to increase each year even in times of economic downturn. This is due to mandatory filing and a diligent delinquency collection program which has resulted in strict compliance.
- The City employs its own certified building department rather than having the State of Ohio conduct commercial inspections. The City's construction division, established under the building department, inspects infrastructure from new developments and the City collects charges from developers for these inspections.
- A contractor registration program was instituted in 1996 that requires all general contractors and individual trades performing work in the City to register with the City. This requirement serves as a control for income tax revenues.
- A hotel/motel tax of 3 percent was instituted in 1995.

City of Pickerington, Ohio
Management's Discussion and Analysis
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- Monies are collected from developers for turn-lanes, traffic lights, sewer fair share, detention pond maintenance, and tree planting in subdivisions.
- Right-of-way fees were instituted in 2002 as a charge for the utility companies who use the City right-of-way for their service lines.
- Capacity fee charges for water, sewer, and stormwater increase an automatic 3 percent each year.
- Impact fees were instituted in 2005 on new residential and commercial construction in the City.

Requests for Information

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

Basic Financial Statements

City of Pickerington, Ohio
Statement of Net Assets
December 31, 2010

	Governmental Activities	Business - Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$5,096,598	\$7,052,168	\$12,148,766
Cash and Cash Equivalents with Escrow Agents	0	391,555	391,555
Permissive Motor Vehicle Registration Fees Receivable	14,353	0	14,353
Hotel and Motel Taxes Receivable	6,067	0	6,067
Income Taxes Receivable	568,515	0	568,515
Accounts Receivable	70,887	574,801	645,688
Internal Balances	1,066	(1,066)	0
Materials and Supplies Inventory	71,161	17,487	88,648
Prepaid Items	49,318	46,236	95,554
Intergovernmental Receivable	712,557	0	712,557
Accrued Interest Receivable	11,657	3,986	15,643
Property Taxes Receivable	2,459,895	0	2,459,895
Payments in Lieu of Taxes Receivable	1,089,317	0	1,089,317
Deferred Charges	18,159	27,888	46,047
Non-Depreciable Capital Assets	6,399,095	16,337,077	22,736,172
Depreciable Capital Assets, Net	50,981,773	43,068,459	94,050,232
<i>Total Assets</i>	<u>67,550,418</u>	<u>67,518,591</u>	<u>135,069,009</u>
Liabilities			
Matured Compensated Absences Payable	20,277	8,690	28,967
Accrued Wages and Benefits	74,172	22,986	97,158
Intergovernmental Payable	84,309	21,119	105,428
Accounts Payable	239,020	47,496	286,516
Contracts Payable	0	61,069	61,069
Retainage Payable	0	391,603	391,603
Accrued Interest Payable	94,832	295,339	390,171
Deferred Revenue	2,210,000	0	2,210,000
Notes Payable	2,743,500	1,693,000	4,436,500
Customer Deposits Payable	0	22,920	22,920
Long-Term Liabilities:			
Due Within One Year	1,196,018	754,898	1,950,916
Due In More Than One Year	12,500,032	18,133,742	30,633,774
<i>Total Liabilities</i>	<u>19,162,160</u>	<u>21,452,862</u>	<u>40,615,022</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	41,960,655	39,844,968	81,805,623
Restricted for:			
Capital Projects	1,758,477	0	1,758,477
Security of Persons and Property	233,528	0	233,528
Transportation Services	621,243	0	621,243
Other Purposes	274,748	0	274,748
Perpetual Care:			
Expendable	2,798	0	2,798
Non-Expendable	1,545	0	1,545
Unrestricted	3,535,264	6,220,761	9,756,025
<i>Total Net Assets</i>	<u>\$48,388,258</u>	<u>\$46,065,729</u>	<u>\$94,453,987</u>

See accompanying notes to the basic financial statements

City of Pickerington, Ohio
Statement of Activities
For the Year Ended December 31, 2010

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$3,000,709	\$14,495	\$14,136	\$0
Security of Persons and Property	4,239,816	333,103	253,854	0
Transportation	2,952,265	196,698	677,532	1,351,949
Leisure Time Activities	561,867	120,889	24,419	0
Public Health Services	93,643	0	0	0
Community Environment	614,957	668,879	0	0
Interest and Fiscal Charges	419,544	0	0	0
<i>Total Governmental Activities</i>	<u>11,882,801</u>	<u>1,334,064</u>	<u>969,941</u>	<u>1,351,949</u>
Business-Type Activities:				
Water	2,202,930	2,007,822	0	747,029
Sewer	2,374,695	3,311,157	0	139,507
Stormwater	447,488	427,243	0	133,383
Aquatic Recreation Center	181,941	201,063	0	0
<i>Total Business-Type Activities</i>	<u>5,207,054</u>	<u>5,947,285</u>	<u>0</u>	<u>1,019,919</u>
<i>Total</i>	<u>\$17,089,855</u>	<u>\$7,281,349</u>	<u>\$969,941</u>	<u>\$2,371,868</u>

General Revenues

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

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year - Restated (See Note 3)

Net Assets End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and
Change in Net Assets

Governmental Activities	Business - Type Activities	Total
(\$2,972,078)	\$0	(\$2,972,078)
(3,652,859)	0	(3,652,859)
(726,086)	0	(726,086)
(416,559)	0	(416,559)
(93,643)	0	(93,643)
53,922	0	53,922
(419,544)	0	(419,544)
(8,226,847)	0	(8,226,847)
0	551,921	551,921
0	1,075,969	1,075,969
0	113,138	113,138
0	19,122	19,122
0	1,760,150	1,760,150
(8,226,847)	1,760,150	(6,466,697)
984,192	0	984,192
1,453,677	0	1,453,677
4,643,326	0	4,643,326
245,377	0	245,377
496,743	0	496,743
92,724	58,010	150,734
738,217	0	738,217
264,926	0	264,926
244,404	235	244,639
9,163,586	58,245	9,221,831
(2,894,017)	2,894,017	0
6,269,569	2,952,262	9,221,831
(1,957,278)	4,712,412	2,755,134
50,345,536	41,353,317	91,698,853
\$48,388,258	\$46,065,729	\$94,453,987

City of Pickerington, Ohio

Balance Sheet

Governmental Funds

December 31, 2010

	<u>General</u>	<u>Police</u>	<u>Debt Service</u>	<u>Tax Increment Financing Agreement Windmillier/ Diley Construction</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$3,145,938	\$491,489	\$18,122	\$32,163
Receivables:				
Permissive Motor Vehicle Registration Fees	0	0	0	0
Property Taxes	924,960	1,534,935	0	0
Income Taxes	568,515	0	0	0
Hotel and Motel Taxes	6,067	0	0	0
Payments in Lieu of Taxes	0	0	0	553,240
Accounts	70,263	340	0	0
Accrued Interest	11,657	0	0	0
Intergovernmental	248,752	129,959	0	0
Interfund	61,066	0	0	0
Materials and Supplies Inventory	7,496	17,087	0	0
Prepaid Items	16,375	20,600	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	<u>5,551</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$5,066,640</u></u>	<u><u>\$2,194,410</u></u>	<u><u>\$18,122</u></u>	<u><u>\$585,403</u></u>
Liabilities and Fund Balances				
Liabilities				
Matured Compensated Absences Payable	\$20,277	\$0	\$0	\$0
Accounts Payable	101,187	13,286	0	0
Accrued Wages and Benefits	21,185	45,087	0	0
Intergovernmental Payable	25,938	49,302	0	0
Accrued Interest Payable	0	0	0	17,778
Interfund Payable	0	0	0	60,000
Notes Payable	0	0	0	1,775,000
Deferred Revenue	<u>1,272,061</u>	<u>1,655,236</u>	<u>0</u>	<u>553,240</u>
<i>Total Liabilities</i>	<u>1,440,648</u>	<u>1,762,911</u>	<u>0</u>	<u>2,406,018</u>
Fund Balances				
Reserved for Encumbrances	42,320	44,642	0	0
Reserved for Unclaimed Monies	5,551	0	0	0
Reserved for Endowments	0	0	0	0
Unreserved (Deficits):				
Undesignated, Reported in:				
General Fund	3,578,121	0	0	0
Special Revenue Funds	0	386,857	0	0
Debt Service Funds	0	0	18,122	0
Capital Projects Funds	0	0	0	(1,820,615)
Permanent Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Fund Balances (Deficits)</i>	<u>3,625,992</u>	<u>431,499</u>	<u>18,122</u>	<u>(1,820,615)</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$5,066,640</u></u>	<u><u>\$2,194,410</u></u>	<u><u>\$18,122</u></u>	<u><u>\$585,403</u></u>

See accompanying notes to the basic financial statements

<u>Diley Road Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$25,358	\$1,368,237	\$5,081,307
0	14,353	14,353
0	0	2,459,895
0	0	568,515
0	0	6,067
0	536,077	1,089,317
0	284	70,887
0	0	11,657
0	331,686	710,397
0	0	61,066
0	46,578	71,161
0	12,343	49,318
<u>0</u>	<u>0</u>	<u>5,551</u>
<u>\$25,358</u>	<u>\$2,309,558</u>	<u>\$10,199,491</u>
\$0	\$0	\$20,277
0	114,807	229,280
0	7,900	74,172
0	9,069	84,309
2,299	8,118	28,195
0	0	60,000
200,000	768,500	2,743,500
<u>0</u>	<u>755,775</u>	<u>4,236,312</u>
<u>202,299</u>	<u>1,664,169</u>	<u>7,476,045</u>
0	13,792	100,754
0	0	5,551
0	1,545	1,545
0	0	3,578,121
0	705,641	1,092,498
0	0	18,122
(176,941)	(78,387)	(2,075,943)
<u>0</u>	<u>2,798</u>	<u>2,798</u>
<u>(176,941)</u>	<u>645,389</u>	<u>2,723,446</u>
<u>\$25,358</u>	<u>\$2,309,558</u>	<u>\$10,199,491</u>

City of Pickerington, Ohio
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2010

Total Governmental Fund Balances		\$2,723,446
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds.		57,380,868
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Interest	9,092	
Intergovernmental	518,910	
Income Taxes	159,098	
Property and Other Local Taxes	249,895	
Payment in Lieu of Taxes	1,089,317	
Total	2,026,312	2,026,312
An internal service fund is used by management to charge the costs of vehicle maintenance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		2,160
Unamortized issuance costs are reported as deferred charges on the Statement of Net Assets but as an expenditure on the fund financial statements which do not provide current financial resources and, therefore, are not reported in the funds.		18,159
Long-term liabilities and accrued interest are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(1,252,974)	
Long-Term Notes Payable	(2,295,000)	
Long-Term Loan Payable	(5,997,677)	
Compensated Absences	(675,704)	
Capital Leases	(3,162,195)	
Settlements Payable	(312,500)	
Accrued Interest Payable	(66,637)	
Total	(13,762,687)	(13,762,687)
Net Assets of Governmental Activities		\$48,388,258

See accompanying notes to the basic financial statements

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City of Pickerington, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2010

	General	Police	Debt Service	Tax Increment Financing Agreement Windmillier/ Diley Construction
Revenues				
Property Taxes	\$864,255	\$1,428,480	\$0	\$0
Hotel and Motel Taxes	104,494	0	0	0
Permissive Motor Vehicle Registration Fees	0	0	0	0
Municipal Income Taxes	4,753,299	0	0	0
Charges for Services	275,219	170,208	0	0
Licenses and Permits	397,960	0	0	0
Impact Fees	0	0	0	0
Fines and Forfeitures	161,675	0	0	0
Intergovernmental	568,242	217,968	0	0
Interest	72,750	0	19,905	0
Payments in Lieu of Taxes	0	0	0	205,014
Rent	850	0	0	0
Contributions and Donations	14,136	750	0	0
Other	343,567	46,656	0	0
<i>Total Revenues</i>	7,556,447	1,864,062	19,905	205,014
Expenditures				
Current:				
General Government	2,595,770	0	0	0
Security of Persons and Property	101,454	3,911,640	0	0
Transportation	41,768	0	0	0
Leisure Time Activities	28,493	0	0	0
Public Health Services	93,643	0	0	0
Community Environment	653,044	0	0	0
Capital Outlay	0	0	0	28,584
Debt Service:				
Current Refunding Principal Retirement	0	0	485,000	0
Principal Retirement	15,841	2,015	780,851	0
Interest and Fiscal Charges	1,286	331	350,035	61,006
<i>Total Expenditures</i>	3,531,299	3,913,986	1,615,886	89,590
<i>Excess of Revenues Over (Under) Expenditures</i>	4,025,148	(2,049,924)	(1,595,981)	115,424
Other Financing Sources (Uses):				
Inception of a Capital Lease	16,249	0	0	0
Notes Issued	0	0	2,295,000	0
Loans Issued	0	0	0	0
Current Refunding Bond Anticipation Notes	0	0	(2,295,000)	0
Transfers In	0	2,150,000	1,597,316	0
Transfers Out	(3,542,274)	0	(51,620)	0
<i>Total Other Financing Sources (Uses)</i>	(3,526,025)	2,150,000	1,545,696	0
<i>Net Change in Fund Balances</i>	499,123	100,076	(50,285)	115,424
Fund Balances (Deficits) at Beginning of Year	3,126,869	331,423	68,407	(1,936,039)
<i>Fund Balances (Deficits) End of Year</i>	\$3,625,992	\$431,499	\$18,122	(\$1,820,615)

See accompanying notes to the basic financial statements

<u>Diley Road Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$0	\$0	\$2,292,735
0	0	104,494
0	196,698	196,698
0	0	4,753,299
0	89,811	535,238
0	31,078	429,038
0	264,926	264,926
0	10,790	172,465
1,351,949	713,172	2,851,331
0	6,673	99,328
0	383,772	588,786
0	0	850
0	24,419	39,305
80,905	18,653	489,781
<u>1,432,854</u>	<u>1,739,992</u>	<u>12,818,274</u>
0	9,059	2,604,829
0	22,591	4,035,685
0	948,237	990,005
0	503,667	532,160
0	0	93,643
0	0	653,044
1,704,158	259,500	1,992,242
0	0	485,000
0	115,000	913,707
2,906	30,511	446,075
<u>1,707,064</u>	<u>1,888,565</u>	<u>12,746,390</u>
<u>(274,210)</u>	<u>(148,573)</u>	<u>71,884</u>
0	0	16,249
0	0	2,295,000
258,967	0	258,967
0	0	(2,295,000)
71,890	597,666	4,416,872
<u>(200,000)</u>	<u>(622,978)</u>	<u>(4,416,872)</u>
<u>130,857</u>	<u>(25,312)</u>	<u>275,216</u>
(143,353)	(173,885)	347,100
<u>(33,588)</u>	<u>819,274</u>	<u>2,376,346</u>
<u>(\$176,941)</u>	<u>\$645,389</u>	<u>\$2,723,446</u>

City of Pickerington, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2010

Net Change in Fund Balances - Total Governmental Funds \$347,100

Amounts reported for governmental activities in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Asset Additions	1,881,616	
Transferred Assets	(2,894,017)	
Depreciation Expense	<u>(2,076,678)</u>	(3,089,079)

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

Loss on Disposal of Capital Assets		(23,868)
------------------------------------	--	----------

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

Property Taxes	40,640	
Income Taxes	(109,973)	
Payment in Lieu of Taxes	149,431	
Intergovernmental	(72,003)	
Charges for Services	(225)	
Interest	<u>(6,604)</u>	1,266

Repayment of principal and refundings are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

General Obligation Bonds	60,000	
Long-Term Bond Anticipation Notes	2,780,000	
Long-Term Loans	544,851	
Capital Leases	<u>308,856</u>	3,693,707

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of activities. Premiums are reported as revenues when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities:

Accrued Interest Payable	26,890	
Amortization of Issuance Costs	(1,256)	
Amortization on Premium of General Obligation Bonds	<u>897</u>	26,531

Long-term debt proceeds are other financing sources in the governmental funds, but the issuance increases the long-term liabilities on the statement of activities.

Long-Term Bond Anticipation Notes	(2,295,000)	
Long-Term Loan	<u>(258,967)</u>	(2,553,967)

(continued)

City of Pickerington, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities (Continued)
 For the Year Ended December 31, 2010

Some capital assets were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net assets the lease obligation is reported as a liability. (\$16,249)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Compensated Absences Payable	(32,344)	
Settlements Payable	<u>(312,500)</u>	(344,844)

The internal service fund used by management to charge the costs of vehicle fuel to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The change for governmental funds is reported for the year. 2,125

Change in Net Assets of Governmental Activities (\$1,957,278)

See accompanying notes to the basic financial statements

City of Pickerington, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Property and Other Taxes	\$935,000	\$935,000	\$968,961	\$33,961
Municipal Income Taxes	4,758,806	4,758,806	4,707,894	(50,912)
Charges for Services	97,000	97,000	275,841	178,841
Licenses and Permits	230,345	230,384	397,935	167,551
Fines and Forfeitures	141,000	141,000	161,416	20,416
Intergovernmental	573,132	495,150	537,752	42,602
Interest	85,150	85,020	92,091	7,071
Rent	0	0	850	850
Contributions and Donations	18,000	18,000	14,136	(3,864)
Other	210,763	209,724	327,422	117,698
<i>Total Revenues</i>	<u>7,049,196</u>	<u>6,970,084</u>	<u>7,484,298</u>	<u>514,214</u>
Expenditures				
Current:				
General Government	2,712,946	3,036,927	2,663,255	373,672
Security of Persons and Property	87,750	101,250	91,995	9,255
Transportation	125,000	135,000	135,000	0
Leisure Time Activities	30,000	36,400	28,493	7,907
Public Health Services	99,250	110,250	93,643	16,607
Community Environment	1,008,743	1,047,793	656,051	391,742
<i>Total Expenditures</i>	<u>4,063,689</u>	<u>4,467,620</u>	<u>3,668,437</u>	<u>799,183</u>
<i>Excess of Revenues Over Expenditures</i>	<u>2,985,507</u>	<u>2,502,464</u>	<u>3,815,861</u>	<u>1,313,397</u>
Other Financing Source (Uses)				
Advances In	0	0	230,000	230,000
Advances Out	0	(60,000)	(60,000)	0
Transfers Out	(3,883,716)	(3,740,565)	(3,719,913)	20,652
<i>Total Other Financing Source (Uses)</i>	<u>(3,883,716)</u>	<u>(3,800,565)</u>	<u>(3,549,913)</u>	<u>250,652</u>
<i>Net Change in Fund Balance</i>	(898,209)	(1,298,101)	265,948	1,564,049
Fund Balance at Beginning of Year	2,643,382	2,643,382	2,643,382	0
Prior Year Encumbrances Appropriated	197,021	197,021	197,021	0
<i>Fund Balance at End of Year</i>	<u>\$1,942,194</u>	<u>\$1,542,302</u>	<u>\$3,106,351</u>	<u>\$1,564,049</u>

See accompanying notes to the basic financial statements

City of Pickerington, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$1,380,000	\$1,380,000	\$1,428,480	\$48,480
Charges for Services	143,613	143,613	164,018	20,405
Intergovernmental	227,646	227,646	247,058	19,412
Contributions and Donations	7,300	7,300	1,750	(5,550)
Other	57,864	81,497	48,341	(33,156)
<i>Total Revenues</i>	<u>1,816,423</u>	<u>1,840,056</u>	<u>1,889,647</u>	<u>49,591</u>
Expenditures				
Current:				
Security of Persons and Property	<u>4,318,767</u>	<u>4,383,000</u>	<u>3,974,650</u>	<u>408,350</u>
<i>Excess of Revenues Under Expenditures</i>	(2,502,344)	(2,542,944)	(2,085,003)	457,941
Other Financing Source				
Transfers In	<u>2,197,223</u>	<u>2,300,000</u>	<u>2,150,000</u>	<u>(150,000)</u>
<i>Net Change in Fund Balance</i>	(305,121)	(242,944)	64,997	307,941
Fund Balance at Beginning of Year	317,462	317,462	317,462	0
Prior Year Encumbrances Appropriated	<u>54,700</u>	<u>54,700</u>	<u>54,700</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$67,041</u>	<u>\$129,218</u>	<u>\$437,159</u>	<u>\$307,941</u>

See accompanying notes to the basic financial statements

City of Pickerington, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2010

	Business - Type Activities - Enterprise Funds			
	Water	Sewer	Stormwater	Nonmajor Aquatic Recreation Center
Assets:				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$2,962,180	\$3,436,736	\$560,837	\$69,495
Cash and Cash Equivalents with Escrow Agents	0	391,555	0	0
Accounts Receivable	212,751	316,790	45,260	0
Accrued Interest Receivable	3,053	930	3	0
Materials and Supplies Inventory	15,563	1,924	0	0
Prepaid Items	15,904	26,424	0	3,908
Intergovernmental Receivable	0	0	0	0
<i>Total Current Assets</i>	<u>3,209,451</u>	<u>4,174,359</u>	<u>606,100</u>	<u>73,403</u>
Noncurrent Assets:				
Deferred Charges	9,899	17,989	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	11,460	11,460	0	0
Non-Depreciable Capital Assets	2,261,085	12,334,842	1,165,800	575,350
Depreciable Capital Assets, net	17,877,211	16,667,344	8,160,845	363,059
<i>Total Noncurrent Assets</i>	<u>20,159,655</u>	<u>29,031,635</u>	<u>9,326,645</u>	<u>938,409</u>
<i>Total Assets</i>	<u>\$23,369,106</u>	<u>\$33,205,994</u>	<u>\$9,932,745</u>	<u>\$1,011,812</u>
Liabilities:				
Current Liabilities:				
Matured Compensated Absences Payable	\$4,345	\$4,345	\$0	\$0
Accrued Wages and Benefits	10,322	9,131	3,533	0
Intergovernmental Payable	6,463	10,766	3,070	820
Accounts Payable	24,971	17,693	285	4,547
Contracts Payable	12,850	48,219	0	0
Retainage Payable	0	391,603	0	0
Accrued Interest Payable	43,909	246,959	4,471	0
Interfund Payable	77	989	0	0
Notes Payable	600,000	893,000	200,000	0
Current Portion of:				
Compensated Absences Payable	33,762	25,294	8,955	0
General Obligation Bonds Payable	110,000	280,000	0	0
Capital Leases Payable	5,599	5,598	0	0
OWDA Loans Payable	0	285,690	0	0
<i>Total Current Liabilities</i>	<u>852,298</u>	<u>2,219,287</u>	<u>220,314</u>	<u>5,367</u>
Long-Term Liabilities (Net of Current Portion):				
Customer Deposits Payable from Restricted Assets	11,460	11,460	0	0
Compensated Absences Payable	62,165	32,855	13,382	0
Notes Payable	3,100,000	700,000	189,000	0
General Obligation Bonds Payable	308,065	2,462,519	0	0
Capital Leases Payable	10,239	10,242	0	0
OWDA Loans Payable	0	11,245,275	0	0
<i>Total Long-Term Liabilities</i>	<u>3,491,929</u>	<u>14,462,351</u>	<u>202,382</u>	<u>0</u>
<i>Total Liabilities</i>	<u>4,344,227</u>	<u>16,681,638</u>	<u>422,696</u>	<u>5,367</u>
Net Assets:				
Invested in Capital Assets, Net of Related Debt	16,802,625	13,166,289	8,937,645	938,409
Unrestricted	2,222,254	3,358,067	572,404	68,036
<i>Total Net Assets</i>	<u>\$19,024,879</u>	<u>\$16,524,356</u>	<u>\$9,510,049</u>	<u>\$1,006,445</u>

See accompanying notes to the basic financial statements

Totals	Governmental Activities- Internal Service Fund
\$7,029,248	\$9,740
391,555	0
574,801	0
3,986	0
17,487	0
46,236	0
0	2,160
8,063,313	11,900
27,888	0
22,920	0
16,337,077	0
43,068,459	0
59,456,344	0
\$67,519,657	\$11,900
\$8,690	\$0
22,986	0
21,119	0
47,496	9,740
61,069	0
391,603	0
295,339	0
1,066	0
1,693,000	0
68,011	0
390,000	0
11,197	0
285,690	0
3,297,266	9,740
22,920	0
108,402	0
3,989,000	0
2,770,584	0
20,481	0
11,245,275	0
18,156,662	0
21,453,928	9,740
39,844,968	0
6,220,761	2,160
\$46,065,729	\$2,160

City of Pickerington, Ohio
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2010

	Business - Type Activities - Enterprise Funds			
	Water	Sewer	Stormwater	Nonmajor Aquatic Recreation Center
Operating Revenues				
Charges for Services	\$2,007,822	\$3,311,157	\$427,243	\$201,063
<i>Total Operating Revenues</i>	<u>2,007,822</u>	<u>3,311,157</u>	<u>427,243</u>	<u>201,063</u>
Operating Expenses				
Personal Services	621,082	656,232	218,628	68,881
Contractual Services	613,843	775,453	63,169	60,040
Materials and Supplies	358,314	34,691	16,771	38,386
Depreciation	531,564	495,845	143,551	14,634
<i>Total Operating Expenses</i>	<u>2,124,803</u>	<u>1,962,221</u>	<u>442,119</u>	<u>181,941</u>
<i>Operating Income (Loss)</i>	<u>(116,981)</u>	<u>1,348,936</u>	<u>(14,876)</u>	<u>19,122</u>
Non-Operating Revenues (Expenses)				
Interest	38,227	16,257	3,526	0
Interest and Fiscal Charges	(78,127)	(412,474)	(5,369)	0
Other Non-Operating Revenues	0	0	0	235
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(39,900)</u>	<u>(396,217)</u>	<u>(1,843)</u>	<u>235</u>
<i>Operating Income (Loss) Before Contributions</i>	(156,881)	952,719	(16,719)	19,357
Capital Contributions from Developers	457,600	0	0	0
Capital Contributions from Customers	289,429	139,507	54,559	0
Capital Contributions from Grants	0	0	78,824	0
Capital Contributions from Other Funds	1,185,054	479,421	1,229,542	0
<i>Change in Net Assets</i>	1,775,202	1,571,647	1,346,206	19,357
Net Assets Beginning of Year	<u>17,249,677</u>	<u>14,952,709</u>	<u>8,163,843</u>	<u>987,088</u>
<i>Net Assets End of Year</i>	<u>\$19,024,879</u>	<u>\$16,524,356</u>	<u>\$9,510,049</u>	<u>\$1,006,445</u>

See accompanying notes to the basic financial statements

<u>Total</u>	<u>Governmental Activities- Internal Service Fund</u>
<u>\$5,947,285</u>	<u>\$122,986</u>
<u>5,947,285</u>	<u>122,986</u>
1,564,823	0
1,512,505	0
448,162	120,861
<u>1,185,594</u>	<u>0</u>
<u>4,711,084</u>	<u>120,861</u>
<u>1,236,201</u>	<u>2,125</u>
58,010	0
(495,970)	0
<u>235</u>	<u>0</u>
<u>(437,725)</u>	<u>0</u>
798,476	2,125
457,600	0
483,495	0
78,824	0
<u>2,894,017</u>	<u>0</u>
4,712,412	2,125
<u>41,353,317</u>	<u>35</u>
<u><u>\$46,065,729</u></u>	<u><u>\$2,160</u></u>

City of Pickerington, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010

Business - Type Activities - Enterprise Funds

	Water	Sewer	Stormwater
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Customers	\$1,994,091	\$3,260,014	\$406,612
Cash Received from Transactions with Other Funds	0	0	0
Cash Payments for Employee Services and Benefits	(619,683)	(637,747)	(212,190)
Cash Payments for Goods and Services	(964,920)	(886,900)	(81,022)
Utility Deposits Received	5,675	5,675	0
Utility Deposits Returned	(650)	(650)	0
Other Non-Operating Revenues	0	0	0
<i>Net Cash Provided by Operating Activities</i>	414,513	1,740,392	113,400
Cash Flows from Investing Activities			
Interest on Investments	38,162	15,707	3,748
<i>Net Cash Provided by Investing Activities</i>	38,162	15,707	3,748
Cash Flows from Capital and Related Financing Activities			
Acquisition of Capital Assets	(1,249,776)	(3,717,558)	(354,267)
Proceeds from the Sale of Notes	3,700,000	1,593,000	389,000
Proceeds of OWDA Loans	0	3,995,744	0
Tap-In Fees	298,318	139,507	54,559
Capital Grants	0	0	318,765
Principal Paid on General Obligation Refunding Bonds	(100,000)	(170,000)	0
Principal Paid on General Obligation Bonds	0	(100,000)	0
Principal Paid on Notes	(2,200,000)	(2,125,000)	(539,000)
Principal Paid on OWDA Loans	0	(61,373)	0
Principal Paid on Capital Leases	(5,223)	(5,222)	0
Interest Paid on General Obligation Refunding Bonds	(19,045)	(37,733)	0
Interest Paid on General Obligation Bonds	0	(97,970)	0
Interest Paid on Notes	(46,167)	(43,344)	(10,780)
Interest Paid on OWDA Loans	0	(32,173)	0
Interest Paid on Capital Leases	(1,303)	(1,303)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	376,804	(663,425)	(141,723)
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	829,479	1,092,674	(24,575)
Cash and Cash Equivalents Beginning of Year	2,144,161	2,747,077	585,412
<i>Cash and Cash Equivalents End of Year</i>	\$2,973,640	\$3,839,751	\$560,837

Nonmajor Aquatic Recreation Center	Total	Governmental Activities- Internal Service Fund
\$201,063	\$5,861,780	\$0
0	0	120,861
(68,812)	(1,538,432)	0
(105,061)	(2,037,903)	(113,339)
0	11,350	0
0	(1,300)	0
638	638	0
<u>27,828</u>	<u>2,296,133</u>	<u>7,522</u>
<u>0</u>	<u>57,617</u>	<u>0</u>
<u>0</u>	<u>57,617</u>	<u>0</u>
0	(5,321,601)	0
0	5,682,000	0
0	3,995,744	0
0	492,384	0
0	318,765	0
0	(270,000)	0
0	(100,000)	0
0	(4,864,000)	0
0	(61,373)	0
0	(10,445)	0
0	(56,778)	0
0	(97,970)	0
0	(100,291)	0
0	(32,173)	0
<u>0</u>	<u>(2,606)</u>	<u>0</u>
<u>0</u>	<u>(428,344)</u>	<u>0</u>
27,828	1,925,406	7,522
<u>41,667</u>	<u>5,518,317</u>	<u>2,218</u>
<u>\$69,495</u>	<u>\$7,443,723</u>	<u>\$9,740</u>

(continued)

City of Pickerington, Ohio
Statement of Cash Flows
Proprietary Funds (Continued)
For the Year Ended December 31, 2010

Business - Type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	(\$116,981)	\$1,348,936	(\$14,876)
Adjustments:			
Other Non-Operating Revenues	0	0	0
Depreciation	531,564	495,845	143,551
(Increases) Decreases in Assets:			
Accounts Receivable	(13,731)	(51,143)	(20,631)
Intergovernmental Receivable	0	0	0
Decrease in Prepaid Items	1,597	(7,246)	0
Materials and Supplies Inventory	14,754	(587)	0
Increases (Decreases) in Liabilities:			
Accounts Payable	(9,326)	(28,633)	(1,197)
Accrued Wages and Benefits Payable	3,570	2,513	1,640
Compensated Absences Payable	(3,257)	15,256	4,689
Due to Other Funds	77	989	0
Customer Deposits Payable	5,025	5,025	0
Intergovernmental Payable	1,221	(40,563)	224
<i>Net Cash Provided by Operating Activities</i>	<u>\$414,513</u>	<u>\$1,740,392</u>	<u>\$113,400</u>

Noncash Capital Financing Activities:

During 2010, capital contributions from customers decreased \$8,889 in the Water Enterprise Fund due to a decrease in receivables for unbilled tap-in fees.

Capital contributions from other funds increased by \$1,185,054 in the Water enterprise fund, \$479,421 in the Sewer enterprise fund, and \$1,229,542 in the Stormwater enterprise fund, due to capital assets that were transferred from governmental activities.

Capital contributions from developers increased by \$457,600 in the Water enterprise fund due to a donation of land.

See accompanying notes to the basic financial statements

Nonmajor Aquatic Recreation Center	Total	Governmental Activities- Internal Service Fund
\$19,122	\$1,236,201	\$2,125
638	638	0
14,634	1,185,594	0
0	(85,505)	0
0	0	(2,125)
(1,682)	(7,331)	0
0	14,167	0
(5,008)	(44,164)	7,522
0	7,723	0
0	16,688	0
0	1,066	0
0	10,050	0
124	(38,994)	0
<u>\$27,828</u>	<u>\$2,296,133</u>	<u>\$7,522</u>

City of Pickerington, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2010

Assets	
Cash and Cash Equivalents in Segregated Accounts	<u>\$2,898</u>
<i>Total Assets</i>	<u><u>\$2,898</u></u>
Liabilities	
Undistributed Monies	<u>\$2,898</u>
<i>Total Liabilities</i>	<u><u>\$2,898</u></u>

See accompanying notes to the basic financial statements

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 1 - REPORTING ENTITY

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

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

Reporting Entity

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

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

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

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

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

The City is associated with three jointly governed organizations and two insurance purchasing pools. These organizations are the Fairfield-Hocking Major Crimes Unit, the Fairfield County Regional Planning Commission, the Mid-Ohio Regional Planning Commission (MORPC), the Central Ohio Risk Management Association Inc. (CORMA), and the Ohio Municipal League Workers' Compensation Group Rating Program. These organizations are discussed in Notes 19 and 20 to the basic financial statements.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Pickerington have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB statements and interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The more significant of the City's accounting policies are described below.

A. Basis of Presentation

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

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

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

B. Fund Accounting

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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

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

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

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

Tax Increment Financing Agreement Windmill/ Diley Construction Fund – This fund is used to account for revenues and expenditures associated with the extension of Windmill Drive, the realignment of Diley Road, and intersection improvements.

Diley Road Improvement Fund – This fund is used to account for loan proceeds from the State Infrastructure Bank for road construction and expenditures for the Diley Road widening project.

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

Proprietary funds Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows. Proprietary funds are classified as either enterprise or internal service. The City reports the following proprietary funds:

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

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

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

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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

Internal Service Fund – Internal Service funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The internal service fund is used to account for fuel purchased for City vehicles.

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

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

C. Measurement Focus

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

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

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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

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

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

Deferred Revenue Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2010, but which were levied to finance year 2011 operations have been recorded as deferred revenue. Payment in lieu of taxes and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

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

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

E. Budgetary Process

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The Tax Increment Financing Agreement Old Town Construction Capital Projects Fund was not budgeted because the City did not anticipate any financial activity within this fund. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the final amended certificate approved.

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

F. Cash and Cash Equivalents

Cash balances of the City's funds are maintained in a pool to improve cash management. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents."

During 2010, investments were limited to federal agency securities, nonnegotiable certificates of deposit, and the State Treasury Asset Reserve of Ohio (STAR Ohio).

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost.

The City has invested funds in STAR Ohio during 2010. 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, 2010.

Provisions of the Ohio Revised Code restrict investment procedures. During 2010, interest was distributed to the general fund, certain special revenue funds, capital projects funds, debt service funds, and enterprise funds according to City ordinances. Interest revenue credited to the general fund during 2010 amounted to \$72,750, which includes \$53,508 assigned from other City funds.

The City is responsible for a STAR Ohio account in a contractor's name which consists of retainage held on a contract. The balance in this account is presented as cash with escrow agents and represents deposits.

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

G. Receivables and Payables

Receivables and payables to be recorded on the City's financial statements are recorded to the extent that the amounts are determined material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation and in the case of receivables, collectibility.

H. Inventory of Supplies

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

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2010 are recorded as prepaid items using the consumption method recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

J. Restricted Assets

Restricted cash and cash equivalents in the General fund represent the amount of unclaimed monies not available for appropriation. Restricted cash and cash equivalents in the Water and Sewer Enterprise Funds represent resources set aside by the City for the repayment of water and sewer deposits.

K. Capital Assets and Depreciation

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest costs incurred during the construction of capital assets utilized by the enterprise fund are also capitalized.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful life of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Description	Governmental Activities	Business-Type Activities
	Estimated Lives	Estimated Lives
Building	50 years	50 -60 years
Improvements to Land Other than Buildings	20 years	20 years
Equipment	5-15 years	5-20 years
Vehicles	8 years	8 years
Infrastructure	10-50 years	65 years

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

L. Compensated Absences

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

The entire compensated absences liability is reported on the government-wide financial statements. On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the fund from which the employees who have accumulated leave are paid. The non-current portion of the liability is not reported. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

M. Accrued Liabilities and Long-Term Obligations

The City reports all payables, accrued liabilities and long-term obligations in the government-wide financial statements and it reports all payables, accrued liabilities and long-term obligations payable from proprietary funds in the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that these liabilities are due for payment during the current year. The City recognizes bonds, loans, capital leases and long-term notes as a liability in the governmental fund financial statements when due.

N. Bond Premiums and Issuance Costs

Bond issuance costs and bond premiums are deferred and amortized over the term of the bonds. Bonds payable are reported net of the applicable bond premium. Bond issuance costs are recorded as deferred charges and amortized over the term of the related debt.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

On the governmental fund financial statements, issuance costs and bonds premiums are reported in the current period. The face amount of the debt issue is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

As permitted by State statute, the City paid bond issuance costs from the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs, which were included in the determination of unrestricted net assets. Reporting both within the same element of net assets prevents one classification from being overstated while another is understated by the same amount.

O. Fund Balance Reserves

The City reserves those portions of fund balance which are legally segregated for specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, unclaimed monies, and endowments. By law, the City may not appropriate unclaimed monies until the money has remained unclaimed for five years.

P. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the constitutional provisions or through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations or other governments.

Net assets restricted for other purposes primarily include activities related to the City's parks, law enforcement, and street and state highway maintenance and repairs.

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

Q. Contributions of Capital

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

R. Internal Activity

Transfers within governmental activities on the government-wide statements are reported in the same manner as general revenues. Internal allocations of overhead expenses from one program to another or within the same program are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment should be reported as internal transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and non-operating revenues/expenses in proprietary funds.

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

S. Interfund Balances

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

T. Estimates

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

U. Operating Revenues and Expenses

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

V. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City that are either unusual in nature or infrequent in occurrence. Neither type of item occurred during 2010.

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET ASSETS

A. Changes in Accounting Principles

For 2010, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 51, “Accounting and Financial Reporting for Intangible Assets”. GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies thereby enhancing the comparability of accounting and financial reporting of such assets among state and local governments. The implementation of this statement did not result in any change to the City’s financial statements.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

B. Restatement of Net Assets

During 2010, State Infrastructure Bank Loan Proceeds in the amount of \$234,739 was misstated due to incorrect preliminary amortization schedules provided by the Ohio Department of Transportation. The restatement for the adjustment had the following effect on net assets as previously reported at December 31, 2009.

	<u>Governmental Activities</u>
Governmental Activities Net Assets as Previously Reported	\$50,110,797
Due in More Than One Year	234,739
Restated Governmental Activities Net Assets, December 31, 2009	\$50,345,536

NOTE 4 – ACCOUNTABILITY

The following funds had deficit fund balances as of December 31, 2010.

Major/Nonmajor Funds	Deficit Fund Balances
<u>Major Funds:</u>	
Tax Increment Financing Agreement Windmill/ Diley Construction	\$1,820,615
Diley Road Improvement	176,941
<u>Nonmajor Funds:</u>	
Street Construction	151,559
Police Impact Fee	27,850
Tax Increment Financing Agreement Old Town Construction	374,716
Tax Increment Financing Agreement Cycle Way Construction	5,152
Tax Increment Financing Agreement Equity Construction	76,588
Municipal Building	85,044

These deficits are the result of the recognition of payables in accordance with generally accepted accounting principles and the issuance of short-term debt to finance projects in these funds. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

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

The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual, for the General Fund and Police Major Special Revenue Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

City of Pickerington, Ohio
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The major differences between the budget basis and the GAAP basis are that:

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

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

Net Change in Fund Balances
General and Police Special Revenue Fund

	General	Police
GAAP Basis	\$499,123	\$100,076
Net Adjustment for Revenue Accruals	(81,778)	25,585
Net Adjustment for Expenditure Accruals	(118,650)	(6,334)
Beginning of Year:		
Unreported Cash	10,507	0
Fair Value Adjustment for Investments	9,523	0
End of Year:		
Unreported Cash	(519)	0
Fair Value Adjustment for Investments	(9,882)	0
Transfers Out	(177,639)	0
Advances In	230,000	0
Advances Out	(60,000)	0
Encumbrances	(34,737)	(54,330)
Budget Basis	\$265,948	\$64,997

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations describe in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio); and,
8. Securities lending agreements in which the City lends securities and the eligible institution agrees to simultaneously exchange similar securities or cash, equal value for equal value;
9. Up to twenty-five percent of the City's average portfolio may be in either of the following:
 - a. commercial paper notes in entities incorporated under the laws of Ohio or any other State that have assets exceeding five hundred million dollars rated at the time of purchase, which are rated in the highest qualification established by two nationally recognized standard rating services, which do not exceed ten percent of the value of the

City of Pickerington, Ohio
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For the Year Ended December 31, 2010

- outstanding commercial paper of the issuing corporation and which mature within 270 days after purchase;
- b. bankers acceptances eligible for purchase by the federal reserve system and which mature within 180 days after purchase.
10. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service consisting exclusively of obligations guaranteed by the United States, securities issued by a federal government agency or instrumentality, and/or highly rated commercial paper.
11. One percent of the City's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government.

Repurchase agreements, investments in derivatives, and investments in stripped principal or interest obligations that are not issued or guaranteed by the United States, are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Other than corporate notes, commercial paper, and bankers' acceptances, an investment must mature within five years from the date of settlement unless matched to a specific obligation or debt of the City. Investments must be purchased with the expectation that they will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash on Hand

At year end, the City had \$10,575 in undeposited cash on hand which is included on the financial statements of the City as part of "Equity in Pooled Cash and Cash Equivalents".

Deposits: Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$3,332,098 of the City's bank balance of \$9,401,753 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

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

City of Pickerington, Ohio
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For the Year Ended December 31, 2010

Investments: Investments are reported at fair value. As of December 31, 2010, the City had the following investments.

	Fair Value	Maturity	Percent of Total Investments	Rating	Rating Agency
Federal Home Loan Bank Bonds	\$1,942,557	3/9/2011 to 9/14/2012	53.93%	AAA	Moody's
Federal Farm Credit Bank Bonds	1,151,606	6/28/2011 to 10/12/2012	31.97%	AAA	Moody's
STAR Ohio	507,666	Average 58 Days	14.10%	AAAm	S&P
Total	<u>\$3,601,829</u>		<u>100.00%</u>		

Interest Rate Risk

The City's investment policy addresses interest rate risk to the extent that it allows the Finance Director to invest funds primarily in short-term securities so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the City, and that an investment must be purchased with the expectation that it will be held to maturity. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk

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

Concentration of Credit Risk

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

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2010 for real and public utility property taxes represents collections of 2009 taxes. Property tax payments received during 2010 for tangible personal property (other than public utility property) is for 2010 taxes.

2010 real property taxes are levied after October 1, 2010, on assessed value as of January 1, 2010, the lien date. Assessed values are established by State law at 35 percent of the appraised value. 2010 real property taxes are collected in and intended to finance 2011.

Real property taxes are payable annually and semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

City of Pickerington, Ohio
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Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2010 public utility property taxes became a lien December 31, 2009, are levied after October 1, 2010, and are collected in 2011 with real property taxes.

Tangible personal property tax revenue received during 2010 (other than public utility property tax) represents the collection of 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in 2010 were levied after October 1, 2009, on the value as of December 31, 2009.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The full tax rate for all City operations for the year ended December 31, 2010, was \$7.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based are as follows:

	2010
Real Property/ Public Utility Real	\$425,466,220
Public Utility Personal	2,034,220
General Business Personal	160,660
Total Assessed Value	\$427,661,100

The County Treasurer collects property taxes on behalf of Fairfield County, including the City of Pickerington. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2010 and for which there is an enforceable legal claim. In the General Fund and Police Special Revenue Fund, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2010 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

NOTE 8 - INCOME TAX

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

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

Income tax proceeds are used for general municipal operations, maintenance, new equipment, extension and enlargement of municipal services and facilities and capital improvements of the City of Pickerington. In 2010, the proceeds were receipted into the General Fund.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 9 - RECEIVABLES

Receivables at December 31, 2010 consisted primarily of taxes, payment in lieu of taxes, intergovernmental receivables arising from grants, entitlements and shared revenues, interest on investments, and utility accounts. All receivables except property taxes and payment in lieu of taxes are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of intergovernmental receivables follows:

<u>Governmental Activities</u>	
Homestead and Rollback	\$153,450
Local Government Subsidies	167,360
Estate Taxes	16,740
Gasoline Tax	188,264
Motor Vehicle License Tax	141,562
911 Wireless Assistance	7,607
Tangible Personal Property Reimbursement	6,722
Drug Use Prevention Grant	13,622
Miscellaneous Reimbursements	17,230
Total Governmental Activities	<u><u>\$712,557</u></u>

Payment in Lieu of Taxes

The City entered into Tax Increment Financing Agreements starting in 1997 between the City and Bob Evans Farms, Inc., Pickerington Plaza Limited Partnership, and Steak n Shake, Inc., for the purpose of constructing a movie theater, two restaurants and a retail center. Since 1997, the City has entered into five additional Tax Increment Financing Agreements with various developers for the purpose of constructing several retail and commercial centers.

To encourage these improvements, the property owners were granted an exemption from paying real property taxes on the new construction; however, the property owner is required to make payments in lieu of taxes. Payment in lieu of taxes are made to Fairfield County and distributed to the City in an amount equal to the real property taxes that otherwise would have been due in that current year. These payments are being used to finance public improvements and will continue over ten to thirty years. The City is not able to record a receivable for all future payments because the payments are based upon projected collections. A receivable has been recorded in the amount of \$1,089,317 which represents amounts measurable at December 31, 2010.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 10 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010, was as follows:

	Balance December 31, 2009	Additions	Reductions	Transfers	Balance December 31, 2010
<u>Governmental Activities:</u>					
Non-Depreciable					
Capital Assets:					
Land	\$6,228,031	\$80,905	\$0	\$0	\$6,308,936
Construction in Progress	16,703,437	1,629,760	(15,349,021)	(2,894,017)	90,159
Total Non Depreciable Capital Assets	<u>22,931,468</u>	<u>1,710,665</u>	<u>(15,349,021)</u>	<u>(2,894,017)</u>	<u>6,399,095</u>
Depreciable Capital Assets:					
Land Improvements	1,721,605	0	0	0	1,721,605
Buildings	4,924,506	17,494	0	0	4,942,000
Equipment	1,389,135	56,101	(16,024)	0	1,429,212
Infrastructure	47,596,614	15,369,421	0	0	62,966,035
Vehicles	930,433	76,956	(61,046)	0	946,343
Total Depreciable Capital Assets	<u>56,562,293</u>	<u>15,519,972</u>	<u>(77,070)</u>	<u>0</u>	<u>72,005,195</u>
Accumulated Depreciation:					
Land Improvements	(866,119)	(79,727)	0	0	(945,846)
Buildings	(1,201,598)	(94,944)	0	0	(1,296,542)
Equipment	(880,898)	(114,983)	12,686	0	(983,195)
Infrastructure	(15,367,946)	(1,734,390)	0	0	(17,102,336)
Vehicles	(683,385)	(52,634)	40,516	0	(695,503)
Total Accumulated Depreciation	<u>(18,999,946)</u>	<u>(2,076,678) *</u>	<u>53,202</u>	<u>0</u>	<u>(21,023,422)</u>
Total Depreciable Capital Assets, Net	<u>37,562,347</u>	<u>13,443,294</u>	<u>(23,868)</u>	<u>0</u>	<u>50,981,773</u>
Governmental Capital Assets, Net	<u>\$60,493,815</u>	<u>\$15,153,959</u>	<u>(\$15,372,889)</u>	<u>(\$2,894,017)</u>	<u>\$57,380,868</u>

During 2010, the City transferred water, sewer, and stormwater lines associated with the completion of the Diley Road project. These amounts are reflected as transfers on the Statement of Activities.

*Depreciation expense was charged to governmental activities as follows:

<u>Governmental Activities:</u>	
General Government	\$76,958
Security of Persons and Property	179,302
Transportation	1,766,149
Leisure Time Activities	52,644
Community Environment	1,625
Total Depreciation Expense	<u>\$2,076,678</u>

City of Pickerington, Ohio
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For the Year Ended December 31, 2010

	Balance December 31, 2009	Additions	Reductions	Transfers	Balance December 31, 2010
<u>Business - Type Activities:</u>					
Non-Depreciable Capital Assets:					
Land	\$1,416,217	\$457,600	\$0	\$0	\$1,873,817
Construction in Progress	8,943,710	5,519,550	0	0	14,463,260
Total Non Depreciable Capital Assets	<u>10,359,927</u>	<u>5,977,150</u>	<u>0</u>	<u>0</u>	<u>16,337,077</u>
Depreciable Capital Assets:					
Land Improvements	194,689	20,756	0	0	215,445
Buildings	13,235,525	26,409	0	0	13,261,934
Equipment	4,748,157	24,190	0	0	4,772,347
Infrastructure	35,675,087	26,698	0	2,894,017	38,595,802
Vehicles	363,432	60,174	0	0	423,606
Total Depreciable Capital Assets	<u>54,216,890</u>	<u>158,227</u>	<u>0</u>	<u>2,894,017</u>	<u>57,269,134</u>
Accumulated Depreciation:					
Land Improvements	(32,738)	(9,878)	0	0	(42,616)
Buildings	(3,994,352)	(249,422)	0	0	(4,243,774)
Equipment	(2,881,320)	(326,547)	0	0	(3,207,867)
Infrastructure	(5,832,269)	(571,960)	0	0	(6,404,229)
Vehicles	(274,402)	(27,787)	0	0	(302,189)
Total Accumulated Depreciation	<u>(13,015,081)</u>	<u>(1,185,594)</u>	<u>0</u>	<u>0</u>	<u>(14,200,675)</u>
Total Depreciable Capital Assets, Net	<u>41,201,809</u>	<u>(1,027,367)</u>	<u>0</u>	<u>2,894,017</u>	<u>43,068,459</u>
Business - Type Activities Capital Assets, Net	<u>\$51,561,736</u>	<u>\$4,949,783</u>	<u>\$0</u>	<u>\$2,894,017</u>	<u>\$59,405,536</u>

During 2010, developers contributed \$457,600 in land. This amount is reflected within Capital Grants and Contributions on the Statement of Activities.

NOTE 11 - DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description – The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the traditional plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the member directed plan.

City of Pickerington, Ohio
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OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units. Member contribution rates, as set in the Ohio Revised Code, are not to exceed 10 percent. For the year ended December 31, 2010, members in state and local classifications contributed 10 percent of covered payroll while public safety and law enforcement members contributed 10.5 percent and 11.1 percent, respectively. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional pension plan. For 2010, member and employer contribution rates were consistent across all three plans.

The City's 2010 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.87 percent of covered payroll. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the traditional plan was 5.5 percent from January 1 through February 28, 2010, and 5 percent from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the combined plan was 4.73 percent from January 1 through February 28, 2010, and 4.23 percent from March 1 through December 31, 2010. Employer contribution rates are actuarially determined.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2010, 2009, and 2008 were \$265,160, \$213,241 and \$228,600 respectively; 96.27 percent has been contributed for 2010 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008. Contributions to the member-directed plan for 2010 were \$26,933 made by the City and \$19,238 made by the plan members.

B. Ohio Police and Fire Pension Fund

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

Funding Policy – The City has no firefighters. The Ohio Revised Code requires plan members to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers.

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The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. The portion of employer contributions used to fund pension benefits was 12.75 percent of covered payroll for police officers. The City's pension contributions to OP&F were \$296,637 for the year ended December 31, 2010, \$227,438 for the year ended December 31, 2009, and \$238,269 for the year ended December 31, 2008. 98.52 percent has been contributed for 2010 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

NOTE 12 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System

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

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members 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. The plan includes a medical plan, prescription drug program and Medicare Part B premium reimbursement.

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 Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, state and local employers contributed at a rate of 14.0 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the traditional plan was 5.5 percent from January 1 through February 28, 2010, and 5 percent from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the combined plan was 4.73 percent from January 1 through February 28, 2010, and 4.23 percent from March 1 through December 31, 2010.

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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 the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2010, 2009, and 2008 were \$166,422, \$174,147 and \$228,600 respectively; 96.37 percent has been contributed for 2010 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

B. Ohio Police and Fire Pension Fund

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

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

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required by Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. Active members do not make contributions to the OPEB Plan.

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2009, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police were \$159,404 for the year ended December 31, 2010, \$122,193 for the year ended December 31, 2009, and \$126,143 for the year ended December 31, 2008. 98.52 percent has been contributed for police for 2010 with the balance for police being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

NOTE 13 – OTHER EMPLOYEE BENEFITS

A. Compensated Absences

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

Sick leave is earned at the rate of four and six tenths hours per eighty hours of service and can be accumulated without limit. In the case of death or retirement all employees, except Policemen, who have ten years of service, are paid fifty percent of their accumulated sick leave up to a maximum payment equal to seventy-five days. In the case of death or retirement all Policemen with ten or more years of service, are paid fifty percent of their accumulated sick leave up to a maximum of forty-five days.

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

B. Insurance Options

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

City of Pickerington, Ohio
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For the Year Ended December 31, 2010

NOTE 14 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2010, the City contracted with CORMA for the following insurance coverages:

Coverage	Limit of Insurance	Deductible
Property Insurance	\$314,697,441	\$10,000
Inland Marine		
Business Computer	8,200,000	25,000
Pipeline Distribution System	20,000,000	100,000
Contractors Equipment	38,617,317	25,000
Fine Arts	3,000,000	10,000
Commercial Umbrella Liability		
Aggregate Limit	20,000,000	25,000
Each Claim Limit	15,000,000	25,000
Commercial General Liability:		
General Aggregate Limit	2,000,000	n/a
Completed Operations Aggregate Limit	1,000,000	n/a
Commercial Auto Coverage:		
Liability	1,000,000	100,000
Comprehensive	Cash Value	25,000
Collision	Cash Value	25,000
Professional Liability Coverage		
Public Officials Errors & Omissions		
Per Occurance	1,000,000	100,000
Aggregate	1,000,000	100,000
Public Officials Employment Practices		
Per Occurance	1,000,000	100,000
Aggregate	1,000,000	100,000
Public Officials Employee Benefits Administration		
Per Occurance	1,000,000	100,000
Aggregate	2,000,000	100,000
Law Enforcement Liability		
Per Occurance	\$1,000,000	\$100,000
Aggregate	1,000,000	100,000
Commercial Crime Policy		
Public Employee Dishonesty	1,000,000	25,000
Forgery Alterations	500,000	25,000
Money & Securities on premises	100,000	25,000
Money & Securities in transit	100,000	25,000
Computer Fraud	500,000	25,000

Settlements have not exceeded coverage in any of the last four years. There has not been a significant reduction in coverage from the prior year.

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

City of Pickerington, Ohio
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The City participates in the Ohio Municipal League workers' compensation group rating plan (the Plan), an insurance purchasing pool (see Note 20). The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating municipalities is calculated as one experience in order to create a lower workers' compensation premium rate. Each municipality pays its workers' compensation premium to the State based on the rate for the Plan rather than the municipality's individual rate.

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

NOTE 15 - CAPITAL LEASES - LESSEE DISCLOSURE

The City has outstanding capital leases for copiers, a mailing machine, an aquatic recreation center and a police station facility. Each lease meets the criteria of a capital lease as defined by *Statement of Financial Accounting Standards No. 13 "Accounting for Leases"*, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures in the basic financial statements for governmental funds.

A police facility, an aquatic recreation center, and equipment acquired by lease has been capitalized in the government-wide statements governmental activities in the amount of \$4,358,760 and business-type activities in the amount of \$57,246, which is equal to the present value of the future minimum lease payments at the time of acquisition.

A corresponding liability for all capitalized assets, was recorded in the government-wide statements for governmental activities and business-type activities; respectively. Governmental activities capitalized leased assets are reflected net of accumulated depreciation in the amount of \$3,553,738. Business-type capitalized leases assets are reflected net of accumulated depreciation in the amount of \$28,623.

City of Pickerington, Ohio
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For the Year Ended December 31, 2010

The following is a schedule of capital assets acquired through capital leases at December 31, 2010 for governmental and business-type activities:

Capitalized Leased Assets	Present Value of Future Minimum Lease Payments	Less Accumulated Depreciation 12/31/2010	Net of Accumulated Depreciation
<u>Governmental Activities:</u>			
Building	\$4,300,000	(\$757,473)	\$3,542,527
Equipment	58,760	(47,549)	11,211
Total Governmental Activities	<u>4,358,760</u>	<u>(805,022)</u>	<u>3,553,738</u>
<u>Business-Type Activities:</u>			
Equipment	57,246	(28,623)	28,623
Total Business-Type Activities	<u>57,246</u>	<u>(28,623)</u>	<u>28,623</u>
Total	<u>\$4,416,006</u>	<u>(\$833,645)</u>	<u>\$3,582,361</u>

Principal payments toward governmental activities capital leases during 2010 totaled \$308,856, \$101,200 for capitalized land, \$13,800 for capitalized land improvements, \$176,000 for capitalized buildings and \$17,856 for capitalized equipment. During 2010, the City made the final principal payment on the aquatic recreation center. Principal payments toward business-type activities capital leases during 2010 totaled \$10,445 which was comprised of \$10,445 for capitalized equipment.

The following is a schedule of the future minimum lease payments at December 31, 2010 for governmental and business-type activities:

Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2011	\$191,898	\$160,815	\$11,197	\$1,855
2012	203,010	150,927	12,003	1,049
2013	212,462	140,519	8,478	223
2014	225,813	129,572	0	0
2015	236,012	118,033	0	0
2016-2020	1,406,000	396,227	0	0
2021-2022	687,000	52,773	0	0
Total	<u>\$3,162,195</u>	<u>\$1,148,866</u>	<u>\$31,678</u>	<u>\$3,127</u>

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 16 - LONG-TERM OBLIGATIONS

Changes in the City's long-term obligations during 2010 consist of the following:

	Restated Outstanding 12/31/2009	Additions	Reductions	Outstanding 12/31/2010	Amounts Due Within One Year
<u>Governmental Activities:</u>					
<u>General Obligation Bonds:</u>					
Street Improvement					
2004 - \$1,550,000					
Serial Bonds - 5.00%	\$1,300,000	\$0	\$60,000	\$1,240,000	\$65,000
Bond Premium	13,871	0	897	12,974	0
Total General Obligation Bonds	1,313,871	0	60,897	1,252,974	65,000
<u>Long-Term Bond Anticipation Notes:</u>					
<u>2009 - \$8,339,000 Various Purpose - 2.0%</u>					
Courtright Road Realignment/ Downtown					
Streetscape/ Diley Road Improvement - \$2,000,000	1,700,000	0	1,700,000	0	0
Municipal Building Improvement - \$180,000	130,000	0	130,000	0	0
Police Facility - \$240,000	200,000	0	200,000	0	0
Center Street Property - \$375,000	350,000	0	350,000	0	0
Traffic Control Devices - \$235,000	200,000	0	200,000	0	0
Street Improvement - \$270,000	200,000	0	200,000	0	0
<u>2010 - \$8,462,000 Various Purpose - 1.25%</u>					
Courtright Road Realignment/ Downtown					
Streetscape/ Diley Road Improvement - \$1,700,000	0	1,550,000	0	1,550,000	0
Municipal Building Improvement - \$130,000	0	70,000	0	70,000	0
Police Facility - \$200,000	0	150,000	0	150,000	0
Center Street Property - \$350,000	0	325,000	0	325,000	0
Traffic Control Devices - \$200,000	0	200,000	0	200,000	0
Total Long-Term Bond Anticipation Notes	2,780,000	2,295,000	2,780,000	2,295,000	0
<u>Long-Term Loans:</u>					
Diley Road Improvement					
State Infrastructure Bank Loan - 2005					
\$7,737,113 - 3.00%	6,283,561	258,967	544,851	5,997,677	574,816
Total Long-Term Loans	6,283,561	258,967	544,851	5,997,677	574,816
Compensated Absences	643,360	300,959	268,615	675,704	214,304
Capital Leases Payable	3,454,802	16,249	308,856	3,162,195	191,898
Settlements Payable	0	312,500	0	312,500	150,000
Total Governmental Activities	\$14,475,594	\$3,183,675	\$3,963,219	\$13,696,050	\$1,196,018

(continued)

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

	Outstanding 12/31/2009	Additions	Reductions	Outstanding 12/31/2010	Amounts Due Within One Year
<u>Business-Type Activities:</u>					
<u>General Obligation Bonds:</u>					
Water System Improvement Various Purpose					
Utility General Obligation Refunding Bonds					
2003 - \$1,210,000					
Serial Bonds - 1.50 - 3.625%	\$555,000	\$0	\$100,000	\$455,000	\$110,000
Bond Premium	3,426	0	588	2,838	0
Deferred Amount on Refunding	(48,003)	0	(8,230)	(39,773)	0
Wastewater Treatment Plant Various Purpose					
Utility General Obligation Refunding Bonds					
2003 - \$2,165,000					
Serial Bonds - 1.50 - 3.625%	1,090,000	0	170,000	920,000	170,000
Bond Premium	4,671	0	683	3,988	0
Deferred Amount on Refunding	(118,864)	0	(17,395)	(101,469)	0
Sanitary Sewer Improvement Bonds					
1999 - \$2,850,000					
Serial Bonds - 4.85%	2,020,000	0	100,000	1,920,000	110,000
Total General Obligation Bonds	3,506,230	0	345,646	3,160,584	390,000
<u>Long-Term Bond Anticipation Notes:</u>					
<u>2009 - \$8,339,000 Various Purpose - 2.0%</u>					
Water Plant - \$2,200,000	1,700,000	0	1,700,000	0	0
Sewer D-Line II, III, & IV and Sewer Plant Engineer - \$1,500,000	1,093,000	0	1,093,000	0	0
Wastewater Plant Engineering - \$625,000	500,000	0	500,000	0	0
Storm Drainage Improvements - \$539,000	389,000	0	389,000	0	0
<u>2010 - \$8,462,000 Various Purpose - 1.25%</u>					
Water Plant - \$1,700,000	0	1,200,000	0	1,200,000	0
Sewer D-Line II, III, & IV and Sewer Plant Engineer - \$1,093,000	0	700,000	0	700,000	0
Storm Drainage Improvements - \$389,000	0	189,000	0	189,000	0
Water Tower - \$2,000,000	0	1,900,000	0	1,900,000	0
Total Long-Term Bond Anticipation Notes	3,682,000	3,989,000	3,682,000	3,989,000	0
<u>OWDA Loans:</u>					
1973 - OWDA Loan \$440,864 - 6.25%	92,676	0	24,433	68,243	25,960
2001 - OWDA Loan \$819,398 - 4.64%	577,664	0	36,940	540,724	38,674
2008 - OWDA Loan \$10,921,998 - 3.30%	6,926,254	3,995,744	0	10,921,998	221,056
Total OWDA	7,596,594	3,995,744	61,373	11,530,965	285,690
Compensated Absences Payable	168,415	83,271	75,273	176,413	68,011
Capital Leases Payable	42,123	0	10,445	31,678	11,197
Total Business-Type Activities	\$14,995,362	\$8,068,015	\$4,174,737	\$18,888,640	\$754,898

City of Pickerington, Ohio
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Governmental Activities:

General Obligation Bonds

The 2004 street improvement general obligation serial bonds were issued for the purpose of improving Courtright and Diley roads, realigning East Street, and constructing sidewalks, curbs and gutters on Refugee and Hill roads. The general obligation bonds were sold at a premium of \$18,845, which will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$26,380 are deferred and will be amortized over the term of the bonds.

Bonds maturing December 1, 2012, are subject to mandatory sinking fund redemption on December 1, 2011 in the principal amount of \$65,000 plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$65,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing December 1, 2014, are subject to mandatory sinking fund redemption on December 1, 2013 in the principal amount of \$70,000 plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$70,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing December 1, 2016, are subject to mandatory sinking fund redemption on December 1, 2015 in the principal amount of \$75,000 plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$80,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing December 1, 2018, are subject to mandatory sinking fund redemption on December 1, 2017 in the principal amount of \$85,000 plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$90,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing December 1, 2021, are subject to mandatory sinking fund redemption on December 1, 2019, and on each December 1 thereafter at 100% of the principal amount thereof plus accrued interest to the date of redemption, according to the following schedule:

<u>Year</u>	<u>Principal Amount to be Redeemed</u>
2019	\$95,000
2020	95,000
	<u>\$190,000</u>

Unless otherwise called for redemption, the remaining \$105,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing December 1, 2024, are subject to mandatory sinking fund redemption on December 1, 2022, and on each December 1 thereafter at 100% of the principal amount thereof plus accrued interest to the date of redemption according to the following schedule:

<u>Year</u>	<u>Principal Amount to be Redeemed</u>
2022	\$110,000
2023	115,000
	<u>\$225,000</u>

Unless otherwise called for redemption, the remaining \$120,000 principal amount of such bonds is to be paid at stated maturity.

City of Pickerington, Ohio
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Bonds maturing after December 1, 2014, are subject to optional redemption, in whole or in part, at the option of the City, in inverse order of maturity, in integral multiples of \$5,000 and by lot within a maturity, on any date commencing December 1, 2014, at the redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date.

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

Year	Street Improvement General Obligation Bonds		
	Principal	Interest	Total
2011	\$65,000	\$62,000	\$127,000
2012	65,000	58,750	123,750
2013	70,000	55,500	125,500
2014	70,000	52,000	122,000
2015	75,000	48,500	123,500
2016-2020	445,000	181,250	626,250
2021-2024	450,000	57,500	507,500
Total	\$1,240,000	\$515,500	\$1,755,500

Long-Term Bond Anticipation Notes

The various purpose bond anticipation notes issued on February 3, 2010, for \$8,462,000 mature on February 3, 2011. The various purpose bond anticipation notes issued include \$2,780,000 in governmental bond anticipation notes and \$5,682,000 in business-type bond anticipation notes. Governmental bond anticipation notes in the amount of \$2,295,000 represent the long-term portion that was refinanced prior to the issuance of the financial statements. The remaining \$485,000 in governmental bond anticipation notes are reported as short-term notes payable in Note 17. The business-type portion of this bond anticipation note is addressed below in the business-type activity section of this note.

The various purpose long-term governmental bond anticipation notes include the following: \$1,550,000 street improvement bond anticipation notes were issued for the purpose of paying part of the costs of constructing street improvements in the City, including improvements to Diley Road, the Courtright Road realignment, and streets, sidewalks, curbs and gutters, and other street improvements in the downtown area; \$70,000 municipal building bond anticipation notes were issued for the purpose of paying part of the cost of constructing and acquiring improvements and renovations to the City Hall and Building Department Buildings; \$150,000 police facility bond anticipation notes were issued for the purpose of paying part of the costs of acquiring, constructing, equipping and furnishing a police building; \$325,000 Center Street property bond anticipation notes were issued for the purpose of paying part of the costs of acquiring real property for purposes of the City; and \$200,000 traffic control bond anticipation notes were issued for the purpose of paying part of the cost of acquiring and installing traffic control devices and related street improvements. The long-term portion governmental bond anticipation notes were refinanced on February 3, 2010. See Note 23.

Long-Term Loans

On October 19, 2005, the City entered into a State Infrastructure Bank Loan agreement with the Ohio Department of Transportation in the amount of \$7,737,113 for the purpose of financing the Diley Road Widening and Realignment Project. The City is pledging municipal income tax revenues, motor vehicle license tax funds, motor vehicle gasoline tax funds, stormwater utility fees, sewer utility capacity fees, and

City of Pickerington, Ohio
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water utility capacity fees. During 2010, the City drew down \$258,967 in loan proceeds. Once the terms of the loan are finalized the Ohio Department of Transportation will provide an amortization schedule of future principal and interest requirements.

Compensated Absences Payable

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

Capital Leases Payable

The City has outstanding capital leases for copiers and a police facility. These leases will be repaid through the General Fund, the Police Special Revenue Fund, and the Police Impact Fee Capital Projects Fund.

Settlements Payable

On August 19, 2010, the Viola Park lawsuit was settled for \$1,712,500 of which \$1,200,000 was covered by the City's professional liability insurance, and the remaining \$512,500 is payable by the City. During 2010, the City made a payment in the amount of \$200,000. The remaining \$312,500 will be paid over the next two years with \$150,000 due by January 31, 2011 and \$162,500 due by January 31, 2012. The settlement will be repaid through the General Fund.

Business-Type Activities:

General Obligation Bonds

The 2003 various purpose utility general obligation refunding bonds originally were issued in the amount of \$3,375,000 with interest rates varying from 1.5 percent to 3.6 percent. The proceeds were used to refund the 1994 water system improvement general obligation bonds in the amount of \$1,095,000 and 1995 wastewater treatment plant improvement general obligation bonds in the amount of \$1,910,000. The general obligation refunding bonds were sold at a premium of \$15,935, which will be amortized over the life of the bonds. Issuance costs associated with the bond issue were \$64,662 and are deferred and will be amortized over the life of the bond issue. These refunding bonds will be repaid from Water and Sewer Enterprise Fund revenues.

The advance refunding resulted in a difference between the net carrying amount of the debt and the acquisition price. This difference, reported in the accompanying financial statements as an increase to bonds payable, is being amortized to interest expense through the year 2014 for the water system improvement general obligation bonds and through the year 2015 for the wastewater treatment plant improvement general obligation bonds using the straight-line method. The total amount amortized for 2010 is \$25,625.

The 1999 sanitary sewer improvement general obligation bonds, originally issued in the amount of \$2,850,000 with an interest rate of 4.85 percent, were issued for the purpose of retiring the bond anticipation notes previously issued for the purpose of acquiring and constructing a sanitary sewer system. These general obligation bonds will be paid from Sewer Enterprise revenues.

Principal and interest requirements to retire the City's general obligation bonds payable from the Sewer and Water Enterprise Funds outstanding at December 31, 2010 were:

City of Pickerington, Ohio
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Year	Sewer General Obligation Bonds		Water General Obligation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$280,000	\$125,752	\$110,000	\$16,045	\$390,000	\$141,797
2012	290,000	114,468	110,000	12,195	400,000	126,663
2013	305,000	102,832	115,000	8,345	420,000	111,177
2014	320,000	90,538	120,000	4,320	440,000	94,858
2015	320,000	77,455	0	0	320,000	77,455
2016-2020	765,000	251,232	0	0	765,000	251,232
2021-2023	560,000	55,290	0	0	560,000	55,290
Total	<u>\$2,840,000</u>	<u>\$817,567</u>	<u>\$455,000</u>	<u>\$40,905</u>	<u>\$3,295,000</u>	<u>\$858,472</u>

Long-Term Bond Anticipation Notes

The various purpose bond anticipation notes issued on February 3, 2010, for \$8,462,000 mature on February 3, 2011. The various purpose bond anticipation notes issued include \$5,682,000 in business-type bond anticipation notes and \$2,780,000 in governmental bond anticipation notes. Business-type bond anticipation notes in the amount of \$3,989,000 represent the long-term portion that was refinanced prior to the issuance of the financial statements. The remaining \$1,693,000 in business-type bond anticipation notes are reported as short-term notes payable and are presented in the short-term obligations Note 17.

The various purpose long-term business-type bond anticipation notes include the following: the \$1,200,000 water system bond anticipation notes were issued for the purpose of water system improvements; the \$700,000 bond anticipation notes were issued for the purpose of paying construction costs related to the D-Line Sewer Project and engineering costs related to the Sycamore Creek E-Line Sewer Project; the \$189,000 bond anticipation notes were issued for the purpose of paying part of the costs of storm drainage improvements; and \$1,900,000 for the purpose of paying construction costs related to a new water tower. The long-term portion business-type bond anticipation notes were refinanced on February 3, 2011. See Note 23.

OWDA Loans

As of December 31, 2008, the City has been approved for up to \$12,384,511 for an OWDA Wastewater Treatment Plant loan. As of December 31, 2010 the City has received \$10,921,998 in loan proceeds, \$1,462,513 remains available for financing. During 2010, the City drew down \$3,995,744 in loan proceeds. Amortization schedules for the Wastewater Treatment Plant loan will not be available until the entire amount of the loan has been drawn down or the project is complete.

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay \$12,182,260 in sewer system OWDA Loans issued in 1973, 2001, and 2008. Proceeds from these loans provided financing for various sewer projects. The loans are payable solely from sewer customer net revenues and are payable through 2021. Annual principal and interest payments on the loans are expected to require less than 19.89 percent of net revenues. The total principal and interest remaining to be paid on the loans is \$772,087 related to finalized terms and amortization schedules. Principal and interest paid for the current year and total customer net revenues were \$93,546 and \$1,861,038, respectively.

City of Pickerington, Ohio
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Principal and interest requirements to retire the City's OWDA loans outstanding at December 31, 2010 were:

Year	OWDA	
	Principal	Interest
2011	\$64,634	\$28,911
2012	68,072	25,473
2013	57,087	21,346
2014	44,379	18,941
2015	46,462	16,858
2016-2020	267,146	49,454
2021	61,187	2,137
Total	\$608,967	\$163,120

Compensated Absences Payable

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

Capital Leases Payable

The City has an outstanding capital lease for a mailing machine. This lease will be repaid from the Water and Sewer Enterprise Funds.

Legal Debt Margin

As of December 31, 2010, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$32,646,361.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
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NOTE 17 – SHORT-TERM OBLIGATIONS

A summary of the short-term note transactions for the year ended December 31, 2010, follows:

<u>Governmental Activities:</u>	Outstanding 12/31/2009	Issued	Retired	Outstanding 12/31/2010
<u>Revenue Anticipation Notes:</u>				
TIF Cover - 2010 - \$87,500 - 3.03%	\$131,250	\$87,500	\$131,250	\$87,500
TIF Hill Road and TIF Old Town - 2010 - \$371,000 - 3.03%	371,000	371,000	371,000	371,000
TIF Cycle Way - 2010 - \$25,000 - 3.03%	175,000	25,000	175,000	25,000
TIF Windmill/ Diley Road 2010 - \$1,775,000 - 3.03%	1,950,000	1,775,000	1,950,000	1,775,000
Total Revenue Anticipation Notes	<u>2,627,250</u>	<u>2,258,500</u>	<u>2,627,250</u>	<u>2,258,500</u>
<u>Bond Anticipation Notes:</u>				
<u>2009 - \$8,339,000 Various Purpose - 2.0%</u>				
Courtright Road Realignment/ Downtown				
Streetscape/ Diley Road Improvement - \$2,000,000	300,000	0	300,000	0
Land Acquisition - \$175,000	175,000	0	175,000	0
Municipal Building Improvement - \$180,000	50,000	0	50,000	0
Police Facility - \$240,000	40,000	0	40,000	0
Center Street Property - \$375,000	25,000	0	25,000	0
Traffic Control Devices - \$235,000	35,000	0	35,000	0
Street Improvement - \$270,000	70,000	0	70,000	0
<u>2010 - \$8,462,000 Various Purpose - 1.25%</u>				
Courtright Road Realignment/ Downtown				
Streetscape/ Diley Road Improvement - \$1,700,000	0	150,000	0	150,000
Municipal Building Improvement - \$180,000	0	60,000	0	60,000
Police Facility - \$240,000	0	50,000	0	50,000
Center Street Property - \$375,000	0	25,000	0	25,000
Street Improvement - \$270,000	0	200,000	0	200,000
Total Bond Anticipation Notes	<u>695,000</u>	<u>485,000</u>	<u>695,000</u>	<u>485,000</u>
Total Governmental Activities	<u>3,322,250</u>	<u>2,743,500</u>	<u>3,322,250</u>	<u>2,743,500</u>
<u>Business - Type Activities:</u>				
<u>Bond Anticipation Notes:</u>				
<u>2009 - \$8,339,000 Various Purpose - 2.0%</u>				
Water Plant - \$2,200,000	500,000	0	500,000	0
Sewer D-Line II, III, & IV and Sewer Plant Engineer - \$1,500,000	407,000	0	407,000	0
Wastewater Plant Engineering - \$625,000	125,000	0	125,000	0
Storm Drainage Improvements - \$539,000	150,000	0	150,000	0
<u>2010 - \$8,462,000 Various Purpose - 1.25%</u>				
Water Plant - \$1,700,000	0	500,000	0	500,000
Sewer D-Line II, III, & IV and Sewer Plant Engineer - \$1,093,000	0	393,000	0	393,000
Wastewater Plant Engineering - \$500,000	0	500,000	0	500,000
Storm Drainage Improvements - \$389,000	0	200,000	0	200,000
Water Tower - \$2,000,000	0	100,000	0	100,000
Total Bond Anticipation Notes	<u>1,182,000</u>	<u>1,693,000</u>	<u>1,182,000</u>	<u>1,693,000</u>
Total Business-Type Activities	<u>1,182,000</u>	<u>1,693,000</u>	<u>1,182,000</u>	<u>1,693,000</u>
Total All Types	<u>\$4,504,250</u>	<u>\$4,436,500</u>	<u>\$4,504,250</u>	<u>\$4,436,500</u>

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Governmental Activities:

Revenue Anticipation Notes

The TIF Cover revenue anticipation notes issued on September 3, 2010, for \$87,500 will mature on September 2, 2011. These revenue anticipation notes retired the \$131,250 TIF Cover revenue anticipation notes issued on September 4, 2009. These notes were issued for the purpose of constructing street and traffic signal improvements in the State Route 256/ Stonecreek Drive area of the City.

The TIF Hill Road and TIF Old Town revenue anticipation notes issued on September 3, 2010, for \$371,000 will mature on September 2, 2011. These revenue anticipation notes retired the \$371,000 TIF 256/204, TIF Hill Road, TIF Old Town revenue anticipation notes issued on September 4, 2009. These notes were issued for the purpose of constructing street improvements on Hill Road and Blacklick-Eastern Road, which includes the Hill Road connector, widening streets, traffic control devices, sidewalks, curbs and gutters.

The TIF Cycle Way revenue anticipation notes issued on September 3, 2010, for \$25,000 will mature on September 2, 2011. These revenue anticipation notes retired the \$175,000 TIF Cycle Way revenue anticipation notes issued on September 4, 2009. These notes were issued for the purpose of constructing street improvements in the Cycle Way area.

The TIF Windmill/ Diley Road revenue anticipation notes issued on September 3, 2010, for \$1,775,000 will mature on September 2, 2011. These revenue anticipation notes retired the \$1,950,000 TIF Windmill/ Diley revenue anticipation notes issued on September 4, 2009. These notes were issued for the purpose of street improvements in the Windmill/ Diley Road areas including constructing turn lane improvements for State Route 256 to establish an exit point for the realignment of Diley Road.

The City is utilizing tax increment financing revenues as repayment for these revenue anticipation notes. The revenue anticipation notes are backed by the full faith and credit of the City.

Bond Anticipation Notes

The various purpose bond anticipation notes issued on February 3, 2010, for \$8,462,000 mature on February 3, 2011. The various purpose bond anticipation notes issued include \$2,780,000 in governmental bond anticipation notes and \$5,682,000 in business-type bond anticipation notes. On February 2, 2011, the City refinanced the governmental bond anticipation notes and rolled \$2,295,000 into notes maturing on February 2, 2012 and they are presented in the long-term obligation Note 16. The remaining \$485,000 governmental bond anticipation notes are considered short-term notes payable as of December 31, 2010.

Business-Type Activities:

Bond Anticipation Notes

The various purpose bond anticipation notes issued on February 3, 2010, for \$8,462,000 mature on February 3, 2011. As mentioned above \$5,682,000 represents the business-type portion of the outstanding bond anticipation notes. On February 2, 2011, the City refinanced the business-type bond anticipation notes and rolled \$3,989,000 into notes maturing on February 2, 2012, and they are presented in the long-term obligation Note 16. The remaining \$1,693,000 business-type bond anticipation notes are considered short-term notes payable as of December 31, 2010.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 18 - SIGNIFICANT CONTRACTUAL OBLIGATIONS

As of December 31, 2010 the City had the following material contractual purchase commitments. The amount for each project is as follows:

Source	Fund	Purchase Commitments	Amount Paid as of December 31, 2010	Amount Remaining on Contracts
Water System Study	Water Fund	\$50,000	\$24,476	\$25,524
Sanitary Sewer Master Plan	Sewer Fund	75,000	50,762	24,238
TDS Treatment	Water Capital Improvement	140,000	82,175	57,825
Wastwater Treatment Plant	Water Pollution Control	797,701	796,800	901
SR 256 Water Tower	Water Tower Construction	1,868,050	669,233	1,198,817
Total		<u>\$2,930,751</u>	<u>\$1,623,446</u>	<u>\$1,307,305</u>

NOTE 19 - JOINTLY GOVERNED ORGANIZATIONS

A. Fairfield-Hocking Major Crimes Unit

The City is a participant in the Fairfield Hocking Major Crimes Unit, a jointly governed organization. The organization is composed of an operating board which consists of seven members: the Fairfield County sheriff and prosecuting attorney, the Hocking County sheriff and prosecuting attorney, and the chiefs of police from the City of Pickerington, the City of Lancaster, and the City of Logan. The purpose of the organization is to provide additional police protection to the citizens of Fairfield and Hocking Counties and to reduce the influence and affects of illegal drug trafficking activities and other major crimes. The City made no contributions to the Fairfield Hocking Major Crimes Unit during 2010.

B. Fairfield County Regional Planning Commission

The City is a participant in the Fairfield County Regional Planning Commission, a statutorily created political subdivision of the State. Fairfield County, its municipalities, and its townships jointly govern the Commission. All of the County Commissioners are members of the 48-member board, and the County appoints seven of the members of the board. Each member's control over the operation of the Commission is limited to its representation of the board. The Commission makes studies, maps, plans, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the County. The City contributed \$1,947 to the Commission during 2010.

C. Mid-Ohio Regional Planning Commission (MORPC)

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. The organization is composed of 74 representatives appointed by member governments who make up the Commission, the policy-making body of the organization, and the oversight board. MORPC is a voluntary association of local governments in central and south central Ohio and a regional planning agency whose membership includes 42 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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. The City contributed \$6,775 in membership dues to the Mid-Ohio Regional Planning Commission during 2010.

NOTE 20 - POOLS

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

The Central Ohio Risk Management Association Inc. (CORMA) is a shared risk pool which is administered by four cities in Central Ohio. Its present members in addition to the City of Pickerington are the Cities of Dublin, Grove City, Upper Arlington and Westerville. CORMA was formed as an Ohio non-profit corporation for the purpose of establishing the CORMA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Each member has a representative on the Board of Trustees that approve bylaws, establish policies and contract with service providers for the best savings. Member cities agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORMA. Coverage includes comprehensive general liability, property insurance, crime insurance, employee benefits liability, law enforcement liability, public officials' liability, automotive liability, and healthcare professional liability.

B. Ohio Municipal League Workers' Compensation Group Rating Program

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

NOTE 21 - CONTINGENT LIABILITIES

A. Litigation

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

B. Federal and State Grants

For the period January 1, 2010 to December 31, 2010 the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 22 - INTERFUND ACTIVITY

Interfund transfers during 2010, consisted of the following:

	Transfer to				Totals
	Major Funds			Other	
<u>Transfer from</u>	Police	Debt Service	Diley Road Improvement	Nonmajor Governmental	
Major Funds:					
General Fund	\$2,150,000	\$774,338	\$71,890	\$546,046	\$3,542,274
Debt Service	0	0	0	51,620	51,620
Diley Road Improvement	0	200,000	0	0	200,000
Other Nonmajor					
Governmental	0	622,978	0	0	622,978
Totals	<u>\$2,150,000</u>	<u>\$1,597,316</u>	<u>\$71,890</u>	<u>\$597,666</u>	<u>\$4,416,872</u>

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

Interfund balances at December 31, 2010, consist of the following individual interfund receivables and payables:

	<u>Interfund Receivable</u>
	Major Fund
	General
<u>Interfund Payable</u>	
Major Funds:	
Tax Increment Financing	
Windmill/ Diley Construction	\$60,000
Water	77
Sewer	989
Totals	<u>\$61,066</u>

The General Fund loaned \$60,000 to the Tax Increment Financing Windmill/ Diley Construction Capital Projects Fund for a debt service rollover which resulted from delinquent payment in lieu of taxes revenue due to the City. In addition, the City's engineering department provided construction observation services in the amount of \$1,066 to the water and sewer departments for the water tower project and the wastewater plant project.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 23 - SUBSEQUENT EVENTS

On February 2, 2011, the City issued various purpose bond anticipation notes in the amount of \$6,284,000, with an interest rate of 1.25 percent which will mature on February 2, 2012. Of this various purpose issue the City made a principal payment in the amount of \$150,000 on the \$1,700,000 street improvement bond anticipation notes dated February 3, 2010, and rolled the remaining balance of \$1,550,000. The City made a principal payment in the amount of \$60,000 on the municipal building improvements bond anticipation notes dated February 3, 2010, and rolled the remaining balance of \$70,000. The City made a principal payment in the amount of \$50,000 on the \$200,000 police facility bond anticipation notes dated February 3, 2010, and rolled the remaining balance of \$150,000. The City made a principal payment in the amount of \$25,000 on the Center Street property bond anticipation notes dated February 3, 2010, and rolled the remaining balance of \$325,000. The City rolled the traffic control devices bond anticipation notes dated February 3, 2010, in the amount of \$200,000. The City made a principal payment in the amount of \$200,000 on the street improvement bond anticipation notes dated February 3, 2010. The City made a principal payment in the amount of \$500,000 on the water plant bond anticipation notes dated February 3, 2010, and rolled the remaining balance of \$1,200,000. The City made a principal payment in the amount of \$393,000 on the sewer D-Line and sewer plant engineer bond anticipation notes dated February 3, 2010, and rolled the remaining balance of \$700,000. The City rolled the wastewater plant engineering bond anticipation notes dated February 3, 2010, in the amount of \$500,000. The City made a principal payment in the amount of \$200,000 on the storm drainage improvement bond anticipation notes dated February 3, 2010, and rolled the remaining balance of \$189,000. The City made a principal payment in the amount of \$100,000 on the water tower bond anticipation notes dated February 3, 2010, and rolled the remaining balance of \$1,900,000.

On February 2, 2011, the City current refunded the 1999 sanitary sewer system improvement bonds in the amount of \$1,955,000.

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**Combining Statements
and
Individual Fund Schedules**

GENERAL FUND

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

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		Actual	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Property and Other Taxes	\$935,000	\$935,000	\$968,961	\$33,961
Municipal Income Taxes	4,758,806	4,758,806	4,707,894	(50,912)
Charges for Services	97,000	97,000	275,841	178,841
Licenses and Permits	230,345	230,384	397,935	167,551
Fines and Forfeitures	141,000	141,000	161,416	20,416
Intergovernmental	573,132	495,150	537,752	42,602
Interest	85,150	85,020	92,091	7,071
Rent	0	0	850	850
Contributions and Donations	18,000	18,000	14,136	(3,864)
Other	210,763	209,724	327,422	117,698
<i>Total Revenues</i>	<u>7,049,196</u>	<u>6,970,084</u>	<u>7,484,298</u>	<u>514,214</u>
Expenditures				
Current:				
General Government				
Council				
Personal Services	128,950	128,950	107,864	21,086
Contractual Services	27,448	27,448	9,354	18,094
Materials and Supplies	1,000	1,000	368	632
Total Council	<u>157,398</u>	<u>157,398</u>	<u>117,586</u>	<u>39,812</u>
Mayor				
Personal Services	42,255	42,255	39,793	2,462
Contractual Services	3,813	3,813	1,788	2,025
Materials and Supplies	3,817	3,817	2,593	1,224
Total Mayor	<u>49,885</u>	<u>49,885</u>	<u>44,174</u>	<u>5,711</u>
City Manager				
Personal Services	100,700	99,300	85,535	13,765
Contractual Services	2,150	3,550	930	2,620
Materials and Supplies	900	900	824	76
Total City Manager	<u>103,750</u>	<u>103,750</u>	<u>87,289</u>	<u>16,461</u>
Receptionist				
Personal Services	122,125	122,125	115,731	6,394
Materials and Supplies	900	900	386	514
Total Receptionist	<u>123,025</u>	<u>123,025</u>	<u>116,117</u>	<u>6,908</u>
Facilities Operations Administration				
Personal Services	55,600	55,600	53,859	1,741
Contractual Services	1,000	1,000	143	857
Materials and Supplies	4,000	4,000	2,251	1,749
Total Facilities Operations Administration	<u>60,600</u>	<u>60,600</u>	<u>56,253</u>	<u>4,347</u>
Personnel Department				
Personal Services	81,250	89,750	86,641	3,109
Contractual Services	18,260	18,285	15,919	2,366
Materials and Supplies	2,673	2,648	2,407	241
Total Personnel Department	<u>\$102,183</u>	<u>\$110,683</u>	<u>\$104,967</u>	<u>\$5,716</u>

(continued)

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Public Information				
Contractual Services	\$31,017	\$76,617	\$39,097	\$37,520
Materials and Supplies	300	300	0	300
Total Public Information	<u>31,317</u>	<u>76,917</u>	<u>39,097</u>	<u>37,820</u>
Land and Buildings				
Contractual Services	245,398	284,398	211,673	72,725
Materials and Supplies	57,354	58,854	44,496	14,358
Capital Outlay	45,250	12,750	12,257	493
Total Land and Buildings	<u>348,002</u>	<u>356,002</u>	<u>268,426</u>	<u>87,576</u>
Engineer				
Personal Services	265,500	265,500	250,789	14,711
Contractual Services	49,250	60,250	40,510	19,740
Materials and Supplies	5,000	9,000	6,464	2,536
Total Engineer	<u>319,750</u>	<u>334,750</u>	<u>297,763</u>	<u>36,987</u>
Law Director				
Contractual Services	<u>338,323</u>	<u>368,323</u>	<u>351,700</u>	<u>16,623</u>
Mayor's Court Clerk				
Personal Services	76,755	76,755	73,494	3,261
Contractual Services	32,740	32,740	30,709	2,031
Materials and Supplies	6,500	6,500	3,140	3,360
Total Mayor's Court Clerk	<u>115,995</u>	<u>115,995</u>	<u>107,343</u>	<u>8,652</u>
Administrative Assistant				
Personal Services	50,550	50,550	49,068	1,482
Materials and Supplies	525	525	509	16
Total Administrative Assistant	<u>51,075</u>	<u>51,075</u>	<u>49,577</u>	<u>1,498</u>
Finance Director				
Personal Services	324,520	337,020	310,871	26,149
Contractual Services	342,946	342,946	284,138	58,808
Materials and Supplies	20,000	20,000	12,612	7,388
Total Finance Director	<u>687,466</u>	<u>699,966</u>	<u>607,621</u>	<u>92,345</u>
Municipal Clerk				
Personal Services	72,969	78,419	75,559	2,860
Contractual Services	800	800	244	556
Materials and Supplies	3,500	2,500	1,183	1,317
Total Municipal Clerk	<u>\$77,269</u>	<u>\$81,719</u>	<u>\$76,986</u>	<u>\$4,733</u>

(continued)

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous				
Personal Services	\$16,500	\$17,500	\$17,349	\$151
Contractual Services	55,000	263,131	257,385	5,746
Total Miscellaneous	<u>71,500</u>	<u>280,631</u>	<u>274,734</u>	<u>5,897</u>
Other General Government				
Election Expenses	8,500	6,600	6,600	0
Auditor and Treasurer Fees	43,500	42,200	39,951	2,249
Miscellaneous Dues	23,408	17,408	17,071	337
Total Other General Government	<u>75,408</u>	<u>66,208</u>	<u>63,622</u>	<u>2,586</u>
Total General Government	<u>2,712,946</u>	<u>3,036,927</u>	<u>2,663,255</u>	<u>373,672</u>
Security of Persons and Property				
Street Lighting				
Contractual Services	87,500	88,500	87,995	505
Materials and Supplies	250	12,750	4,000	8,750
Total Security of Persons and Property	<u>87,750</u>	<u>101,250</u>	<u>91,995</u>	<u>9,255</u>
Transportation				
Capital Outlay	125,000	135,000	135,000	0
Total Transportation	<u>125,000</u>	<u>135,000</u>	<u>135,000</u>	<u>0</u>
Leisure Time Activities				
Contractual Services	30,000	36,400	28,493	7,907
Total Leisure Time Activities	<u>30,000</u>	<u>36,400</u>	<u>28,493</u>	<u>7,907</u>
Public Health Services				
Contractual Services	91,750	102,750	93,643	9,107
Materials and Supplies	7,500	7,500	0	7,500
Total Public Health Services	<u>99,250</u>	<u>110,250</u>	<u>93,643</u>	<u>16,607</u>
Community Environment				
Development Department				
Personal Services	89,000	94,200	72,778	21,422
Contractual Services	1,500	16,500	15,496	1,004
Materials and Supplies	1,500	1,500	82	1,418
Total Development Department	<u>92,000</u>	<u>112,200</u>	<u>88,356</u>	<u>23,844</u>
Building Inspection				
Personal Services	247,850	261,200	247,967	13,233
Contractual Services	389,042	387,567	81,065	306,502
Materials and Supplies	3,500	4,975	4,533	442
Total Building Inspection	<u>\$640,392</u>	<u>\$653,742</u>	<u>\$333,565</u>	<u>\$320,177</u>

(continued)

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Planning and Zoning				
Personal Services	\$219,200	\$224,700	\$215,758	\$8,942
Contractual Services	49,951	48,551	15,711	32,840
Materials and Supplies	7,200	8,600	2,661	5,939
Total Planning and Zoning	<u>276,351</u>	<u>281,851</u>	<u>234,130</u>	<u>47,721</u>
<i>Total Community Environment</i>	<u>1,008,743</u>	<u>1,047,793</u>	<u>656,051</u>	<u>391,742</u>
<i>Total Expenditures</i>	<u>4,063,689</u>	<u>4,467,620</u>	<u>3,668,437</u>	<u>799,183</u>
<i>Excess of Revenues Over Expenditures</i>	<u>2,985,507</u>	<u>2,502,464</u>	<u>3,815,861</u>	<u>1,313,397</u>
Other Financing Source (Uses)				
Advances In	0	0	230,000	230,000
Advances Out	0	(60,000)	(60,000)	0
Transfers Out	<u>(3,883,716)</u>	<u>(3,740,565)</u>	<u>(3,719,913)</u>	<u>20,652</u>
<i>Total Other Financing Source (Uses)</i>	<u>(3,883,716)</u>	<u>(3,800,565)</u>	<u>(3,549,913)</u>	<u>250,652</u>
<i>Net Change in Fund Balance</i>	(898,209)	(1,298,101)	265,948	1,564,049
Fund Balance at Beginning of Year	2,643,382	2,643,382	2,643,382	0
Prior Year Encumbrances Appropriated	<u>197,021</u>	<u>197,021</u>	<u>197,021</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$1,942,194</u>	<u>\$1,542,302</u>	<u>\$3,106,351</u>	<u>\$1,564,049</u>

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The special revenue funds account for those financial resources that are restricted by legal, regulatory, or administrative action to finance particular functions or activities of the City.

Capital Projects Funds

The capital projects funds are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds).

Permanent Fund

The permanent fund is used to account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support a government's programs.

City of Pickerington, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2010

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$597,687	\$766,207	\$4,343	\$1,368,237
Receivables:				
Permissive Motor Vehicle Registration Fees	5,741	8,612	0	14,353
Payments in Lieu of Taxes	0	536,077	0	536,077
Accounts	284	0	0	284
Intergovernmental	331,686	0	0	331,686
Materials and Supplies Inventory	46,578	0	0	46,578
Prepaid Items	12,343	0	0	12,343
	<u>\$994,319</u>	<u>\$1,310,896</u>	<u>\$4,343</u>	<u>\$2,309,558</u>
<i>Total Assets</i>	<u>\$994,319</u>	<u>\$1,310,896</u>	<u>\$4,343</u>	<u>\$2,309,558</u>
Liabilities:				
Accounts Payable	\$38,219	\$76,588	\$0	\$114,807
Accrued Wages and Benefits	7,900	0	0	7,900
Intergovernmental Payable	9,069	0	0	9,069
Accrued Interest Payable	0	8,118	0	8,118
Notes Payable	0	768,500	0	768,500
Deferred Revenue	219,698	536,077	0	755,775
	<u>274,886</u>	<u>1,389,283</u>	<u>0</u>	<u>1,664,169</u>
<i>Total Liabilities</i>	<u>274,886</u>	<u>1,389,283</u>	<u>0</u>	<u>1,664,169</u>
Fund Equity:				
Fund Balances:				
Reserved for Encumbrances	13,792	0	0	13,792
Reserved for Endowments	0	0	1,545	1,545
Unreserved (Deficit):				
Undesignated, Reported in:				
Special Revenue Funds	705,641	0	0	705,641
Capital Projects Funds	0	(78,387)	0	(78,387)
Permanent Fund	0	0	2,798	2,798
	<u>719,433</u>	<u>(78,387)</u>	<u>4,343</u>	<u>645,389</u>
<i>Total Fund Balances (Deficit)</i>	<u>719,433</u>	<u>(78,387)</u>	<u>4,343</u>	<u>645,389</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$994,319</u>	<u>\$1,310,896</u>	<u>\$4,343</u>	<u>\$2,309,558</u>

City of Pickerington, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2010

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues:				
Permissive Motor Vehicle Registration Fees	\$79,420	\$117,278	\$0	\$196,698
Charges for Services	89,811	0	0	89,811
Licenses and Permits	31,078	0	0	31,078
Impact Fees	0	264,926	0	264,926
Fines and Forfeitures	10,790	0	0	10,790
Intergovernmental	713,172	0	0	713,172
Interest	793	1,537	4,343	6,673
Payments in Lieu of Taxes	0	383,772	0	383,772
Contributions and Donations	24,419	0	0	24,419
Other	18,653	0	0	18,653
	<u>968,136</u>	<u>767,513</u>	<u>4,343</u>	<u>1,739,992</u>
<i>Total Revenues</i>				
Expenditures:				
Current:				
General Government	9,059	0	0	9,059
Security of Persons and Property	22,591	0	0	22,591
Transportation	948,237	0	0	948,237
Leisure Time Activities	503,667	0	0	503,667
Capital Outlay	0	259,500	0	259,500
Debt Service:				
Principal Retirement	0	115,000	0	115,000
Interest and Fiscal Charges	0	30,511	0	30,511
	<u>1,483,554</u>	<u>405,011</u>	<u>0</u>	<u>1,888,565</u>
<i>Total Expenditures</i>				
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(515,418)</u>	<u>362,502</u>	<u>4,343</u>	<u>(148,573)</u>
Other Financing Source (Use)				
Transfers In	345,000	252,666	0	597,666
Transfers Out	0	(622,978)	0	(622,978)
	<u>345,000</u>	<u>(370,312)</u>	<u>0</u>	<u>(25,312)</u>
<i>Total Other Financing Source (Use)</i>				
<i>Net Changes in Fund Balances</i>	(170,418)	(7,810)	4,343	(173,885)
Fund Balances at Beginning of Year	<u>889,851</u>	<u>(70,577)</u>	<u>0</u>	<u>819,274</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$719,433</u></u>	<u><u>(\$78,387)</u></u>	<u><u>\$4,343</u></u>	<u><u>\$645,389</u></u>

SPECIAL REVENUE FUNDS

The special revenue funds account for those financial resources that are restricted by legal, regulatory, or administrative action to finance particular functions or activities of the City.

The following are reported as special revenue funds:

Major Special Revenue Fund:

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

Nonmajor Special Revenue Funds:

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

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

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

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

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

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

Mandatory Drug Law Enforcement Fund - To account for fine monies collected which are used to subsidize law enforcement efforts that pertain to drug offenses.

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

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

Community Development Block Grant Revolving Loan Fund - To account for federal grant monies received and expenditures incurred associated with commercial development projects.

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$1,380,000	\$1,380,000	\$1,428,480	\$48,480
Charges for Services	143,613	143,613	164,018	20,405
Intergovernmental	227,646	227,646	247,058	19,412
Contributions and Donations	7,300	7,300	1,750	(5,550)
Other	57,864	81,497	48,341	(33,156)
<i>Total Revenues</i>	<u>1,816,423</u>	<u>1,840,056</u>	<u>1,889,647</u>	<u>49,591</u>
Expenditures				
Current:				
Security of Persons and Property				
Personal Services	3,624,311	3,637,911	3,322,669	315,242
Contractual Services	422,141	407,321	344,455	62,866
Materials and Supplies	145,515	224,208	195,137	29,071
Capital Outlay	126,800	113,560	112,389	1,171
<i>Total Expenditures</i>	<u>4,318,767</u>	<u>4,383,000</u>	<u>3,974,650</u>	<u>408,350</u>
<i>Excess of Revenues Under Expenditures</i>	(2,502,344)	(2,542,944)	(2,085,003)	457,941
Other Financing Source				
Transfers In	<u>2,197,223</u>	<u>2,300,000</u>	<u>2,150,000</u>	<u>(150,000)</u>
<i>Net Change in Fund Balance</i>	(305,121)	(242,944)	64,997	307,941
Fund Balance at Beginning of Year	317,462	317,462	317,462	0
Prior Year Encumbrances Appropriated	<u>54,700</u>	<u>54,700</u>	<u>54,700</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$67,041</u>	<u>\$129,218</u>	<u>\$437,159</u>	<u>\$307,941</u>

City of Pickerington, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2010

	<u>Street</u>	<u>State Highway</u>	<u>Parks and Recreation</u>	<u>Computer</u>	<u>Operation of a Motor Vehicle Under the Influence Enforcement and Education</u>
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$307,353	\$34,439	\$91,919	\$18,152	\$6,292
Receivables:					
Permissive Motor Vehicle Registration Fees	5,741	0	0	0	0
Accounts	0	0	284	0	0
Intergovernmental	306,809	24,737	0	0	0
Materials and Supplies Inventory	42,663	0	3,915	0	0
Prepaid Items	7,931	0	4,412	0	0
<i>Total Assets</i>	<u>\$670,497</u>	<u>\$59,176</u>	<u>\$100,530</u>	<u>\$18,152</u>	<u>\$6,292</u>
Liabilities:					
Accounts Payable	\$19,458	\$17,602	\$1,159	\$0	\$0
Accrued Wages and Benefits	4,962	188	2,750	0	0
Intergovernmental Payable	5,507	322	2,890	0	0
Deferred Revenue	203,221	16,477	0	0	0
<i>Total Liabilities</i>	<u>233,148</u>	<u>34,589</u>	<u>6,799</u>	<u>0</u>	<u>0</u>
Fund Balances:					
Reserved for Encumbrances	11,898	0	1,315	0	579
Unreserved:					
Undesignated	425,451	24,587	92,416	18,152	5,713
<i>Total Fund Balances</i>	<u>437,349</u>	<u>24,587</u>	<u>93,731</u>	<u>18,152</u>	<u>6,292</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$670,497</u>	<u>\$59,176</u>	<u>\$100,530</u>	<u>\$18,152</u>	<u>\$6,292</u>

<u>Law Enforcement Trust</u>	<u>Mandatory Drug Law Enforcement</u>	<u>Immobilization</u>	<u>Urban Forestry</u>	<u>Community Development Block Grant Revolving Loan</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$8,340	\$2,618	\$920	\$60,607	\$67,047	\$597,687
0	0	0	0	0	5,741
0	0	0	0	0	284
140	0	0	0	0	331,686
0	0	0	0	0	46,578
0	0	0	0	0	12,343
<u>\$8,480</u>	<u>\$2,618</u>	<u>\$920</u>	<u>\$60,607</u>	<u>\$67,047</u>	<u>\$994,319</u>
\$0	\$0	\$0	\$0	\$0	\$38,219
0	0	0	0	0	7,900
0	0	0	350	0	9,069
0	0	0	0	0	219,698
<u>0</u>	<u>0</u>	<u>0</u>	<u>350</u>	<u>0</u>	<u>274,886</u>
0	0	0	0	0	13,792
<u>8,480</u>	<u>2,618</u>	<u>920</u>	<u>60,257</u>	<u>67,047</u>	<u>705,641</u>
<u>8,480</u>	<u>2,618</u>	<u>920</u>	<u>60,257</u>	<u>67,047</u>	<u>719,433</u>
<u>\$8,480</u>	<u>\$2,618</u>	<u>\$920</u>	<u>\$60,607</u>	<u>\$67,047</u>	<u>\$994,319</u>

City of Pickerington, Ohio
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010

	<u>Street</u>	<u>State Highway</u>	<u>Parks and Recreation</u>	<u>Computer</u>	<u>Operation of a Motor Vehicle Under the Influence Enforcement and Education</u>
Revenues:					
Permissive Motor Vehicle Registration Fees	\$79,420	\$0	\$0	\$0	\$0
Charges for Services	0	0	89,811	0	0
Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	0	9,570	1,080
Intergovernmental	640,694	51,950	0	0	0
Interest	626	61	0	0	0
Contributions and Donations	0	0	24,419	0	0
Other	16,299	0	2,354	0	0
<i>Total Revenues</i>	<u>737,039</u>	<u>52,011</u>	<u>116,584</u>	<u>9,570</u>	<u>1,080</u>
Expenditures:					
Current:					
General Government	0	0	0	9,059	0
Security of Persons and Property	0	0	0	0	2,138
Transportation	869,666	78,571	0	0	0
Leisure Time Activities	0	0	420,932	0	0
<i>Total Expenditures</i>	<u>869,666</u>	<u>78,571</u>	<u>420,932</u>	<u>9,059</u>	<u>2,138</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(132,627)	(26,560)	(304,348)	511	(1,058)
Other Financing Source					
Transfers In	<u>0</u>	<u>0</u>	<u>325,000</u>	<u>0</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	(132,627)	(26,560)	20,652	511	(1,058)
Fund Balances at Beginning of Year	<u>569,976</u>	<u>51,147</u>	<u>73,079</u>	<u>17,641</u>	<u>7,350</u>
<i>Fund Balances at End of Year</i>	<u>\$437,349</u>	<u>\$24,587</u>	<u>\$93,731</u>	<u>\$18,152</u>	<u>\$6,292</u>

<u>Law Enforcement Trust</u>	<u>Mandatory Drug Law Enforcement</u>	<u>Immobilization</u>	<u>Urban Forestry</u>	<u>Community Development Block Grant Revolving Loan</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$0	\$0	\$0	\$0	\$0	\$79,420
0	0	0	0	0	89,811
0	0	0	31,078	0	31,078
0	140	0	0	0	10,790
20,314	0	214	0	0	713,172
0	0	0	0	106	793
0	0	0	0	0	24,419
0	0	0	0	0	18,653
<u>20,314</u>	<u>140</u>	<u>214</u>	<u>31,078</u>	<u>106</u>	<u>968,136</u>
0	0	0	0	0	9,059
18,176	2,277	0	0	0	22,591
0	0	0	0	0	948,237
0	0	0	82,735	0	503,667
<u>18,176</u>	<u>2,277</u>	<u>0</u>	<u>82,735</u>	<u>0</u>	<u>1,483,554</u>
2,138	(2,137)	214	(51,657)	106	(515,418)
<u>0</u>	<u>0</u>	<u>0</u>	<u>20,000</u>	<u>0</u>	<u>345,000</u>
2,138	(2,137)	214	(31,657)	106	(170,418)
<u>6,342</u>	<u>4,755</u>	<u>706</u>	<u>91,914</u>	<u>66,941</u>	<u>889,851</u>
<u>\$8,480</u>	<u>\$2,618</u>	<u>\$920</u>	<u>\$60,257</u>	<u>\$67,047</u>	<u>\$719,433</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Permissive Motor Vehicle Registration Fees	\$72,000	\$79,584	\$7,584
Intergovernmental	535,000	630,349	95,349
Interest	2,500	626	(1,874)
Other	6,689	14,579	7,890
<i>Total Revenues</i>	<u>616,189</u>	<u>725,138</u>	<u>108,949</u>
Expenditures			
Current:			
Transportation			
Street			
Personal Services	332,989	309,149	23,840
Contractual Services	426,465	324,428	102,037
Materials and Supplies	203,832	187,941	15,891
Capital Outlay	65,691	63,263	2,428
<i>Total Expenditures</i>	<u>1,028,977</u>	<u>884,781</u>	<u>144,196</u>
<i>Excess of Revenues Under Expenditures</i>	(412,788)	(159,643)	253,145
Other Financing Source			
Transfers In	<u>150,000</u>	<u>0</u>	<u>(150,000)</u>
<i>Net Change in Fund Balance</i>	(262,788)	(159,643)	103,145
Fund Balance at Beginning of Year	422,494	422,494	0
Prior Year Encumbrances Appropriated	<u>14,112</u>	<u>14,112</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$173,818</u></u>	<u><u>\$276,963</u></u>	<u><u>\$103,145</u></u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 State Highway Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$47,000	\$51,078	\$4,078
Interest	300	61	(239)
Other	675	0	(675)
<i>Total Revenues</i>	<u>47,975</u>	<u>51,139</u>	<u>3,164</u>
Expenditures			
Current:			
Transportation			
State Highway			
Personal Services	21,750	21,252	498
Contractual Services	8,525	7,149	1,376
Materials and Supplies	61,600	49,921	11,679
<i>Total Expenditures</i>	<u>91,875</u>	<u>78,322</u>	<u>13,553</u>
<i>Net Change in Fund Balance</i>	(43,900)	(27,183)	16,717
Fund Balance at Beginning of Year	29,711	29,711	0
Prior Year Encumbrances Appropriated	<u>15,000</u>	<u>15,000</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$811</u></u>	<u><u>\$17,528</u></u>	<u><u>\$16,717</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Parks and Recreation Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$118,655	\$89,527	(\$29,128)
Contributions and Donations	23,000	24,419	1,419
Other	4,200	2,354	(1,846)
<i>Total Revenues</i>	<u>145,855</u>	<u>116,300</u>	<u>(29,555)</u>
Expenditures			
Current:			
Leisure Time Activities			
Parks and Recreation			
Personal Services	286,200	235,771	50,429
Contractual Services	203,983	164,672	39,311
Materials and Supplies	38,250	22,111	16,139
<i>Total Expenditures</i>	<u>528,433</u>	<u>422,554</u>	<u>105,879</u>
<i>Excess of Revenues Under Expenditures</i>	(382,578)	(306,254)	76,324
Other Financing Source			
Transfers In	<u>350,000</u>	<u>325,000</u>	<u>(25,000)</u>
<i>Net Change in Fund Balance</i>	(32,578)	18,746	51,324
Fund Balance at Beginning of Year	69,681	69,681	0
Prior Year Encumbrances Appropriated	<u>2,153</u>	<u>2,153</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$39,256</u></u>	<u><u>\$90,580</u></u>	<u><u>\$51,324</u></u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Computer Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$10,000	\$9,508	(\$492)
Expenditures			
Current:			
General Government			
Computer			
Contractual Services	7,440	6,259	1,181
Materials and Supplies	8,500	2,800	5,700
<i>Total Expenditures</i>	<u>15,940</u>	<u>9,059</u>	<u>6,881</u>
<i>Net Change in Fund Balance</i>	(5,940)	449	6,389
Fund Balance at Beginning of Year	<u>17,060</u>	<u>17,060</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$11,120</u></u>	<u><u>\$17,509</u></u>	<u><u>\$6,389</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Operation of a Motor Vehicle Under the Influence Enforcement and Education Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$800	\$1,140	\$340
Expenditures			
Current:			
Security of Persons and Property			
Operation of a Motor Vehicle Under the Influence Enforcement and Education			
Contractual Services	3,095	746	2,349
Materials and Supplies	3,150	1,392	1,758
<i>Total Expenditures</i>	<u>6,245</u>	<u>2,138</u>	<u>4,107</u>
<i>Net Change in Fund Balance</i>	(5,445)	(998)	4,447
Fund Balance at Beginning of Year	7,020	7,020	0
Prior Year Encumbrances Appropriated	<u>220</u>	<u>220</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$1,795</u>	<u>\$6,242</u>	<u>\$4,447</u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Law Enforcement Trust Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$17,658	\$20,174	\$2,516
Expenditures			
Current:			
Security of Persons and Property			
Law Enforcement Trust			
Materials and Supplies	20,000	18,755	1,245
Capital Outlay	4,000	0	4,000
<i>Total Expenditures</i>	<u>24,000</u>	<u>18,755</u>	<u>5,245</u>
<i>Net Change in Fund Balance</i>	(6,342)	1,419	7,761
Fund Balance at Beginning of Year	<u>6,342</u>	<u>6,342</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$7,761</u></u>	<u><u>\$7,761</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Mandatory Drug Law Enforcement Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$250	\$140	(\$110)
Expenditures			
Current:			
Security of Persons and Property			
Mandatory Drug Law Enforcement			
Materials and Supplies	2,600	2,277	323
<i>Net Change in Fund Balance</i>	(2,350)	(2,137)	213
Fund Balance at Beginning of Year	4,755	4,755	0
<i>Fund Balance at End of Year</i>	<u>\$2,405</u>	<u>\$2,618</u>	<u>\$213</u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Immobilization Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$100	\$635	\$535
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	100	635	535
Fund Balance at Beginning of Year	<u>285</u>	<u>285</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$385</u></u>	<u><u>\$920</u></u>	<u><u>\$535</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Urban Forestry Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and Permits	\$26,000	\$31,078	\$5,078
Expenditures			
Current:			
Leisure Time Activities			
Urban Forestry			
Personal Services	28,775	26,608	2,167
Contractual Services	44,125	40,977	3,148
Materials and Supplies	20,460	15,291	5,169
<i>Total Expenditures</i>	<u>93,360</u>	<u>82,876</u>	<u>10,484</u>
<i>Excess of Revenues Under Expenditures</i>	(67,360)	(51,798)	15,562
Other Financing Source			
Transfers In	20,000	20,000	0
<i>Net Change in Fund Balance</i>	(47,360)	(31,798)	15,562
Fund Balance at Beginning of Year	91,895	91,895	0
Prior Year Encumbrances Appropriated	510	510	0
<i>Fund Balance at End of Year</i>	<u><u>\$45,045</u></u>	<u><u>\$60,607</u></u>	<u><u>\$15,562</u></u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Community Development Block Grant Revolving Loan Fund
 For the Year Ended December 31, 2010

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Interest	\$300	\$106	(\$194)
Expenditures			
Current:			
Community Environment			
Community Development Block Grant Revolving Loan			
Contractual Services	<u>65,000</u>	<u>0</u>	<u>65,000</u>
<i>Net Change in Fund Balance</i>	(64,700)	106	64,806
Fund Balance at Beginning of Year	<u>66,941</u>	<u>66,941</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$2,241</u></u>	<u><u>\$67,047</u></u>	<u><u>\$64,806</u></u>

DEBT SERVICE FUNDS

The debt service funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs.

The following are included in debt service funds:

Major Debt Service Fund:

Debt Service Fund - To account for revenue used to retire principal, interest, and related costs for general obligation bonds, general obligation bond anticipation notes, loans, and revenue anticipation notes.

Nonmajor Debt Service Funds:

Water Debt Service Fund - To account for water revenue that is transferred from the water fund and used to retire note and bond principal, interest, and related costs for water construction projects. For GAAP reporting, this activity is reflected in the Water Enterprise Fund.

Sewer Debt Service Fund - To account for sewer revenue that is transferred from the sewer fund and used to retire note and bond principal, interest, and related costs for sewer construction projects. For GAAP reporting, this activity is reflected in the Sewer Enterprise Fund.

Stormwater Debt Service Fund - To account for stormwater revenue that is transferred from the stormwater fund and used to retire note principal, interest, and related costs for stormwater construction projects. For GAAP reporting, this activity is reflected in the Stormwater Enterprise Fund.

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Service Fund
For the Year Ended December 31, 2010

	Final	Actual	Variance Positive (Negative)
Revenues			
Payment in Lieu of Taxes	\$413,650	\$341,431	(\$72,219)
Interest	9,393	19,905	10,512
<i>Total Revenues</i>	<u>423,043</u>	<u>361,336</u>	<u>(61,707)</u>
Expenditures			
Debt Service:			
Principal Retirement	6,883,101	6,883,101	0
Interest and Fiscal Charges	521,244	456,495	64,749
<i>Total Expenditures</i>	<u>7,404,345</u>	<u>7,339,596</u>	<u>64,749</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(6,981,302)</u>	<u>(6,978,260)</u>	<u>3,042</u>
Other Financing Sources			
Notes Issued	5,013,500	5,038,500	25,000
Transfers In	1,885,441	1,830,744	(54,697)
Advances In	0	60,000	60,000
<i>Total Other Financing Sources</i>	<u>6,898,941</u>	<u>6,929,244</u>	<u>30,303</u>
<i>Net Change in Fund Balance</i>	(82,361)	(49,016)	33,345
Fund Balance at Beginning of Year	<u>88,505</u>	<u>88,505</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$6,144</u></u>	<u><u>\$39,489</u></u>	<u><u>\$33,345</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Water Debt Service Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$7,000	\$12,186	\$5,186
Expenditures			
Debt Service:			
Principal Retirement	2,300,000	2,300,000	0
Interest and Fiscal Charges	70,045	65,212	4,833
<i>Total Expenditures</i>	<u>2,370,045</u>	<u>2,365,212</u>	<u>4,833</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,363,045)</u>	<u>(2,353,026)</u>	<u>10,019</u>
Other Financing Sources			
Notes Issued	1,700,000	1,700,000	0
Transfers In	663,045	652,221	(10,824)
<i>Total Other Financing Sources</i>	<u>2,363,045</u>	<u>2,352,221</u>	<u>(10,824)</u>
<i>Net Change in Fund Balance</i>	0	(805)	(805)
Fund Balance at Beginning of Year	<u>22,836</u>	<u>22,836</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$22,836</u></u>	<u><u>\$22,031</u></u>	<u><u>(\$805)</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Sewer Debt Service Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$6,500	\$11,405	\$4,905
Expenditures			
Debt Service:			
Principal Retirement	2,395,000	2,395,000	0
Interest and Fiscal Charges	185,203	179,047	6,156
<i>Total Expenditures</i>	<u>2,580,203</u>	<u>2,574,047</u>	<u>6,156</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,573,703)</u>	<u>(2,562,642)</u>	<u>11,061</u>
Other Financing Sources			
Notes Issued	1,593,000	1,593,000	0
Transfers In	980,703	969,748	(10,955)
<i>Total Other Financing Sources</i>	<u>2,573,703</u>	<u>2,562,748</u>	<u>(10,955)</u>
<i>Net Change in Fund Balance</i>	0	106	106
Fund Balance at Beginning of Year	<u>11,465</u>	<u>11,465</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$11,465</u></u>	<u><u>\$11,571</u></u>	<u><u>\$106</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Stormwater Debt Service Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$1,500	\$2,785	\$1,285
Expenditures			
Debt Service:			
Principal Retirement	558,388	539,000	19,388
Interest and Fiscal Charges	12,280	10,780	1,500
<i>Total Expenditures</i>	<u>570,668</u>	<u>549,780</u>	<u>20,888</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(569,168)</u>	<u>(546,995)</u>	<u>22,173</u>
Other Financing Sources			
Notes Issued	389,000	389,000	0
Transfers In	180,168	160,780	(19,388)
<i>Total Other Financing Sources</i>	<u>569,168</u>	<u>549,780</u>	<u>(19,388)</u>
<i>Net Change in Fund Balance</i>	0	2,785	2,785
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$2,785</u></u>	<u><u>\$2,785</u></u>

CAPITAL PROJECTS FUNDS

The capital projects funds are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds).

Major Capital Projects Funds:

Tax Increment Financing Agreement Windmill/ Diley Construction Fund – To account for revenues and expenditures associated with the extension to Windmill Drive, realignment for Diley Road, intersection improvements, and the construction of storm sewers and sanitary sewers.

Diley Road Improvement Fund - To account for loan proceeds from the State Infrastructure Bank for road construction and expenditures related to the Diley Road widening project.

Nonmajor Capital Projects Funds:

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

Tax Increment Financing Agreement Cover Construction Fund – A tax increment financing agreement for a roadway by Picketown Beverage for the company of Kohls to begin business within the City.

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

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

Park Capital Improvement Fund - To account for a percentage of the estate tax money transferred from the General Fund, and building permit monies to be used for capital improvements to the City's parks.

Community Development Block Grant Fund - To account for grant monies and related expenditures for projects within the City. This fund has no balance sheet or income statement activity to present.

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

Tax Increment Financing Agreement Old Town Construction Fund – A tax increment financing agreement for improvements to the infrastructure of a project known as Old Town Place (Town Square). For budgetary purposes, this fund is included in the Debt Service Fund.

Tax Increment Financing Agreement Cycle Way Construction Fund – A tax increment financing agreement for improvements to the Blacklick-Eastern Road, a roadway from the culvert to the north to the existing roadway on the American Motorcycle Association parcel, and the widening and intersection improvements of Yarmouth Road.

(continued)

CAPITAL PROJECTS FUNDS (Continued)

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

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

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

Municipal Building Fund – To account for note proceeds and expenditures associated with capital improvements to the municipal building.

Park Impact Fee Fund - To account for park impact fee revenues and expenditures related to park capital improvements.

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

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Tax Increment Financing Agreement Windmill/Diley Construction Fund
For the Year Ended December 31, 2010

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Interest	\$250	\$0	(\$250)
Payment in Lieu of Taxes	16,695	25,000	8,305
<i>Total Revenues</i>	<u>16,945</u>	<u>25,000</u>	<u>8,055</u>
Expenditures			
Capital Outlay			
Tax Increment Financing Agreement			
Windmill/Diley Construction			
Contractual Services	<u>29,000</u>	<u>28,584</u>	<u>416</u>
<i>Net Change in Fund Balance</i>	(12,055)	(3,584)	8,471
Fund Balance at Beginning of Year	<u>34,478</u>	<u>34,478</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$22,423</u></u>	<u><u>\$30,894</u></u>	<u><u>\$8,471</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Diley Road Improvement Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$943,111	\$1,351,949	\$408,838
Interest	300	0	(300)
Other	0	80,905	80,905
<i>Total Revenues</i>	<u>943,411</u>	<u>1,432,854</u>	<u>489,443</u>
Expenditures			
Capital Outlay			
Diley Road Improvement			
Contractual Services	15,755	8,913	6,842
Capital Outlay	1,696,272	1,696,272	0
<i>Total Expenditures</i>	<u>1,712,027</u>	<u>1,705,185</u>	<u>6,842</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(768,616)</u>	<u>(272,331)</u>	<u>496,285</u>
Other Financing Source (Use)			
Loans Issued	750,000	258,967	(491,033)
Advances Out	(230,000)	(230,000)	0
<i>Total Other Financing Source (Use)</i>	<u>520,000</u>	<u>28,967</u>	<u>(491,033)</u>
<i>Net Change in Fund Balance</i>	(248,616)	(243,364)	5,252
Fund Balance at Beginning of Year	264,806	264,806	0
Prior Year Encumbrances Appropriated	<u>3,916</u>	<u>3,916</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$20,106</u>	<u>\$25,358</u>	<u>\$5,252</u>

City of Pickerington, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2010

	<u>State Route 256 Highway</u>	<u>Tax Increment Financing Agreement Cover Construction</u>	<u>Street Construction</u>	<u>Street Impact Fee</u>	<u>Park Capital Improvement</u>
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$108,222	\$164,271	\$165	\$64,913	\$7,573
Receivables:					
Permissive Motor Vehicle Registration Fees	8,612	0	0	0	0
Payments in Lieu of Taxes	<u>0</u>	<u>239,955</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u>\$116,834</u>	<u>\$404,226</u>	<u>\$165</u>	<u>\$64,913</u>	<u>\$7,573</u>
Liabilities:					
Accounts Payable	\$0	\$0	\$0	\$0	\$0
Accrued Interest Payable	0	876	1,724	0	0
Notes Payable	0	87,500	150,000	0	0
Deferred Revenue	<u>0</u>	<u>239,955</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>0</u>	<u>328,331</u>	<u>151,724</u>	<u>0</u>	<u>0</u>
Fund Balances:					
Fund Balance:					
Unreserved:					
Undesignated (Deficits)	<u>116,834</u>	<u>75,895</u>	<u>(151,559)</u>	<u>64,913</u>	<u>7,573</u>
<i>Total Fund Balances (Deficits)</i>	<u>116,834</u>	<u>75,895</u>	<u>(151,559)</u>	<u>64,913</u>	<u>7,573</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$116,834</u>	<u>\$404,226</u>	<u>\$165</u>	<u>\$64,913</u>	<u>\$7,573</u>

(continued)

City of Pickerington, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds (Continued)
December 31, 2010

	Police Impact Fee	Tax Increment Financing Agreement Old Town Construction	Tax Increment Financing Agreement Cycle Way Construction	Tax Increment Financing Agreement Equity Construction
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$22,725	\$0	\$20,098	\$0
Receivables:				
Permissive Motor Vehicle Registration Fees	0	0	0	0
Payments in Lieu of Taxes	0	4,643	214,891	76,588
<i>Total Assets</i>	<u>\$22,725</u>	<u>\$4,643</u>	<u>\$234,989</u>	<u>\$76,588</u>
Liabilities:				
Accounts Payable	\$0	\$0	\$0	\$76,588
Accrued Interest Payable	575	3,716	250	0
Notes Payable	50,000	371,000	25,000	0
Deferred Revenue	0	4,643	214,891	76,588
<i>Total Liabilities</i>	<u>50,575</u>	<u>379,359</u>	<u>240,141</u>	<u>153,176</u>
Fund Balances:				
Fund Balance:				
Unreserved:				
Undesignated (Deficits)	(27,850)	(374,716)	(5,152)	(76,588)
<i>Total Fund Equity (Deficits)</i>	<u>(27,850)</u>	<u>(374,716)</u>	<u>(5,152)</u>	<u>(76,588)</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$22,725</u>	<u>\$4,643</u>	<u>\$234,989</u>	<u>\$76,588</u>

Street Improvement Trust	Sidewalk Improvement Trust	Municipal Building	Park Impact Fee	Municipal Facility Impact Fee	Total Nonmajor Capital Projects Funds
\$278,011	\$1,703	\$933	\$31,692	\$65,901	\$766,207
0	0	0	0	0	8,612
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>536,077</u>
<u>\$278,011</u>	<u>\$1,703</u>	<u>\$933</u>	<u>\$31,692</u>	<u>\$65,901</u>	<u>\$1,310,896</u>
\$0	\$0	\$0	\$0	\$0	\$76,588
0	0	977	0	0	8,118
0	0	85,000	0	0	768,500
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>536,077</u>
<u>0</u>	<u>0</u>	<u>85,977</u>	<u>0</u>	<u>0</u>	<u>1,389,283</u>
<u>278,011</u>	<u>1,703</u>	<u>(85,044)</u>	<u>31,692</u>	<u>65,901</u>	<u>(78,387)</u>
<u>278,011</u>	<u>1,703</u>	<u>(85,044)</u>	<u>31,692</u>	<u>65,901</u>	<u>(78,387)</u>
<u>\$278,011</u>	<u>\$1,703</u>	<u>\$933</u>	<u>\$31,692</u>	<u>\$65,901</u>	<u>\$1,310,896</u>

City of Pickerington, Ohio
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010

	State Route 256 Highway	Tax Increment Financing Agreement Cover Construction	Street Construction	Street Impact Fee	Park Capital Improvement
Revenues:					
Permissive Motor Vehicle Registration Fees	\$117,278	\$0	\$0	\$0	\$0
Impact Fees	0	0	0	59,933	0
Interest	0	0	0	64	0
Payment in Lieu of Taxes	0	199,287	0	0	0
<i>Total Revenues</i>	<u>117,278</u>	<u>199,287</u>	<u>0</u>	<u>59,997</u>	<u>0</u>
Expenditures:					
Capital Outlay	0	145,331	2,586	1,738	12,856
Debt Service:					
Principal Retirements	0	0	0	0	0
Interest and Fiscal Charges	0	5,163	3,628	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>150,494</u>	<u>6,214</u>	<u>1,738</u>	<u>12,856</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>117,278</u>	<u>48,793</u>	<u>(6,214)</u>	<u>58,259</u>	<u>(12,856)</u>
Other Financing Source (Use)					
Transfers In	0	0	193,046	0	0
Transfers Out	(200,000)	0	0	(100,000)	0
<i>Total Other Financing Source (Use)</i>	<u>(200,000)</u>	<u>0</u>	<u>193,046</u>	<u>(100,000)</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	(82,722)	48,793	186,832	(41,741)	(12,856)
Fund Balances (Deficits) at Beginning of Year	199,556	27,102	(338,391)	106,654	20,429
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$116,834</u>	<u>\$75,895</u>	<u>(\$151,559)</u>	<u>\$64,913</u>	<u>\$7,573</u>

<u>Police Impact Fee</u>	<u>Tax Increment Financing Agreement Old Town Construction</u>	<u>Tax Increment Financing Agreement Cycle Way Construction</u>	<u>Tax Increment Financing Agreement Equity Construction</u>	<u>Street Improvement Trust</u>
\$0	\$0	\$0	\$0	\$0
54,402	0	0	0	0
127	0	0	7	1,075
<u>0</u>	<u>4,559</u>	<u>132,440</u>	<u>47,486</u>	<u>0</u>
<u>54,529</u>	<u>4,559</u>	<u>132,440</u>	<u>47,493</u>	<u>1,075</u>
975	0	25,000	59,421	0
0	0	0	0	0
<u>802</u>	<u>12,371</u>	<u>7,469</u>	<u>0</u>	<u>0</u>
<u>1,777</u>	<u>12,371</u>	<u>32,469</u>	<u>59,421</u>	<u>0</u>
<u>52,752</u>	<u>(7,812)</u>	<u>99,971</u>	<u>(11,928)</u>	<u>1,075</u>
0	8,000	51,620	0	0
<u>(99,040)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(150,000)</u>
<u>(99,040)</u>	<u>8,000</u>	<u>51,620</u>	<u>0</u>	<u>(150,000)</u>
(46,288)	188	151,591	(11,928)	(148,925)
<u>18,438</u>	<u>(374,904)</u>	<u>(156,743)</u>	<u>(64,660)</u>	<u>426,936</u>
<u>(\$27,850)</u>	<u>(\$374,716)</u>	<u>(\$5,152)</u>	<u>(\$76,588)</u>	<u>\$278,011</u>

(continued)

City of Pickerington, Ohio
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Capital Projects Funds (Continued)
For the Year Ended December 31, 2010

	Sidewalk Improvement Trust	Municipal Building	Park Impact Fee	Municipal Facility Impact Fee	Total Nonmajor Capital Projects Funds
Revenues:					
Permissive Motor Vehicle Registration Fees	\$0	\$0	\$0	\$0	\$117,278
Impact Fees	0	0	111,988	38,603	264,926
Interest	2	0	159	103	1,537
Payment in Lieu of Taxes	0	0	0	0	383,772
<i>Total Revenues</i>	<u>2</u>	<u>0</u>	<u>112,147</u>	<u>38,706</u>	<u>767,513</u>
Expenditures:					
Capital Outlay	0	0	1,560	10,033	259,500
Debt Service:					
Principal Retirements	0	0	115,000	0	115,000
Interest and Fiscal Charges	0	1,078	0	0	30,511
<i>Total Expenditures</i>	<u>0</u>	<u>1,078</u>	<u>116,560</u>	<u>10,033</u>	<u>405,011</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2</u>	<u>(1,078)</u>	<u>(4,413)</u>	<u>28,673</u>	<u>362,502</u>
Other Financing Source (Use)					
Transfers In	0	0	0	0	252,666
Transfers Out	0	(21,224)	0	(52,714)	(622,978)
<i>Total Other Financing Source (Use)</i>	<u>0</u>	<u>(21,224)</u>	<u>0</u>	<u>(52,714)</u>	<u>(370,312)</u>
<i>Net Changes in Fund Balances</i>	2	(22,302)	(4,413)	(24,041)	(7,810)
Fund Balances (Deficits) at Beginning of Year	1,701	(62,742)	36,105	89,942	(70,577)
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$1,703</u>	<u>(\$85,044)</u>	<u>\$31,692</u>	<u>\$65,901</u>	<u>(\$78,387)</u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 State Route 256 Highway Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Permissive Motor Vehicle Registration Fees	\$112,000	\$117,523	\$5,523
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	112,000	117,523	5,523
Other Financing Use			
Transfers Out	<u>(200,000)</u>	<u>(200,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(88,000)	(82,477)	5,523
Fund Balance at Beginning of Year	<u>190,699</u>	<u>190,699</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$102,699</u></u>	<u><u>\$108,222</u></u>	<u><u>\$5,523</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Tax Increment Financing Agreement Cover Construction Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$600	\$0	(\$600)
Payment in Lieu of Taxes	159,000	149,869	(9,131)
<i>Total Revenues</i>	<u>159,600</u>	<u>149,869</u>	<u>(9,731)</u>
Expenditures			
Capital Outlay			
Tax Increment Financing Agreement Cover Construction			
Contractual Services	147,318	145,331	1,987
<i>Net Change in Fund Balance</i>	12,282	4,538	(7,744)
Fund Balance at Beginning of Year	<u>159,733</u>	<u>159,733</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$172,015</u></u>	<u><u>\$164,271</u></u>	<u><u>(\$7,744)</u></u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Street Construction Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Capital Outlay			
Street Construction			
Capital Outlay	3,126	3,126	0
<i>Net Change in Fund Balance</i>	(3,126)	(3,126)	0
Fund Balance at Beginning of Year	165	165	0
Prior Year Encumbrances Appropriated	3,126	3,126	0
<i>Fund Balance at End of Year</i>	<u>\$165</u>	<u>\$165</u>	<u>\$0</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Impact Fee Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$59,000	\$59,933	\$933
Interest	500	64	(436)
<i>Total Revenues</i>	<u>59,500</u>	<u>59,997</u>	<u>497</u>
Expenditures			
Capital Outlay			
Street Impact Fee			
Contractual Services	1,738	1,738	0
<i>Excess of Revenues Over Expenditures</i>	57,762	58,259	497
Other Financing Use			
Transfers Out	(100,000)	(100,000)	0
<i>Net Change in Fund Balance</i>	(42,238)	(41,741)	497
Fund Balance at Beginning of Year	106,654	106,654	0
<i>Fund Balance at End of Year</i>	<u>\$64,416</u>	<u>\$64,913</u>	<u>\$497</u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Park Capital Improvement Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Capital Outlay			
Park Capital Improvement			
Materials and Supplies	20,155	12,856	7,299
<i>Net Change in Fund Balance</i>	(20,155)	(12,856)	7,299
Fund Balance at Beginning of Year	16,159	16,159	0
Prior Year Encumbrances Appropriated	4,270	4,270	0
<i>Fund Balance at End of Year</i>	<u>\$274</u>	<u>\$7,573</u>	<u>\$7,299</u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Community Development Block Grant Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Capital Outlay			
Community Development Block Grant			
Contractual Services	352	352	0
<i>Net Change in Fund Balance</i>	(352)	(352)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	352	352	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Police Impact Fee Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$46,415	\$54,402	\$7,987
Interest	200	127	(73)
<i>Total Revenues</i>	<u>46,615</u>	<u>54,529</u>	<u>7,914</u>
Expenditures			
Capital Outlay			
Police Impact Fee			
Contractual Services	975	975	0
<i>Excess of Revenues Over Expenditures</i>	45,640	53,554	7,914
Other Financing Use			
Transfers Out	(90,000)	(90,000)	0
<i>Net Change in Fund Balance</i>	(44,360)	(36,446)	7,914
Fund Balance at Beginning of Year	59,171	59,171	0
<i>Fund Balance at End of Year</i>	<u>\$14,811</u>	<u>\$22,725</u>	<u>\$7,914</u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Tax Increment Financing Agreement Cycle Way Construction Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Payment in Lieu of Taxes	\$25,000	\$25,000	\$0
Expenditures			
Capital Outlay			
Tax Increment Financing Agreement Cycle Way Construction			
Contractual Services	25,000	25,000	0
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Tax Increment Financing Agreement Equity Construction Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$10	\$7	(\$3)
Payment in Lieu of Taxes	50,690	47,486	(3,204)
<i>Total Revenues</i>	<u>50,700</u>	<u>47,493</u>	<u>(3,207)</u>
Expenditures			
Capital Outlay			
Tax Increment Financing Agreement Equity Construction			
Contractual Services	50,700	47,501	3,199
<i>Net Change in Fund Balance</i>	0	(8)	(8)
Fund Balance at Beginning of Year	8	8	0
<i>Fund Balance at End of Year</i>	<u>\$8</u>	<u>\$0</u>	<u>(\$8)</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Improvement Trust Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$300	\$3,658	\$3,358
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	300	3,658	3,358
Other Financing Use			
Transfers Out	<u>(150,000)</u>	<u>(150,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(149,700)	(146,342)	3,358
Fund Balance at Beginning of Year	<u>424,353</u>	<u>424,353</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$274,653</u></u>	<u><u>\$278,011</u></u>	<u><u>\$3,358</u></u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Sidewalk Improvement Trust Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$0	\$2	\$2
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	2	2
Fund Balance at Beginning of Year	<u>1,701</u>	<u>1,701</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,701</u></u>	<u><u>\$1,703</u></u>	<u><u>\$2</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Building Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
<i>Total Expenditures</i>	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0
Other Financing Use			
Transfers Out	(13,117)	(13,117)	0
<i>Net Change in Fund Balance</i>	(13,117)	(13,117)	0
Fund Balance at Beginning of Year	13,117	13,117	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Park Impact Fee Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$92,890	\$111,988	\$19,098
Interest	225	159	(66)
<i>Total Revenues</i>	<u>93,115</u>	<u>112,147</u>	<u>19,032</u>
Expenditures			
Capital Outlay			
Park Impact Fee			
Contractual Services	1,560	1,560	0
Capital Outlay	115,000	115,000	0
<i>Total Expenditures</i>	<u>116,560</u>	<u>116,560</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(23,445)	(4,413)	19,032
Fund Balance at Beginning of Year	<u>36,105</u>	<u>36,105</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$12,660</u></u>	<u><u>\$31,692</u></u>	<u><u>\$19,032</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Facility Impact Fee Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$33,758	\$38,603	\$4,845
Interest	250	103	(147)
<i>Total Revenues</i>	<u>34,008</u>	<u>38,706</u>	<u>4,698</u>
Expenditures			
Capital Outlay			
Municipal Facility Impact Fee			
Contractual Services	1,342	1,342	0
Capital Outlay	8,691	8,691	0
<i>Total Expenditures</i>	<u>10,033</u>	<u>10,033</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	23,975	28,673	4,698
Other Financing Use			
Transfers Out	(78,600)	(52,714)	25,886
<i>Net Change in Fund Balance</i>	(54,625)	(24,041)	30,584
Fund Balance at Beginning of Year	<u>89,942</u>	<u>89,942</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$35,317</u></u>	<u><u>\$65,901</u></u>	<u><u>\$30,584</u></u>

PERMANENT FUND

Permanent funds account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support a city government's programs.

Cemetery Fund – To account for receiving and disbursing funds associated with the perpetual care of certain cemetery lots which are located in the City.

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Cemetery Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest Income	\$4,342	\$4,343	\$1
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	4,342	4,343	1
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$4,342</u></u>	<u><u>\$4,343</u></u>	<u><u>\$1</u></u>

ENTERPRISE FUNDS

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

Major Enterprise Funds:

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

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

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

Nonmajor Enterprise Fund:

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

City of Pickerington, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$1,885,649	\$1,994,091	\$108,442
Tap-in Fees	201,616	298,318	96,702
Utility Deposits Received	1,500	5,675	4,175
Proceeds from the Sale of Capital Assets	500	0	(500)
Interest	6,059	26,297	20,238
Bond Anticipation Notes Issued	2,000,000	2,000,000	0
Other Non-Operating Revenues	12,800	0	(12,800)
<i>Total Revenues</i>	<u>4,108,124</u>	<u>4,324,381</u>	<u>216,257</u>
Expenses			
Current:			
Personal Services	681,783	619,827	61,956
Contractual Services	786,487	667,376	119,111
Materials and Supplies	436,839	373,099	63,740
Utility Deposits Applied	1,000	565	435
Utility Deposits Returned	1,000	85	915
Capital Outlay	2,257,922	2,009,860	248,062
Debt Service:			
Principal Retirement	1,059	0	1,059
<i>Total Expenses</i>	<u>4,166,090</u>	<u>3,670,812</u>	<u>495,278</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(57,966)	653,569	711,535
Transfers Out	(663,045)	(652,221)	10,824
<i>Net Change in Fund Equity</i>	(721,011)	1,348	722,359
Fund Equity at Beginning of Year	2,081,860	2,081,860	0
Prior Year Encumbrances Appropriated	36,181	36,181	0
<i>Fund Equity at End of Year</i>	<u><u>\$1,397,030</u></u>	<u><u>\$2,119,389</u></u>	<u><u>\$722,359</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$3,083,635	\$3,260,014	\$176,379
Tap-in Fees	121,200	139,507	18,307
Utility Deposits Received	1,500	5,675	4,175
Interest	10,000	4,302	(5,698)
OWDA Loan Proceeds	5,193,782	3,995,744	(1,198,038)
Other Non-Operating Revenues	12,600	0	(12,600)
<i>Total Revenues</i>	<u>8,422,717</u>	<u>7,405,242</u>	<u>(1,017,475)</u>
Expenses			
Current:			
Personal Services	680,663	637,992	42,671
Contractual Services	1,236,655	949,439	287,216
Materials and Supplies	73,405	39,246	34,159
Utility Deposits Applied	1,000	566	434
Utility Deposits Returned	1,000	84	916
Capital Outlay	5,632,891	3,724,082	1,908,809
Debt Service:			
Principal Retirement	61,373	61,373	0
Interest and Fiscal Charges	32,173	32,173	0
<i>Total Expenses</i>	<u>7,719,160</u>	<u>5,444,955</u>	<u>2,274,205</u>
<i>Excess of Revenues Over Expenses</i>	703,557	1,960,287	1,256,730
Transfers Out	<u>(979,925)</u>	<u>(969,748)</u>	<u>10,177</u>
<i>Net Change in Fund Equity</i>	(276,368)	990,539	1,266,907
Fund Equity at Beginning of Year	2,658,872	2,658,872	0
Prior Year Encumbrances Appropriated	<u>76,739</u>	<u>76,739</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$2,459,243</u>	<u>\$3,726,150</u>	<u>\$1,266,907</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Stormwater Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$410,150	\$406,612	(\$3,538)
Tap-in Fees	41,229	54,559	13,330
Interest	1,870	824	(1,046)
Grants	329,072	318,765	(10,307)
Other Non-Operating Revenues	4,000	0	(4,000)
<i>Total Revenues</i>	<u>786,321</u>	<u>780,760</u>	<u>(5,561)</u>
Expenses			
Current:			
Personal Services	242,407	212,282	30,125
Contractual Services	96,971	63,293	33,678
Materials and Supplies	51,500	17,771	33,729
Capital Outlay	501,512	354,267	147,245
<i>Total Expenses</i>	<u>892,390</u>	<u>647,613</u>	<u>244,777</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(106,069)	133,147	239,216
Transfers Out	<u>(180,168)</u>	<u>(160,780)</u>	<u>19,388</u>
<i>Net Change in Fund Equity</i>	(286,237)	(27,633)	258,604
Fund Equity at Beginning of Year	496,144	496,144	0
Prior Year Encumbrances Appropriated	<u>89,268</u>	<u>89,268</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$299,175</u>	<u>\$557,779</u>	<u>\$258,604</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Aquatic Recreation Center Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$237,935	\$201,063	(\$36,872)
Other Non-Operating Revenues	0	638	638
<i>Total Revenues</i>	<u>237,935</u>	<u>201,701</u>	<u>(36,234)</u>
Expenses			
Current:			
Personal Services	84,650	68,812	15,838
Contractual Services	89,834	73,397	16,437
Materials and Supplies	72,298	42,989	29,309
<i>Total Expenses</i>	<u>246,782</u>	<u>185,198</u>	<u>61,584</u>
<i>Net Change in Fund Equity</i>	(8,847)	16,503	25,350
Fund Equity at Beginning of Year	32,445	32,445	0
Prior Year Encumbrances Appropriated	<u>9,222</u>	<u>9,222</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$32,820</u>	<u>\$58,170</u>	<u>\$25,350</u>

INTERNAL SERVICE FUND

The internal service fund is maintained to account for the operations of City activities that provide services to other City departments and funds.

The internal service fund is:

Fleet Maintenance Fund – To account for fuel purchased for City vehicles.

City of Pickerington, Ohio
 Schedule of Revenues, Expenses, and Changes
 In Fund Equity - Budget (Non-GAAP Basis) and Actual
 Fleet Maintenance Fund
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$125,000	\$120,861	(\$4,139)
Expenses			
Materials and Supplies	127,218	123,079	4,139
<i>Net Change in Fund Equity</i>	(2,218)	(2,218)	0
Fund Equity at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	2,218	2,218	0
<i>Fund Equity at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

AGENCY FUND

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

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

City of Pickerington, Ohio
Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended December 31, 2010

	<u>Balance</u> <u>1/1/10</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/10</u>
Mayor's Court				
Assets				
Cash and Cash Equivalents in Segregated Accounts	<u>\$3,352</u>	<u>\$244,457</u>	<u>\$244,911</u>	<u>\$2,898</u>
<i>Total Assets</i>	<u><u>\$3,352</u></u>	<u><u>\$244,457</u></u>	<u><u>\$244,911</u></u>	<u><u>\$2,898</u></u>
Liabilities				
Undistributed Monies	<u>\$3,352</u>	<u>\$244,457</u>	<u>\$244,911</u>	<u>\$2,898</u>
<i>Total Liabilities</i>	<u><u>\$3,352</u></u>	<u><u>\$244,457</u></u>	<u><u>\$244,911</u></u>	<u><u>\$2,898</u></u>

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Statistical Section

Statistical Section

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

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

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

City of Pickerington, Ohio
Net Assets by Component
Last Seven Years
(Accrual Basis of Accounting)

	<u>2010</u>	<u>2009 (1)</u>	<u>2008 (1)</u>	<u>2007 (1)</u>
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$41,960,655	\$43,487,617	\$39,034,496	\$29,131,270
Restricted:				
Capital Projects	1,758,477	2,050,326	2,127,980	6,024,383
Debt Service	0	0	0	0
Security of Persons and Property	233,528	198,648	18,540	1,291
Transportation Services	621,243	765,398	628,181	558,230
Other Purposes	274,748	278,252	291,614	300,241
Perpetual Care:				
Expendable	2,798	0	0	0
Non-Expendable	1,545	0	0	0
Unrestricted	<u>3,535,264</u>	<u>3,565,295</u>	<u>2,989,047</u>	<u>2,001,791</u>
<i>Total Governmental Activities Net Assets</i>	<u>48,388,258</u>	<u>50,345,536</u>	<u>45,089,858</u>	<u>38,017,206</u>
Business-Type-Activities				
Invested in Capital Assets, Net of Related Debt	39,844,968	35,699,418	34,996,281	32,707,886
Unrestricted	<u>6,220,761</u>	<u>5,653,899</u>	<u>4,837,129</u>	<u>5,650,267</u>
<i>Total Business-Type Activities Net Assets</i>	<u>46,065,729</u>	<u>41,353,317</u>	<u>39,833,410</u>	<u>38,358,153</u>
Primary Government				
Invested in Capital Assets, Net of Related Debt	81,805,623	79,187,035	74,030,777	61,839,156
Restricted	2,892,339	3,292,624	3,066,315	6,884,145
Unrestricted	<u>9,756,025</u>	<u>9,219,194</u>	<u>7,826,176</u>	<u>7,652,058</u>
<i>Total Primary Government Net Assets</i>	<u>\$94,453,987</u>	<u>\$91,698,853</u>	<u>\$84,923,268</u>	<u>\$76,375,359</u>

(1) Restated net assets.

<u>2006</u>	<u>2005</u>	<u>2004</u>
\$29,992,870	\$30,277,012	\$29,828,785
2,306,000	1,374,124	1,005,130
0	0	19,130
142,909	10,311	130,392
574,042	423,290	341,821
409,823	367,212	484,055
0	0	0
0	0	0
<u>2,791,432</u>	<u>2,071,459</u>	<u>1,710,743</u>
<u>36,217,076</u>	<u>34,523,408</u>	<u>33,520,056</u>
32,033,382	30,852,263	28,356,121
<u>5,682,945</u>	<u>5,707,503</u>	<u>6,172,148</u>
<u>37,716,327</u>	<u>36,559,766</u>	<u>34,528,269</u>
62,026,252	61,129,275	58,184,906
3,432,774	2,174,937	1,980,528
<u>8,474,377</u>	<u>7,778,962</u>	<u>7,882,891</u>
<u><u>\$73,933,403</u></u>	<u><u>\$71,083,174</u></u>	<u><u>\$68,048,325</u></u>

City of Pickerington, Ohio
Changes in Net Assets
Last Seven Years
(Accrual Basis of Accounting)

	2010	2009	2008	2007
<u>Program Revenues</u>				
Governmental Activities:				
Charges for Services:				
General Government	\$14,495	\$13,206	\$12,153	\$24,279
Security of Persons and Property	333,103	238,185	227,099	227,265
Transportation	196,698	192,112	199,872	282,605
Leisure Time Activities	120,889	132,472	168,184	188,873
Community Environment	668,879	471,434	473,219	469,709
Subtotal Charges for Services	1,334,064	1,047,409	1,080,527	1,192,731
Operating Grants and Contributions:				
General Government	14,136	17,289	7,144	8,069
Security of Persons and Property	253,854	270,211	251,683	209,065
Transportation	677,532	665,735	730,654	616,904
Leisure Time Activities	24,419	20,460	21,351	17,420
Community Environment	0	0	0	0
Subtotal Operating Grants and Contributions	969,941	973,695	1,010,832	851,458
Capital Grants and Contributions:				
Transportation	1,351,949	4,631,410	10,128,435	542,128
Leisure Time Activities	0	0	36,875	0
Community Environment	0	0	0	0
Subtotal Capital Grants and Contributions	1,351,949	4,631,410	10,165,310	542,128
Total Governmental Activities Program Revenues	3,655,954	6,652,514	12,256,669	2,586,317
Business-Type Activities:				
Charges for Services:				
Water	2,007,822	1,807,976	1,636,814	1,717,300
Sewer	3,311,157	2,787,985	2,238,365	1,751,962
Stormwater	427,243	209,067	206,463	199,056
Aquatic Recreation	201,063	239,937	268,511	0
Subtotal Charges for Services	5,947,285	5,044,965	4,350,153	3,668,318
Capital Grants and Contributions:				
Water	747,029	363,969	447,058	669,874
Sewer	139,507	189,811	209,471	395,217
Stormwater	133,383	750,078	177,259	93,074
Aquatic Recreation	0	0	288,970	0
Subtotal Capital Grants and Contributions	1,019,919	1,303,858	1,122,758	1,158,165
Total Business-Type Activities Program Revenues	6,967,204	6,348,823	5,472,911	4,826,483
Total Primary Government Program Revenues	\$10,623,158	\$13,001,337	\$17,729,580	\$7,412,800

<u>2006</u>	<u>2005</u>	<u>2004</u>
\$35,902	\$31,852	\$21,316
252,630	249,329	243,042
162,253	146,739	128,803
239,945	324,401	278,187
<u>774,038</u>	<u>731,672</u>	<u>701,893</u>
<u>1,464,768</u>	<u>1,483,993</u>	<u>1,373,241</u>
9,197	42,316	0
41,588	58,036	78,314
547,022	445,199	450,349
2,695	2,426	5,871
<u>0</u>	<u>0</u>	<u>453</u>
<u>600,502</u>	<u>547,977</u>	<u>534,987</u>
1,628,431	1,623,293	2,499,860
0	7,428	0
<u>0</u>	<u>0</u>	<u>30,000</u>
<u>1,628,431</u>	<u>1,630,721</u>	<u>2,529,860</u>
<u>3,693,701</u>	<u>3,662,691</u>	<u>4,438,088</u>
1,399,689	1,329,105	781,141
1,423,713	1,408,308	1,322,484
196,415	245,374	75,851
<u>0</u>	<u>0</u>	<u>0</u>
<u>3,019,817</u>	<u>2,982,787</u>	<u>2,179,476</u>
963,603	1,443,143	2,908,350
925,235	1,388,855	1,856,495
388,762	1,056,705	2,097,712
<u>0</u>	<u>0</u>	<u>0</u>
<u>2,277,600</u>	<u>3,888,703</u>	<u>6,862,557</u>
<u>5,297,417</u>	<u>6,871,490</u>	<u>9,042,033</u>
<u>\$8,991,118</u>	<u>\$10,534,181</u>	<u>\$13,480,121</u>

(continued)

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<u>Expenses</u>				
Governmental Activities:				
General Government	\$3,000,709	\$2,486,109	\$2,436,997	\$2,358,695
Security of Persons and Property	4,239,816	4,151,605	4,009,308	3,829,576
Transportation	2,952,265	2,279,416	5,441,557	659,246
Leisure Time Activities	561,867	679,915	816,074	845,507
Public Health Services	93,643	103,452	139,550	122,046
Community Environment	614,957	565,244	775,088	1,276,233
Interest and Fiscal Charges	419,544	556,662	577,476	589,252
<i>Total Governmental Activities Expenses</i>	<u>11,882,801</u>	<u>10,822,403</u>	<u>14,196,050</u>	<u>9,680,555</u>
Business-Type Activities:				
Water	2,202,930	1,963,643	1,993,851	1,992,516
Sewer	2,374,695	2,235,878	2,358,467	2,059,272
Stormwater	447,488	474,946	427,739	429,984
Aquatic Recreation	181,941	274,966	219,399	0
<i>Total Business-Type Activities Expenses</i>	<u>5,207,054</u>	<u>4,949,433</u>	<u>4,999,456</u>	<u>4,481,772</u>
<i>Total Primary Government Program Expenses</i>	<u>17,089,855</u>	<u>15,771,836</u>	<u>19,195,506</u>	<u>14,162,327</u>
Net (Expense)/ Revenue				
Governmental Activities	(8,226,847)	(4,169,889)	(1,939,381)	(7,094,238)
Business-Type Activities	1,760,150	1,399,390	473,455	344,711
<i>Total Primary Government Net Expense</i>	<u>(\$6,466,697)</u>	<u>(\$2,770,499)</u>	<u>(\$1,465,926)</u>	<u>(\$6,749,527)</u>

<u>2006</u>	<u>2005</u>	<u>2004</u>
\$1,974,274	\$2,044,288	\$1,902,593
3,567,445	3,285,125	2,956,311
2,611,586	2,168,811	1,506,242
766,520	813,732	767,388
142,208	116,159	103,208
1,238,791	1,305,830	1,210,341
606,962	488,500	265,189
<u>10,907,786</u>	<u>10,222,445</u>	<u>8,711,272</u>
1,945,301	1,944,783	1,744,618
1,968,812	2,576,944	1,922,633
545,446	509,188	425,989
0	0	0
<u>4,459,559</u>	<u>5,030,915</u>	<u>4,093,240</u>
<u>15,367,345</u>	<u>15,253,360</u>	<u>12,804,512</u>
(7,214,085)	(6,559,754)	(4,273,184)
837,858	1,840,575	4,948,793
<u>(\$6,376,227)</u>	<u>(\$4,719,179)</u>	<u>\$675,609</u>

(continued)

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

	2010	2009	2008	2007
<u>General Revenues and Other Changes in Net Assets</u>				
Governmental Activities:				
Property and Other Taxes Levied for General Purposes	\$984,192	\$972,149	\$979,584	\$906,955
Property Taxes Levied for Security of Persons and Property	1,453,677	1,423,744	1,399,961	1,373,786
Income Taxes Levied for General Purposes	4,643,326	4,527,504	4,671,505	4,156,569
Franchise Taxes	245,377	189,705	93,439	34,616
Grants and Entitlements not Restricted to Specific Programs	496,743	595,467	960,300	551,593
Investment Earnings	92,724	145,561	336,461	455,624
Payment in Lieu of Taxes	738,217	939,085	655,079	652,684
Impact Fees	264,926	323,888	485,964	625,041
Miscellaneous	244,404	322,661	234,740	137,500
<i>Total Governmental Activities</i>	<u>9,163,586</u>	<u>9,439,764</u>	<u>9,817,033</u>	<u>8,894,368</u>
Business-Type Activities:				
Investment Earnings	58,010	78,236	122,874	268,569
Miscellaneous	235	28,084	73,928	28,546
<i>Total Business-Type Activities</i>	<u>58,245</u>	<u>106,320</u>	<u>196,802</u>	<u>297,115</u>
<i>Total Primary Government General Revenues and Other Changes in Net Assets</i>	<u>9,221,831</u>	<u>9,546,084</u>	<u>10,013,835</u>	<u>9,191,483</u>
Increase (Decrease) Before Transfers				
Governmental Activities	936,739	5,269,875	7,877,652	1,800,130
Business-Type Activities	1,818,395	1,505,710	670,257	641,826
<i>Total Primary Government Increase (Decrease) Before Transfers</i>	<u>2,755,134</u>	<u>6,775,585</u>	<u>8,547,909</u>	<u>2,441,956</u>
Transfers In (Out)				
Governmental Activities	(2,894,017)	(14,197)	(805,000)	0
Business-Type Activities	2,894,017	14,197	805,000	0
Increase (Decrease) After Transfers				
Governmental Activities	(1,957,278)	5,255,678	7,072,652	1,800,130
Business-Type Activities	4,712,412	1,519,907	1,475,257	641,826
<i>Total Primary Government Increase (Decrease) After Transfers</i>	<u>\$2,755,134</u>	<u>\$6,775,585</u>	<u>\$8,547,909</u>	<u>\$2,441,956</u>

(1) During 2005, the City adopted and enforced impact fees on new residential and commercial development within the City.

<u>2006</u>	<u>2005 (1)</u>	<u>2004</u>
\$869,092	\$759,644	\$640,080
1,345,209	1,181,883	1,078,806
4,010,850	3,648,635	3,372,437
16,897	15,963	17,365
692,089	895,566	641,415
478,126	189,389	140,672
425,912	676,183	437,296
922,709	24,290	0
146,869	171,553	210,754
<u>8,907,753</u>	<u>7,563,106</u>	<u>6,538,825</u>
164,892	141,280	76,247
153,811	49,642	40,762
<u>318,703</u>	<u>190,922</u>	<u>117,009</u>
9,226,456	7,754,028	6,655,834
1,693,668	1,003,352	2,265,641
1,156,561	2,031,497	5,065,802
<u>2,850,229</u>	<u>3,034,849</u>	<u>7,331,443</u>
0	0	(37,840)
0	0	37,840
1,693,668	1,003,352	2,227,801
1,156,561	2,031,497	5,103,642
<u>\$2,850,229</u>	<u>\$3,034,849</u>	<u>\$7,331,443</u>

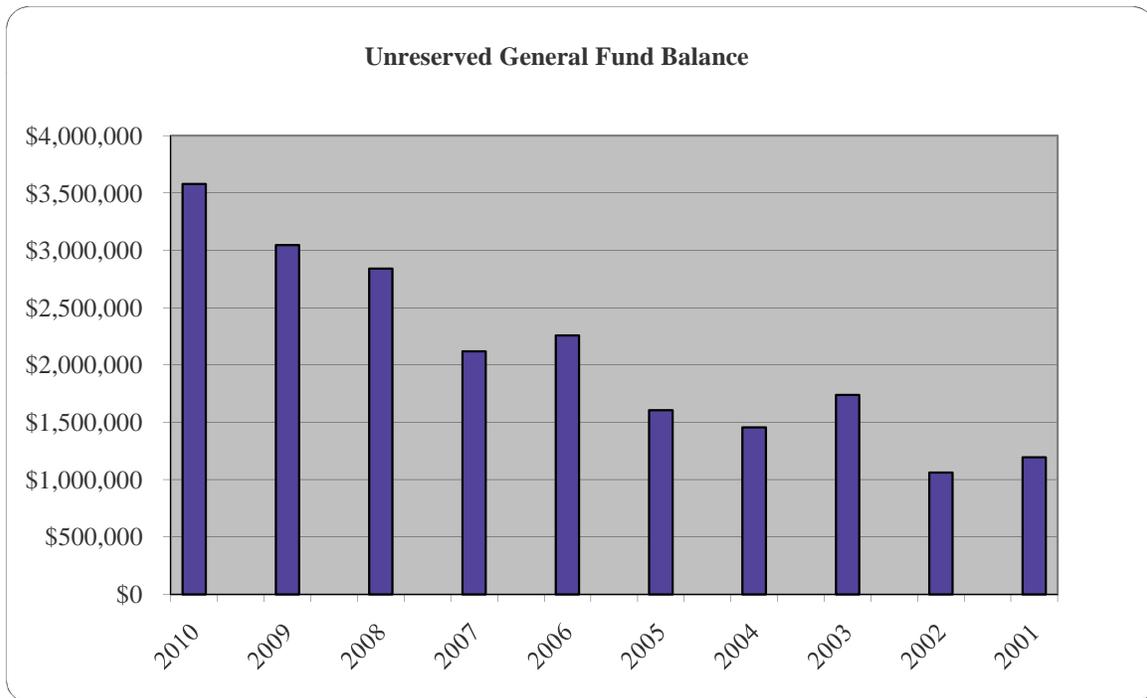
City of Pickerington, Ohio
Program Revenues by Function/ Program
Last Seven Years
(Accrual Basis of Accounting)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<u>Program Revenues</u>				
Governmental Activities:				
General Government	\$28,631	\$30,495	\$19,297	\$32,348
Security of Persons and Property	586,957	508,396	478,782	436,330
Transportation	2,226,179	5,489,257	11,058,961	1,441,637
Leisure Time Activities	145,308	152,932	226,410	206,293
Community Environment	668,879	471,434	473,219	469,709
Total Governmental Activities	<u>3,655,954</u>	<u>6,652,514</u>	<u>12,256,669</u>	<u>2,586,317</u>
Business-Type Activities:				
Water	2,754,851	2,171,945	2,083,872	2,387,174
Sewer	3,450,664	2,977,796	2,447,836	2,147,179
Stormwater	560,626	959,145	383,722	292,130
Aquatic Recreation	201,063	239,937	557,481	0
Total Business-Type Activities	<u>6,967,204</u>	<u>6,348,823</u>	<u>5,472,911</u>	<u>4,826,483</u>
<i>Total Primary Government</i>	<u><u>\$10,623,158</u></u>	<u><u>\$13,001,337</u></u>	<u><u>\$17,729,580</u></u>	<u><u>\$7,412,800</u></u>

<u>2006</u>	<u>2005</u>	<u>2004</u>
\$45,099	\$74,168	\$21,316
294,218	307,365	321,356
2,337,706	2,215,231	3,079,012
242,640	334,255	284,058
<u>774,038</u>	<u>731,672</u>	<u>732,346</u>
<u>3,693,701</u>	<u>3,662,691</u>	<u>4,438,088</u>
2,363,292	2,772,248	3,689,491
2,348,948	2,797,163	3,178,979
585,177	1,302,079	2,173,563
<u>0</u>	<u>0</u>	<u>0</u>
<u>5,297,417</u>	<u>6,871,490</u>	<u>9,042,033</u>
<u>\$8,991,118</u>	<u>\$10,534,181</u>	<u>\$13,480,121</u>

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

	2010	2009	2008	2007	2006
General Fund					
Reserved	\$47,871	\$81,324	\$36,857	\$90,016	\$288,182
Unreserved	3,578,121	3,045,545	2,840,208	2,118,085	2,257,696
<i>Total General Fund</i>	<u>3,625,992</u>	<u>3,126,869</u>	<u>2,877,065</u>	<u>2,208,101</u>	<u>2,545,878</u>
All Other Governmental Funds					
Reserved	59,979	62,242	277,276	351,091	409,864
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	1,092,498	1,168,950	846,020	796,472	1,036,284
Debt Service Funds	18,122	68,407	64,721	99,649	118,724
Capital Projects Funds (Deficit)	(2,075,943)	(2,050,122)	(2,080,815)	(1,435,161)	(1,702,384)
Permanent Fund	2,798	0	0	0	0
<i>Total All Other Governmental Funds</i>	<u>(902,546)</u>	<u>(750,523)</u>	<u>(892,798)</u>	<u>(187,949)</u>	<u>(137,512)</u>
Total Governmental Funds (Deficit)	<u><u>\$2,723,446</u></u>	<u><u>\$2,376,346</u></u>	<u><u>\$1,984,267</u></u>	<u><u>\$2,020,152</u></u>	<u><u>\$2,408,366</u></u>



<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$78,393	\$63,162	\$16,811	\$438,584	\$244,212
<u>1,606,415</u>	<u>1,454,927</u>	<u>1,738,398</u>	<u>1,061,727</u>	<u>1,195,488</u>
<u>1,684,808</u>	<u>1,518,089</u>	<u>1,755,209</u>	<u>1,500,311</u>	<u>1,439,700</u>
330,970	620,035	1,604,850	1,917,485	1,344,731
699,334	797,562	1,006,459	620,148	539,507
59,008	71,926	86,626	17,419	469
(2,892,145)	(4,075,503)	(3,846,340)	(3,532,358)	(3,106,651)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(1,802,833)</u>	<u>(2,585,980)</u>	<u>(1,148,405)</u>	<u>(977,306)</u>	<u>(1,221,944)</u>
<u>(\$118,025)</u>	<u>(\$1,067,891)</u>	<u>\$606,804</u>	<u>\$523,005</u>	<u>\$217,756</u>

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

	2010	2009	2008	2007	2006
Revenues					
Property and Other Taxes	\$2,292,735	\$2,265,277	\$2,239,984	\$2,163,962	\$2,163,404
Hotel and Motel Taxes (5)	104,494	99,378	116,672	120,875	0
Permissive Motor Vehicle Registration Fees	196,698	192,112	187,372	179,605	162,253
Municipal Income Taxes	4,753,299	4,545,475	4,604,900	4,111,715	3,978,315
Charges for Services	535,238	356,126	399,134	467,173	588,978
Licenses and Permits	429,038	335,713	367,840	391,619	568,193
Impact Fees	264,926	323,888	485,964	625,041	922,709
Fines and Forfeitures	172,465	154,033	129,921	149,039	131,273
Intergovernmental	2,851,331	6,222,723	9,999,439	1,590,508	2,188,653
Interest	99,328	160,969	333,264	474,959	435,426
Payments in Lieu of Taxes	588,786	655,079	499,189	435,003	588,302
Rent	850	9,200	3,605	750	11,271
Contributions and Donations	39,305	51,317	59,790	108,592	13,288
Other	489,781	513,194	327,351	171,897	163,766
<i>Total Revenues</i>	<u>12,818,274</u>	<u>15,884,484</u>	<u>19,754,425</u>	<u>10,990,738</u>	<u>11,915,831</u>
Expenditures					
Current:					
General Government	2,604,829	2,388,797	2,348,840	2,239,363	1,911,991
Security of Persons and Property	4,035,685	4,100,220	3,955,781	3,723,538	3,425,707
Transportation	990,005	732,827	714,092	912,332	439,144
Leisure Time Activities	532,160	605,402	780,295	802,152	724,720
Public Health Services	93,643	103,446	139,550	122,046	142,208
Community Environment	653,044	585,665	751,771	1,223,401	1,238,791
Capital Outlay	1,992,242	5,801,436	11,976,399	2,666,657	2,544,059
Debt Service:					
Current Refunding Principal Retirement	485,000	695,000	240,000	200,000	225,000
Principal Retirement	913,707	792,868	885,687	214,688	88,121
Interest and Fiscal Charges	446,075	565,608	628,717	621,508	515,277
Bond Issuance Costs	0	0	0	0	0
<i>Total Expenditures</i>	<u>12,746,390</u>	<u>16,371,269</u>	<u>22,421,132</u>	<u>12,725,685</u>	<u>11,255,018</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>71,884</u>	<u>(486,785)</u>	<u>(2,666,707)</u>	<u>(1,734,947)</u>	<u>660,813</u>
Other Financing Sources (Uses):					
Proceeds from the Sale of Capital Assets	0	0	0	124,084	1,095
Inception of a Capital Lease	16,249	0	655,000	22,665	31,683
Lease Proceeds	0	0	0	0	0
General Obligation Bonds Issued	0	0	0	0	0
Premium on Bond Issuance	0	0	0	0	0
Notes Issued	2,295,000	2,780,000	3,475,000	3,445,000	3,645,000
Loans Issued	258,967	893,061	1,855,822	1,199,984	1,097,800
Current Refunding of Bond Anticipation Notes	(2,295,000)	(2,780,000)	(3,205,000)	(3,445,000)	(2,910,000)
Transfers In	4,416,872	4,580,968	3,895,862	3,749,296	2,842,529
Transfers Out	(4,416,872)	(4,595,165)	(4,045,862)	(3,749,296)	(2,842,529)
<i>Total Other Financing Sources (Uses)</i>	<u>275,216</u>	<u>878,864</u>	<u>2,630,822</u>	<u>1,346,733</u>	<u>1,865,578</u>
<i>Net Change in Fund Balances</i>	<u>\$347,100</u>	<u>\$392,079</u>	<u>(\$35,885)</u>	<u>(\$388,214)</u>	<u>\$2,526,391</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	17.0%	19.4%	16.2%	9.5%	9.0%

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

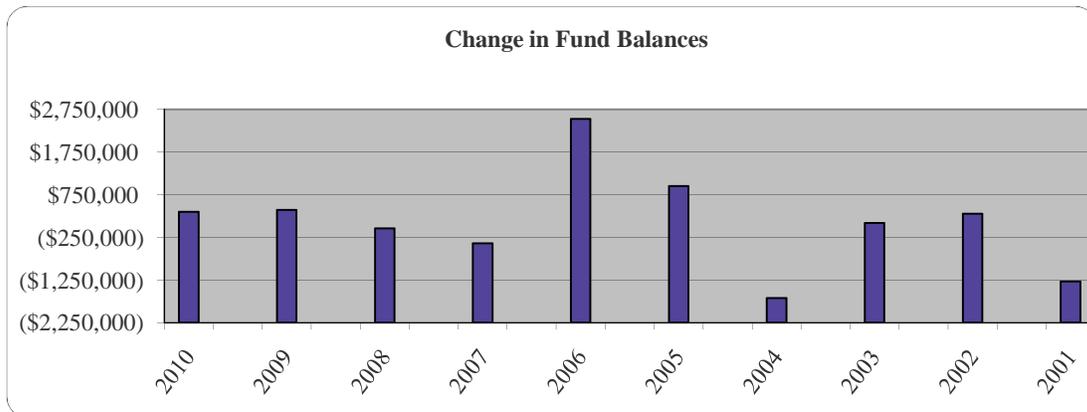
(3) Prior to 2004, permissive motor vehicle registration fees revenue was combined with property and other taxes revenue.

(4) Prior to 2004, fines and forfeitures were combined with licenses and permits.

(5) Prior to 2007, hotel and motel taxes were combined with property and other taxes.

2005 (2)	2004	2003 (3) (4)	2002	2001
\$1,892,648	\$1,709,145	\$1,717,578	\$1,574,611	\$1,375,192
0	0	0	0	0
146,739	128,803	0	0	0
3,607,752	3,336,898	3,105,152	3,041,993	2,782,304
551,183	505,128	905,011	918,555	826,987
671,412	625,577	1,743,833	1,187,009	773,027
24,290	0	0	0	0
113,459	106,296	0	0	0
1,272,596	1,165,891	1,004,756	1,051,570	1,255,515
230,845	117,419	111,217	191,799	405,286
441,371	348,359	190,976	152,982	122,120
1,200	7,437	10,710	11,275	6,790
12,394	7,256	5,216	4,892	115,016
187,516	238,551	131,519	93,474	53,186
<u>9,153,405</u>	<u>8,296,760</u>	<u>8,925,968</u>	<u>8,228,160</u>	<u>7,715,423</u>
2,246,436	1,974,974	2,194,316	2,260,430	2,152,488
3,135,374	2,826,306	2,435,694	2,245,129	1,992,201
487,891	554,026	538,467	506,550	518,741
763,549	716,456	741,916	668,724	620,556
116,159	103,208	105,265	100,010	63,614
1,305,830	1,210,341	1,058,511	870,283	668,092
2,735,449	3,750,293	3,522,136	5,518,889	2,854,710
0	0	0	0	0
2,208,420	2,423,764	297,219	46,164	27,909
426,860	255,712	204,645	264,137	167,442
0	26,380	0	0	0
<u>13,425,968</u>	<u>13,841,460</u>	<u>11,098,169</u>	<u>12,480,316</u>	<u>9,065,753</u>
<u>(4,272,563)</u>	<u>(5,544,700)</u>	<u>(2,172,201)</u>	<u>(4,252,156)</u>	<u>(1,350,330)</u>
3,549	0	0	4,129	0
0	0	0	128,276	67,514
0	0	0	4,300,000	0
0	1,550,000	0	0	0
0	18,845	0	0	0
3,010,000	2,170,000	2,256,000	125,000	0
4,378,880	169,000	0	0	0
(2,170,000)	0	0	0	0
2,442,706	2,383,764	2,298,864	2,212,795	2,249,267
<u>(2,442,706)</u>	<u>(2,421,604)</u>	<u>(2,298,864)</u>	<u>(2,212,795)</u>	<u>(2,249,267)</u>
<u>5,222,429</u>	<u>3,870,005</u>	<u>2,256,000</u>	<u>4,557,405</u>	<u>67,514</u>
<u>\$949,866</u>	<u>(\$1,674,695)</u>	<u>\$83,799</u>	<u>\$305,249</u>	<u>(\$1,282,816)</u>

24.6% 28.4% 6.6% 4.5% 3.1%



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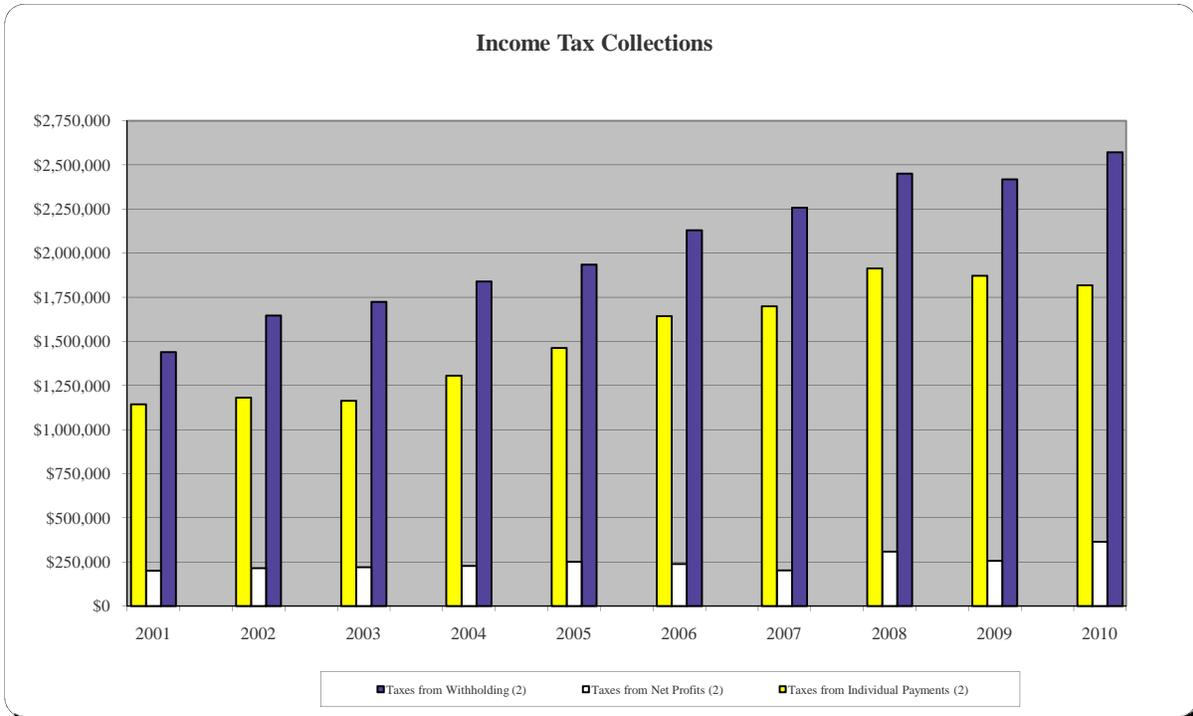
City of Pickerington, Ohio
Income Tax Revenue Base and Collections
Last Ten Years

Tax Year	Tax Rate	Total Tax Collected (1)	Taxes from Withholding (2)	Percentage of Taxes from Withholding	Taxes from Net Profits (2)	Percentage of Taxes from Net Profits	Taxes from Individual Payments (2)	Percentage of Taxes from Individual Payments
2010	1%	\$4,643,326	\$2,571,767	55.39%	\$363,204	7.82%	\$1,818,328	39.16%
2009	1%	4,527,504	2,418,654	53.42%	255,503	5.64%	1,871,318	41.33%
2008	1%	4,671,505	2,450,369	52.45%	308,373	6.60%	1,912,763	40.95%
2007	1%	4,156,569	2,257,671	54.32%	201,113	4.84%	1,697,786	40.85%
2006	1%	4,010,850	2,129,466	53.09%	238,314	5.94%	1,643,070	40.97%
2005	1%	3,648,635	1,934,678	53.02%	250,776	6.87%	1,463,182	40.10%
2004	1%	3,372,437	1,838,674	54.52%	227,510	6.75%	1,306,253	38.73%
2003	1%	3,105,152	1,723,297	55.50%	219,738	7.08%	1,162,117	37.43%
2002	1%	3,041,993	1,647,020	54.14%	213,873	7.03%	1,181,100	38.83%
2001	1%	2,782,304	1,438,218	51.69%	200,547	7.21%	1,143,538	41.10%

(1) 2004 through 2010 are on an accrual basis and 2000 through 2003 are on a modified accrual basis.

(2) Cash basis of accounting.

Source: Income Tax Reports, City Income Tax Department



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

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
2010	\$336,705,590	\$88,760,630	\$1,215,617,771	\$2,034,220	\$8,136,880
2009	333,329,450	87,299,750	1,201,797,714	1,829,700	7,318,800
2008	323,467,550	94,060,140	1,192,936,257	1,798,870	7,195,480
2007	296,541,550	74,459,960	1,060,004,314	1,798,370	7,193,480
2006	274,074,910	67,709,680	976,527,400	2,404,130	9,616,520
2005	202,205,656	57,042,554	740,709,171	2,570,000	10,280,000
2004	181,118,613	51,094,027	663,464,686	2,653,000	10,612,000
2003	165,333,472	46,643,108	605,647,371	2,304,000	9,216,000
2002	132,015,429	37,238,595	483,582,926	2,113,000	8,452,000
2001	124,902,648	35,232,511	457,529,026	2,354,000	9,416,000

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

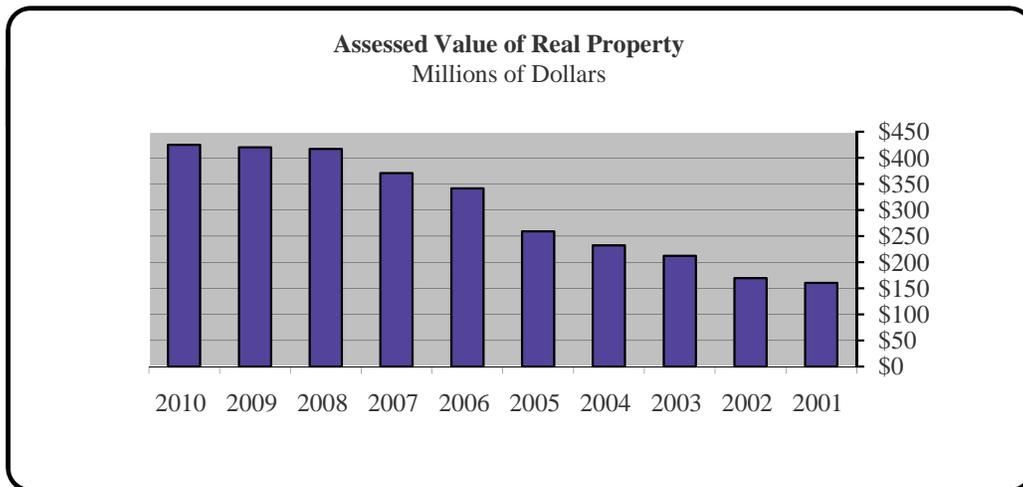
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax is 2010).

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/ industrial property has been eliminated.

Values are shown net of exempt property.

Source: Fairfield County, Ohio; County Auditor

Tangible Personal Property		Total		Ratio	Weighted Average Tax Rate
General Business		Assessed Value	Estimated Actual Value		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$160,660	\$3,213,200	\$427,661,100	\$1,226,967,851	35%	\$6.08
301,040	3,010,400	422,759,940	1,212,126,914	35%	\$6.08
366,870	5,869,920	419,693,430	1,206,001,657	35%	\$6.02
2,416,455	19,331,640	375,216,335	1,086,529,434	35%	\$6.34
3,365,560	17,949,653	347,554,280	1,004,093,573	35%	\$6.40
5,428,246	21,712,984	267,246,456	772,702,155	35%	\$6.41
6,955,219	27,820,876	241,820,859	701,897,562	34%	\$6.85
7,622,063	30,488,252	221,902,643	645,351,623	34%	\$6.99
7,298,102	29,192,408	178,665,126	521,227,334	34%	\$7.04
7,630,978	30,523,912	170,120,137	497,468,938	34%	\$7.74



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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Unvoted Millage					
Operating	2.300000	2.300000	2.300000	2.300000	2.300000
Voted Millage - by levy					
2000 Police					
Residential/Agricultural Real	3.735578	3.729792	3.724974	3.860104	3.898059
Commercial/Industrial/Public Utility/Mineral Real	3.907448	3.910638	3.654629	4.679109	4.809866
General Business/Public Utility Personal	5.500000	5.500000	5.500000	5.500000	5.500000
<u>Total Millage By Type of Property</u>					
Residential/Agricultural Real	6.035578	6.029792	6.024974	6.160104	6.198059
Commercial/Industrial/Public Utility/Mineral Real	6.207448	6.210638	5.954629	6.979109	7.109866
General Business/Public Utility Personal	7.800000	7.800000	7.800000	7.800000	7.800000
Overlapping Rates by Taxing District					
Fairfield County					
Residential/Agricultural Real	7.833735	6.752542	6.759145	7.061557	7.077422
Commercial/Industrial/Public Utility/Mineral Real	7.774519	6.569894	6.388102	7.097903	7.144626
General Business/Public Utility Personal	8.550000	7.550000	7.550000	7.550000	7.550000
Violet Township					
Residential/Agricultural Real	7.366401	7.364177	7.174830	7.578948	7.610399
Commercial/Industrial/Public Utility/Mineral Real	6.555080	6.466813	6.115701	7.538961	7.736581
General Business/Public Utility Personal	12.350000	12.350000	12.150000	12.150000	12.150000
Pickerington Local School District					
Residential/Agricultural Real	40.828533	40.400605	40.924329	40.400316	36.794741
Commercial/Industrial/Public Utility/Mineral Real	40.291587	39.210458	38.406104	41.717053	38.656987
General Business/Public Utility Personal	80.250000	79.850000	80.350000	80.750000	77.050000
Eastland Joint Vocational School					
Residential/Agricultural Real	2.000000	2.000000	2.000000	2.000000	2.000000
Commercial/Industrial/Public Utility/Mineral Real	2.000000	2.000000	2.000000	2.000000	2.000000
General Business/Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000

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

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

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

Source: Fairfield County, Ohio; County Auditor

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>
3.945072	4.403982	4.587781	4.724467	5.438631
4.488682	4.885271	4.862022	4.602703	5.435188
<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>
6.245072	6.703982	6.887781	7.024467	7.738631
6.788682	7.185271	7.162022	6.902703	7.735188
<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>
5.268250	4.936474	4.956371	4.972489	5.335428
5.425848	5.044684	5.023202	4.994277	5.551733
7.550000	7.050000	7.050000	7.050000	7.050000
7.675531	8.407761	8.546459	4.823330	5.458430
7.415380	7.952246	7.942057	4.082475	4.838776
12.150000	12.150000	12.150000	8.300000	8.300000
37.401946	40.212664	32.687411	32.935932	35.485208
38.292281	40.203231	31.665967	31.209597	34.036770
77.500000	78.000000	70.100000	70.100000	70.300000
2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000

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City of Pickerington, Ohio
Principal Taxpayers
Real Estate Tax
2010 and 2002 (1)

Name of Taxpayer	2010	
	Assessed Value	Percent of Real Property Assessed Value
Pickerington Apartments LLC	\$6,232,070	1.47%
Regency Centers LP	5,583,700	1.31%
Lakes Edge LLC	5,057,920	1.19%
B & G Realty Inc.	4,517,800	1.06%
Pickerington Square	4,102,440	0.96%
Pickerington Plaza Limited Part	3,687,890	0.87%
AERC Turnberry Inc.	3,683,990	0.87%
Pickerington Assisted Living	2,406,760	0.57%
Turnberry Station LLC	1,925,010	0.45%
Homewood Corporation	1,676,740	0.39%
Totals	<u>\$38,874,320</u>	<u>9.14%</u>
Total Assessed Valuation	<u>\$425,466,220</u>	

Name of Taxpayer	2002 (2)	
	Assessed Value	Percent of Real Property Assessed Value
AERC Turnberry Inc.	\$4,025,000	2.41%
Regency Centers	3,972,080	2.37%
Lakes Edge Partnership	3,932,590	2.35%
Centex Homes	2,673,870	1.60%
Pickerington Square LP	2,485,030	1.49%
Diley Road Associates LLC	2,392,210	1.43%
Dominion Homes Inc.	2,083,450	1.25%
Rockford Homes Inc.	2,078,040	1.24%
Hill Road Plaza LLC	2,029,430	1.21%
DDR Continental LP	1,979,410	1.18%
Totals	<u>\$27,651,110</u>	<u>16.53%</u>
Total Assessed Valuation	<u>\$167,247,940</u>	

(1) The amounts presented represent the assessed values upon which 2010 and 2002 collections were based.

(2) Calendar Year 2001 information was not available.

Source: Fairfield County, Ohio; County Auditor

City of Pickerington, Ohio

Principal Taxpayers

Public Utilities Tax

2010 and 2002 (1)

<u>Name of Taxpayer</u>	2010	
	<u>Assessed Value</u>	<u>Percent of Public Utility Assessed Value</u>
Columbia Gas of Ohio	\$792,970	38.98%
South Central Power Co.	548,930	26.98%
Total	<u>\$1,341,900</u>	<u>65.96%</u>
Total Assessed Valuation	<u>\$2,034,220</u>	

<u>Name of Taxpayer</u>	2002 (2)	
	<u>Assessed Value</u>	<u>Percent of Public Utility Assessed Value</u>
Ohio Bell Telephone Company	\$968,240	45.82%
South Central Power Co.	455,110	21.54%
Total	<u>\$1,423,350</u>	<u>67.36%</u>
Total Assessed Valuation	<u>\$2,113,000</u>	

(1) The amounts presented represent the assessed values upon which 2010 and 2002 collections were based.

(2) Calendar Year 2001 information was not available.

Source: Fairfield County, Ohio; County Auditor

City of Pickerington, Ohio
Principal Taxpayers
Tangible Personal Property Tax
2010 and 2002 (1)

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

Name of Taxpayer	2002 (2)	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Kroger Co.	\$686,270	9.41%
Bed, Bath & Beyond	488,190	6.69%
Penn Traffic	420,360	5.76%
Sears, Roebuck & Co.	387,830	5.31%
Hook Superx, Inc.	278,870	3.82%
Barnes & Noble Booksellers, Inc.	252,450	3.46%
Southtown Corporation	236,030	3.23%
Dayarama	195,020	2.67%
Capitol Citicom Inc.	151,500	2.08%
Cracker Barrel	142,550	1.95%
Total	<u>\$3,239,070</u>	<u>44.38%</u>
Total Assessed Valuation	<u>\$7,298,102</u>	

(1) The amounts presented represent the assessed values upon which 2010 and 2002 collections were based.

(2) Calendar Year 2001 information was not available.

Source: Fairfield County, Ohio; County Auditor

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

	2010	2009	2008	2007	2006
<u>Real and Public Utility Property</u>					
Current Tax Levy	\$2,498,285	\$2,546,399	\$2,347,367	\$2,389,961	\$2,238,955
Current Tax Collections	2,366,863	2,426,968	2,242,048	2,243,689	2,126,477
Percent of Current Collections to Levy	94.74%	95.31%	95.51%	93.88%	94.98%
Delinquent Tax Collections (2)	91,961	69,636	67,304	75,769	58,773
Total Tax Collections	2,458,824	2,496,604	2,309,352	2,319,458	2,185,250
Ratio of Total Collections to Levy	98.42%	98.04%	98.38%	97.05%	97.60%
Outstanding Delinquent Taxes	249,895	209,255	168,310	146,272	142,872
Ratio of Outstanding Delinquent Taxes to Tax Levy	10.00%	8.22%	7.17%	6.12%	6.38%
<u>Tangible Personal Property</u>					
Current Tax Levy	\$1,256	\$2,308	\$22,147	\$37,284	\$52,415
Current Tax Collections	0	2,308	18,345	34,016	45,326
Percent of Current Collections to Levy	0.00%	100.00%	82.83%	91.23%	86.48%
Delinquent Tax Collections (2)	0	2,370	499	326	966
Total Tax Collections	0	4,678	18,844	34,341	46,292
Ratio of Total Collections to Levy	0.00%	202.69%	85.09%	92.11%	88.32%
Outstanding Delinquent Taxes	2,593	2,130	9,707	8,858	14,114
Ratio of Outstanding Delinquent Taxes to Tax Levy	206.45%	92.29%	43.83%	23.76%	26.93%

Source: Fairfield County, Ohio; County Auditor

- (1) Does not include state reimbursements of homestead and rollback exemptions.
- (2) Delinquent tax collections include amounts collected from penalties, interest, and other delinquent collections.
The County does not identify delinquent tax collections by tax year.
- (3) The year presented represents the collection year.

2005	2004	2003	2002	2001
\$1,955,905	\$1,733,271	\$1,621,759	\$1,372,739	\$1,210,588
1,877,786	1,708,689	1,573,532	1,323,768	1,161,218
96.01%	98.58%	97.03%	96.43%	95.92%
57,748	32,977	35,440	34,506	18,946
1,935,534	1,741,666	1,608,972	1,358,274	1,180,164
98.96%	100.48%	99.21%	98.95%	97.49%
99,101	50,817	46,080	41,784	62,371
5.07%	2.93%	2.84%	3.04%	5.15%
\$50,242	\$50,707	\$50,722	\$47,808	\$46,718
39,951	40,855	39,820	43,622	43,652
79.52%	80.57%	78.51%	91.24%	93.44%
218	86	712	195	54
40,169	40,941	40,532	43,817	43,706
79.95%	80.74%	79.91%	91.65%	93.55%
9,226	8,631	3,627	3,479	3,251
18.36%	17.02%	7.15%	7.28%	6.96%

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

Governmental Activities						
Year	General Obligation Bonds (3)	Revenue Anticipation Notes	Bond Anticipation Notes	State Infrastructure Bank Loan (5)	Ohio Municipal Bond Financing Program Loan (4)	Capital Leases (6)
2010	\$1,252,974	\$2,258,500	\$2,780,000	\$5,997,677	\$0	\$3,162,195
2009	1,313,871	2,627,250	3,475,000	6,283,561	0	3,454,802
2008	1,369,768	2,936,000	3,715,000	6,070,951	0	3,746,958
2007	1,420,665	3,256,750	3,645,000	4,459,206	0	3,683,568
2006	1,471,562	3,555,500	3,870,000	3,645,680	0	3,825,591
2005	1,522,459	3,779,500	3,010,000	2,547,880	0	3,957,029
2004	1,568,356	4,004,500	2,880,000	0	169,000	4,120,449
2003	0	2,132,000	4,721,000	0	0	4,288,213
2002 (2)	0	2,012,500	2,275,000	0	0	4,460,556
2001	0	2,374,500	2,145,000	0	0	80,598

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

- (1) See S36 & S37 for personal income and population data
- (2) During 2003, outstanding debt balances were restated.
- (3) 2004 was the first year general obligation bonds payable from property taxes were issued.
- (4) During 2005, the City drew down \$2,000,000 in loan proceeds, the total amount authorized. During 2005, the City retired the \$2,000,000 Ohio Municipal Bond Financing Program Loan with the State Infrastructure Bank Loan proceeds.
- (5) During 2005, the City entered into a State Infrastructure Bank Loan agreement with the Ohio Department of Transportation in the amount of \$7,505,000 for the purpose of financing the Diley Road Widening and Realignment Project.
- (6) During 2002, the City entered into a lease with First Star Bank for the construction of a new police facility.

Business-Type Activities

General Obligation Bonds	Bond Anticipation Notes	Revenue Note	OWDA Loan	Issue Two Notes	Capital Leases	Total Debt	Percentage of Personal Income (1)	Per Capita (1)
\$3,160,584	\$5,682,000	\$0	\$11,530,965	\$0	\$31,678	\$35,856,573	6.59%	\$2,017
3,506,230	4,864,000	0	7,596,594	0	42,123	33,163,431	8.78%	2,268
3,846,876	5,150,000	0	974,369	6,299	75,563	27,891,784	7.33%	1,927
4,167,522	5,762,500	0	783,965	18,903	85,037	27,283,116	7.27%	1,878
4,483,168	2,725,000	2,800,000	836,526	31,507	134,633	27,379,167	7.81%	2,017
4,788,814	2,685,000	2,847,244	886,446	44,111	182,652	26,251,135	7.78%	2,009
5,089,460	3,430,000	2,847,244	933,859	56,715	113,455	25,213,038	8.03%	2,074
5,695,723	3,775,000	3,042,244	978,894	69,319	11,185	24,713,578	8.49%	2,195
5,605,000	4,229,500	295,582	988,219	81,923	21,673	19,969,953	7.39%	1,911
5,840,000	3,075,000	0	1,029,224	94,527	31,507	14,670,356	5.58%	1,442

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

<u>Year</u>	<u>Population (1)</u>	<u>Estimated Actual Property Value</u>	<u>General Obligation Bonded Debt</u>	<u>General Obligation Bonded Debt to Assessed Value</u>	<u>General Obligation Bonded Debt Per Capita</u>
2010	17,780	\$1,225,039,931	\$4,413,558	0.36%	\$248.23
2009	14,621	1,211,524,834	4,820,101	0.40%	329.67
2008	14,476	1,206,001,657	5,216,644	0.43%	360.37
2007	14,526	1,086,529,434	5,588,187	0.51%	384.70
2006	13,573	1,004,093,573	5,954,730	0.59%	438.72
2005	13,066	772,702,155	6,311,273	0.82%	483.03
2004 (2)	12,159	701,897,562	6,657,816	0.95%	547.56
2003	11,259	645,351,623	5,695,723	0.88%	505.88
2002	10,452	521,227,334	5,605,000	1.08%	536.26
2001	10,171	497,468,938	5,840,000	1.17%	574.18

(1) Population estimates from Mid Ohio Regional Planning Commission for years 2001-2009 and the US Census Bureau for 2010.

(2) 2004 was the first year general obligation bonds payable from property taxes were issued.

Source: City financial records

City of Pickerington, Ohio
 Computation of Direct and Overlapping Governmental Activities Debt
 December 31, 2010

<u>Jurisdiction</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to City of Pickerington</u>	<u>Amount Applicable to the City of Pickerington</u>
<u>Direct - City of Pickerington</u>			
General Obligation Bonds	\$1,252,974	100%	\$1,252,974
Revenue Anticipation Notes	2,258,500	100%	2,258,500
Bond Anticipation Notes	2,780,000	100%	2,780,000
State Infrastructure Bank Loan	5,997,677	100%	5,997,677
Capital Leases	3,162,195	100%	3,162,195
Total Direct Debt	<u>15,451,346</u>		<u>15,451,346</u>
<u>Overlapping Debt</u>			
Fairfield County	18,503,487	13.18%	2,438,760
Violet Township	2,645,000	41.33%	1,093,179
Pickerington Local School District	153,121,695	36.97%	56,609,091
Total Overlapping Debt	<u>174,270,182</u>		<u>60,141,029</u>
Total Direct and Overlapping Debt	<u><u>\$189,721,528</u></u>		<u><u>\$75,592,375</u></u>

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

City of Pickerington, Ohio
Pledged Revenue Coverage
Revenue Debt - Water
Last Seven Years (3)

Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Water Issue Two (4)	Coverage
				Debt Service	
				Principal	
2010	\$0	\$0	\$0	\$0	0.00
2009	1,855,965	1,343,124	512,841	6,299	81.42
2008	1,711,350	1,349,980	361,370	12,604	28.67
2007	1,885,694	1,262,435	623,259	12,604	49.45
2006	1,522,382	1,236,880	285,502	12,604	22.65
2005	1,457,005	1,269,927	187,078	12,604	14.84
2004	845,815	1,185,879	(340,064)	12,604	(26.98)

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

(2) Direct operating expenses does not include depreciation.

(3) Information is not available for years prior to 2004.

(4) The Issue Two notes were issued interest free.

City of Pickerington, Ohio
Pledged Revenue Coverage
Revenue Debt - Sewer
Last Seven Years (3)

Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Sewer OWDA Debt Service		Coverage
				Principal	Interest	
2010	\$3,327,414	\$1,466,376	\$1,861,038	\$61,373	\$32,173	19.89
2009	2,831,561	1,495,676	1,335,885	58,280	35,266	14.28
2008	2,327,131	1,571,812	755,319	55,345	38,201	8.07
2007	1,872,509	1,256,262	616,247	52,561	40,985	6.59
2006	1,508,156	1,185,516	322,640	49,920	43,626	3.45
2005	1,462,174	1,343,279	118,895	47,413	46,132	1.27
2004	1,372,602	1,187,611	184,991	45,035	48,511	1.98

- (1) Includes investment income and other non-operating revenues.
- (2) Direct operating expenses does not include depreciation.
- (3) Information is not available for years prior to 2004.

City of Pickerington, Ohio
Legal Debt Margin
Last Ten Years

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Total Assessed Property Value	<u>\$427,661,100</u>	<u>\$422,759,940</u>	<u>\$419,693,430</u>	<u>\$375,216,335</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>44,904,416</u>	<u>44,389,794</u>	<u>44,067,810</u>	<u>39,397,715</u>
Debt Outstanding:				
General Obligation Bonds Payable	\$4,535,000	\$4,965,000	\$5,385,000	\$5,780,000
Notes Payable	10,720,500	10,966,250	11,801,000	12,664,250
Loans Payable (1)	5,997,677	6,283,561	6,070,951	4,459,206
Issue Two Notes Payable	0	0	6,299	18,903
OWDA Loans Payable	<u>11,530,965</u>	<u>7,596,594</u>	<u>974,369</u>	<u>783,965</u>
Total Gross Indebtedness Outstanding	32,784,142	29,811,405	24,237,619	23,706,324
Less: Debt Exempt from Limitation				
General Obligation Bonds Payable	(3,295,000)	(3,665,000)	(4,030,000)	(4,375,000)
Notes Payable	(5,682,000)	(4,864,000)	(5,150,000)	(5,762,500)
Issue Two Notes Payable	0	0	(6,299)	(18,903)
OWDA Loans Payable	(11,530,965)	(7,596,594)	(974,369)	(783,965)
Amount Available in Debt Service Fund for General Obligations	<u>(18,122)</u>	<u>(68,407)</u>	<u>(64,721)</u>	<u>(99,649)</u>
Total Net Debt Applicable to Debt Limit	<u>12,258,055</u>	<u>13,617,404</u>	<u>14,012,230</u>	<u>12,666,307</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$32,646,361</u>	<u>\$30,772,390</u>	<u>\$30,055,580</u>	<u>\$26,731,408</u>
Legal Debt Margin as a Percentage of the Debt Limit	72.70%	69.32%	68.20%	67.85%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$23,521,361</u>	<u>\$23,251,797</u>	<u>\$23,083,139</u>	<u>\$20,636,898</u>
Total Gross Indebtedness	32,784,142	29,811,405	24,237,619	23,706,324
Less:				
General Obligation Bonds Payable	(3,295,000)	(3,665,000)	(4,030,000)	(4,375,000)
Notes Payable	(5,682,000)	(4,864,000)	(5,150,000)	(5,762,500)
Issue Two Notes Payable	0	0	(6,299)	(18,903)
OWDA Loans Payable	(11,530,965)	(7,596,594)	(974,369)	(783,965)
for General Obligations	<u>(18,122)</u>	<u>(68,407)</u>	<u>(64,721)</u>	<u>(99,649)</u>
Net Debt Within 5 ½ % Limitations	<u>12,258,055</u>	<u>13,617,404</u>	<u>14,012,230</u>	<u>12,666,307</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$11,263,306</u>	<u>\$9,634,393</u>	<u>\$9,070,909</u>	<u>\$7,970,591</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	47.89%	41.44%	39.30%	38.62%

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

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

2006	2005	2004	2003	2002	2001
<u>\$347,554,280</u>	<u>\$267,246,456</u>	<u>\$241,820,859</u>	<u>\$221,902,643</u>	<u>\$178,665,126</u>	<u>\$170,120,137</u>
36,493,199	28,060,878	25,391,190	23,299,778	18,759,838	17,862,614
\$6,170,000	\$6,550,000	\$6,920,000	\$5,680,000	\$5,605,000	\$5,840,000
12,950,500	12,321,744	13,161,744	13,670,244	8,812,582	7,594,500
3,645,680	2,547,880	169,000	0	0	0
31,507	44,111	56,715	69,319	81,923	94,527
836,526	886,446	933,859	978,894	988,219	1,029,224
23,634,213	22,350,181	21,241,318	20,398,457	15,487,724	14,558,251
(4,715,000)	(5,045,000)	(5,370,000)	(5,680,000)	(5,605,000)	(5,840,000)
(5,525,000)	(5,532,244)	(6,277,244)	(6,817,244)	(4,525,082)	(2,775,000)
(31,507)	(44,111)	(56,715)	(69,319)	(81,923)	(94,527)
(836,526)	(886,446)	(933,859)	(978,894)	(988,219)	(1,029,224)
(118,724)	(59,008)	(71,926)	(86,626)	(17,419)	(469)
12,407,456	10,783,372	8,531,574	6,766,374	4,270,081	4,819,031
<u>\$24,085,743</u>	<u>\$17,277,506</u>	<u>\$16,859,616</u>	<u>\$16,533,404</u>	<u>\$14,489,757</u>	<u>\$13,043,583</u>
66.00%	61.57%	66.40%	70.96%	77.24%	73.02%
<u>\$19,115,485</u>	<u>\$14,698,555</u>	<u>\$13,300,147</u>	<u>\$12,204,645</u>	<u>\$9,826,582</u>	<u>\$9,356,608</u>
23,634,213	22,350,181	21,241,318	20,398,457	15,487,724	14,558,251
(4,715,000)	(5,045,000)	(5,370,000)	(5,680,000)	(5,605,000)	(5,840,000)
(5,525,000)	(5,532,244)	(6,277,244)	(6,817,244)	(4,525,082)	(2,775,000)
(31,507)	(44,111)	(56,715)	(69,319)	(81,923)	(94,527)
(836,526)	(886,446)	(933,859)	(978,894)	(988,219)	(1,029,224)
(118,724)	(59,008)	(71,926)	(86,626)	(17,419)	(469)
12,407,456	10,783,372	8,531,574	6,766,374	4,270,081	4,819,031
<u>\$6,708,029</u>	<u>\$3,915,183</u>	<u>\$4,768,573</u>	<u>\$5,438,271</u>	<u>\$5,556,501</u>	<u>\$4,537,577</u>
35.09%	26.64%	35.85%	44.56%	56.55%	48.50%

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

Year	Population (1)	Total Personal Income (6)	Personal Income Per Capita (2)	Median Household Income (2)	Median Age (2)
2010	17,780	\$544,281,360	\$30,612	\$75,985	34
2009	14,621	377,792,019	25,839	63,664	32.7
2008	14,476	374,045,364	25,839	63,664	32.7
2007	14,526	375,337,314	25,839	63,664	32.7
2006	13,573	350,712,747	25,839	63,664	32.7
2005	13,066	337,612,374	25,839	63,664	32.7
2004	12,159	314,176,401	25,839	63,664	32.7
2003	11,259	290,921,301	25,839	63,664	32.7
2002	10,452	270,069,228	25,839	63,664	32.7
2001	10,171	262,808,469	25,839	63,664	32.7

(1) Source: Population estimates from Mid Ohio Regional Planning Commission for years 2001-2009 and the US Census Bureau for 2010.

(2) Source: U.S. Census

(a) The 2000 Federal Census was used for years 2001 through 2010.

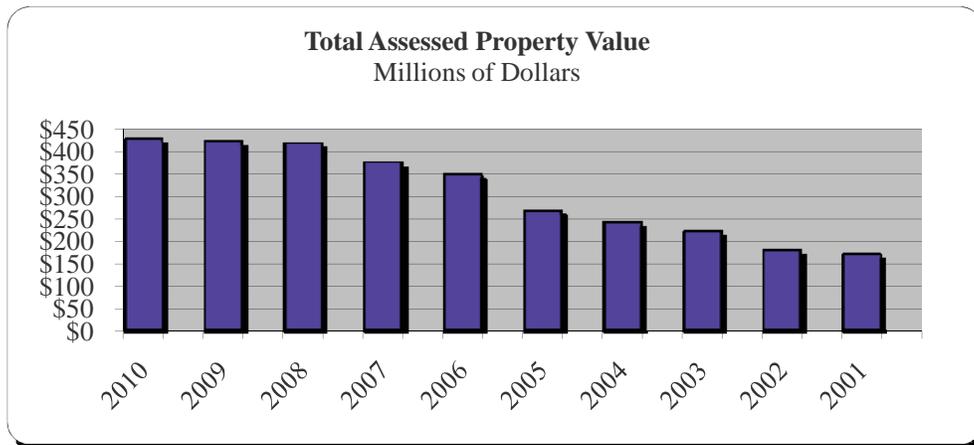
(b) The US Census Bureau 2005-2009 American Community Survey was used for 2010.

(3) Source: Office of the Treasurer, Pickerington Local School District

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

(5) Source: Fairfield County, Ohio; County Auditor

(6) Computation of per capita personal income multiplied by population



Educational Attainment: Bachelor's Degree or Higher (2)	School Enrollment (3)	Fairfield County Unemployment Rate (4)	Average Sales Price of Residential Property (5)	Total Assessed Property Value (5)
38.9%	10,287	7.9%	\$159,126	\$427,661,100
31.6	9,867	8.5	158,224	422,759,940
31.6	9,820	5.8	176,570	419,693,430
31.6	10,016	5.0	203,188	375,216,335
31.6	9,792	4.5	190,341	347,554,280
31.6	9,714	4.7	200,058	267,246,456
31.6	9,280	4.6	196,599	241,820,859
31.6	8,917	4.5	209,214	221,902,643
31.6	8,363	4.2	180,353	178,665,126
31.6	7,924	3.0	170,399	170,120,137



City of Pickerington, Ohio
Principal Employers
2010 and 2004

2010

Employer	Nature of Business	Employees	Percentage of Total City Employment
Pickerington Local School District	School System	1,222	14.41%
Cracker Barrel Restaurant	Restaurant	278	3.28%
Kohl's Department Stores	Retail	274	3.23%
Tamarkin Co Inc.	Supermarket	248	2.92%
Kroger Company, Inc.	Supermarket	246	2.90%
Kindred Nursing Center	Health Care Facility	171	2.02%
McDonald's	Restaurant	118	1.39%
Wendy's	Restaurant	118	1.39%
Steak N' Shake	Restaurant	108	1.27%
City of Pickerington	Government	100	1.18%
Total		<u>2,883</u>	<u>33.99%</u>
Total Employment within the City		<u>8,483</u>	

2004 (1)

Employer	Nature of Business	Employees
Pickerington Local School District	School System	1005
Kroger Company, Inc.	Supermarket	320
Cracker Barrel Restaurant	Restaurant	259
Kindred Nursing Center	Health Care Facility	146
R.G. Barry Corporation	Manufacturing	106
American Motorcycle Association	Museum and Organization	105
City of Pickerington	Government	95
Mount Carmel Health Care Providers	Health Care Facility	59
Pediatric Associates	Health Care Facility	57
Huntington National Bank	Bank	54
Total		<u>2,206</u>
Total Employment within the City		<u>n/a</u>

n/a - Information not available

(1) Calendar Year 2004 was the first year information was available.

Source: Number of employees obtained from the PW3 Reconciliation Form's
from the City Income Tax Department

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

Function/Program	2010	2009	2008	2007	2006
General Government					
Council	7.00	7.00	7.00	7.00	7.00
Mayor	1.00	1.00	1.00	1.00	1.00
Clerk of Courts	1.00	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00	1.00
Finance Director	1.00	1.00	1.00	1.00	3.00
Personnel Director	1.00	1.00	1.00	1.00	1.00
Income Tax	3.00	3.00	4.00	4.00	4.00
Municipal Records	1.00	1.00	1.50	1.50	1.50
Finance Department	2.00	2.00	2.00	2.00	2.00
Facilities Operations Administrator	1.00	1.00	1.00	1.00	1.00
Secretary/ Administrative	3.00	3.00	3.00	3.00	3.00
City Engineer	1.00	1.00	0.00	0.00	0.00
Staff Engineer	1.00	1.00	0.00	0.00	0.00
Engineer Inspectors	2.00	2.00	0.00	0.00	0.00
Security of Persons and Property					
Police Chief	1.00	1.00	1.00	1.00	1.00
Police Commanders	2.00	2.00	2.00	2.00	2.00
Police Patrol Officers	24.00	22.50	20.00	20.00	19.00
Police Detectives	3.00	2.00	3.00	3.00	3.00
Police Dispatchers/Office	9.50	11.50	10.00	10.00	10.00
Leisure Time Activities					
Parks & Recreation Director	1.00	1.00	1.00	1.00	1.00
Recreation	2.00	2.00	2.00	2.00	2.00
Parks	2.00	3.00	3.00	3.00	3.00
Community Development					
Building	3.00	3.00	7.00	7.00	7.00
Economic Development	3.00	3.00	4.00	4.00	4.00
Transportation					
Equipment Maintenance	0.00	0.00	1.00	1.00	1.00
Street Maintenance & Repair	5.00	5.00	6.00	6.00	6.00
Basic Utility Services					
Secretary/ Administrative	3.00	3.00	2.00	2.00	2.00
Water	7.00	7.00	7.00	7.00	6.00
Sewer	5.00	5.00	5.00	5.00	3.00
Utilities Maintenance	4.00	4.00	3.00	3.00	3.00
Totals:	<u>100.50</u>	<u>101.00</u>	<u>100.50</u>	<u>100.50</u>	<u>98.50</u>

Source: City financial records

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

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
7.00	7.00	7.00	7.00	7.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	2.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
4.00	4.00	4.00	4.50	4.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
3.00	4.00	3.50	4.50	3.00
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
19.00	18.00	16.00	14.00	15.00
3.00	3.00	2.00	2.00	2.00
10.00	10.00	10.00	10.00	11.00
1.00	1.00	1.00	1.00	1.00
2.00	1.50	3.00	3.00	1.00
3.00	3.00	3.00	3.00	4.00
7.50	7.00	7.00	7.00	4.00
3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00
6.00	6.00	7.00	7.50	5.00
2.00	2.00	2.00	2.00	2.00
6.00	6.50	6.50	5.50	5.50
3.50	3.50	3.50	3.50	3.50
3.00	3.00	4.00	3.00	3.00
<u>96.00</u>	<u>95.50</u>	<u>95.50</u>	<u>92.50</u>	<u>87.00</u>

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

Function/Program	2010	2009	2008	2007
General Government				
<i>Council and Clerk</i>				
Number of Ordinances Passed	102	93	96	104
Number of Resolutions Passed	22	30	18	21
<i>Finance Department</i>				
Number of checks/ vouchers issued	7,710	7,765	8,318	8,169
Number of P.O.'s issued	2,703	2,609	2,866	2,701
Interest earnings for fiscal year (1)	\$92,091	\$150,287	\$189,661	\$280,207
General Fund Receipts (1)	\$7,714,298	\$7,251,584	\$7,445,994	\$6,523,944
General Fund Expenditures (1)	\$7,448,350	\$3,376,774	\$3,532,008	\$3,769,106
General Fund Cash Balances	\$3,145,938	\$2,854,677	\$2,282,464	\$1,455,533
<i>Income Tax Department</i>				
Forms Prepared/ Mailed				
Number of Tax Returns (6)	9,921	9,643	9,680	9,705
Withholding Forms (6)	1,921	1,865	1,835	1,824
Estimate Statements	2,800	3,071	2,979	2,690
Federal 1099-G	1,959	2,336	2,286	2,129
Collections				
Tax (2)	\$4,643,326	\$4,527,504	\$4,671,505	\$4,156,569
Refunds	\$205,136	\$213,084	\$235,826	\$190,544
<i>Utilities Billing</i>				
Shut-off notices processed	3,916	3,761	3,118	2,083
Work Orders Processed	1,466	1,211	2,045	1,452
New Accounts Added	82	95	75	130
Utility Bills Mailed	64,483	63,554	62,877	60,951
<i>Building Department Indicators</i>				
Construction Permits Issued				
New Residential	66	70	50	130
Commercial	93	100	98	102
Minor	273	200	93	124
Inspection Statistics				
Residential	1,881	1,749	1,603	3,338
Commercial	417	709	732	912
Contractor Registration Statistics				
Registrations	337	253	188	337

- (1) Cash basis of accounting.
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Collections include delinquencies, penalties, interest and late fees.
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- (4) Starting in 2002, the City started tracking hours for snow removal as a better indicator of time spent.
- (5) For 2004 to 2006 information was not available.
- (6) Beginning for the 2009 Tax Returns, tax notices for the electronic form was sent out in lieu of actual forms.

2006	2005	2004	2003	2002	2001
197	118	95	108	151	151
77	24	31	29	20	23
7,491	7,430	7,471	7,309	6,074	6,991
2,355	2,257	2,574	2,426	2,663	2,809
\$264,867	\$139,101	\$79,318	\$99,268	\$101,432	\$285,322
\$6,682,503	\$6,028,505	\$5,576,178	\$5,932,133	\$5,558,946	\$5,474,735
\$3,732,306	\$3,870,200	\$3,469,838	\$3,599,791	\$3,829,633	\$3,098,442
\$2,195,013	\$1,500,247	\$1,245,071	\$1,454,925	\$1,364,934	\$1,250,628
9,212	8,913	7,850	6,561	6,851	6,600
1,948	1,747	1,747	1,633	1,464	1,629
2,755	2,527	2,361	2,082	2,605	2,445
1,900	1,710	1,550	1,505	1,411	1,368
\$4,010,850	\$3,648,635	\$3,372,437	\$3,105,152	\$3,041,993	\$2,782,304
\$177,072	\$140,660	\$124,553	\$99,743	\$135,872	\$118,546
1,848	3,634	2,021	2,708	1,320	1,527
1,884	2,375	1,921	2,701	2,608	1,926
175	140	270	236	288	193
58,805	56,229	52,924	49,227	44,616	38,421
234	287	120	603	357	254
142	124	219	274	66	97
135	151	158	169	170	135
5,346	5,377	6,851	8,258	5,091	3,326
1,632	1,506	2,567	650	697	648
396	324	260	383	297	232

(continued)

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

Function/Program	2010	2009	2008	2007
Security of Persons & Property				
<i>Police</i>				
Total Calls for Services	31,344	37,243	36,489	35,687
Total Reports Taken	1,919	1,999	1,935	2,246
OMVI/DUI	48	41	39	68
Juvenile Traffic Citations	105	112	148	146
Adult Traffic Citations	2,420	2,319	2,067	2,474
Juvenile Education Enforcement Program	1	3	3	7
Serious Crime/ Incidents				
Accidents	468	491	493	574
Homicides	0	0	0	1
Fatal Accidents	1	0	0	1
Rapes	6	8	4	1
Auto Theft	5	15	25	13
Robbery	9	15	2	13
Burglary	42	52	55	36
Assaults	57	57	54	50
Suicides	0	0	3	0
Leisure Time Activities				
<i>Parks & Recreation</i>				
Park Land and Acreage	157.33	157.33	157.33	157.33
Street Trees				
Number of trees planted	88	216	176	288
Number of trees pruned	633	700	265	265
Number of trees removed	33	61	61	61
Recreation Activities (5)				
Basketball Leagues	5 teams	8 teams	8 teams	6 teams
Co-Rec Volleyball League	9 teams	11 teams	11 teams	11 teams
Softball Leagues	40 teams	41 teams	41 teams	41 teams
Community Development				
<i>Planning & Zoning Indicators</i>				
Comprehensive Sign Plans	14	13	17	25
Rezoning	3	4	1	3
Annexations	0	2	0	0
Certificates of Appropriateness	13	13	15	22
Lot Splits	4	3	7	9
Subdivision Plats	0	0	0	1
Planned Unit Developments	1	1	1	0
Complaints Received	305	930	792	627
Inspections Completed	398	888	731	532
Unresolved Issues	50	42	61	55
Streets and Equipment Maintenance				
Storm Sewers				
Inlets	9	14	12	15
Collapsed Lines	465	500	600	1,475
Ditches	270	300	250	900

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

2006	2005	2004	2003	2002	2001
30,290	26,643	21,641	19,914	20,156	20,118
2,299	2,194	1,937	1,619	1,552	1,484
61	55	54	30	37	36
141	150	148	138	180	186
2,461	2,473	2,023	1,346	1,584	1,677
27	38	9	13	15	16
584	549	557	512	508	455
0	0	0	0	1	0
1	1	0	0	0	0
4	3	2	0	4	0
24	18	14	19	11	11
13	2	14	5	3	5
50	55	55	56	32	18
53	61	43	36	38	43
2	0	1	2	1	0
157.33	157.33	157.33	157.33	157.33	150.00
450	446	431	887	350	133
275	626	436	419	468	588
31	57	42	69	22	45
n/a	n/a	n/a	8 teams	8 teams	8 teams
n/a	n/a	n/a	6 teams	6 teams	6 teams
n/a	n/a	n/a	48 teams	56 teams	54 teams
25	16	11	9	8	11
6	5	2	2	4	9
0	1	0	0	8	5
24	30	21	23	31	38
4	0	5	4	18	4
2	3	0	0	24	6
2	1	0	0	4	7
272	83	87	166	176	161
680	178	164	332	341	329
38	2	5	3	3	1
36	48	27	149	152	92
250	0	0	0	0	2
600	420	42	0	15	15

(continued)

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

Function/Program	2010	2009	2008	2007
Streets and Equipment Maintenance (continued)				
Leaf Pick Up				
Loads	86	141	115	110
Days	40	43	42	50
Snow Removal				
Salt (tons)	2,514.33	1,170.00	1,800.00	1,750.00
Days (4)	n/a	n/a	n/a	n/a
Hours (4)	864	644	390	174
Sand/Chloride (gallons)	34.28	20	0	0
Signs				
Repair/Replace	58	63	93	75
New	25	13	27	37
Mosquito Fogging (hrs)	98	68	120	52
Street Maintenance				
Striped (miles)	0.59	18.44	6.00	17.00
Street Sweeping (cu. yd.) (3)	52	211	110	140
Berming (miles)	1.50	5.00	2.00	6.00
Crack Sealing (tons)	1.90	3.05	0.00	1.25
Water Department				
Revenue Collected (1)	\$1,994,091	\$1,796,125	\$1,604,908	\$1,588,040
Water Processed (Million Gallons Per Day)				
Raw Water	557.00	549.90	576.40	590.96
Avg./Day	1.53	1.51	1.58	1.62
Water to System	503.10	501.71	521.72	536.99
Avg./Day	1.38	1.37	1.43	1.47
Chemical Usage (in 1000s)				
Chlorine	8,316	7,846	7,813	7,347
Avg./Day	22.79	21.49	21.40	20.12
Fluoride	17,382	16,699	17,535	18,298
Avg./Day	47.62	45.75	48.04	50.13
Phosphate	27,428	26,714	25,420	25,920
Avg./Day	75.15	73.18	69.64	71.01
Potassium	19,111	19,249	14,499	12,745
Avg./Day	52.36	52.74	39.72	34.91
Annual Water Pumpage (in 1000s)				
Raw Water	557,004	549,900	569,530	590,957
Treated Water	503,100	501,709	515,860	536,990
Plant Use	61,250	46,538	58,110	50,850
Sewer Department				
Revenue Collected (1)	\$3,260,014	\$2,735,204	\$2,177,967	\$1,731,150
Treated Water (total for year)	440.41	420.74	498.55	456.32
Average (Gallons Per Day)	1.210	1.152	1.370	1.250
Sludge Hauled (tons)	278.66	308.27	376.50	304.17
Aquatic Recreation Center (6)				
Revenue Collected (1)	\$201,701	\$267,661	\$269,419	\$0
Number of Passes Sold	574	636	672	0

(1) Cash basis of accounting.

(2) 2004 through 2010 are on an accrual basis and 2001 through 2003 are on a modified accrual basis.

Collections include delinquencies, penalties, interest and late fees.

(3) Street sweeping was contracted out from 2002 to 2004.

(4) Starting in 2002, the City started tracking hours for snow removal as a better indicator of time spent.

(5) For 2004 to 2006 information was not available.

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

Source: City financial records

2006	2005	2004	2003	2002	2001
115	144	107	103	105	115
45	42	52	44	51	33
199.00	1,128.00	950.00	2,200.00	952.57	872.93
n/a	n/a	n/a	n/a	n/a	18
240	120	198	225	254	n/a
0	0	50	150	100	200
147	48	120	102	123	73
37	120	95	34	47	221
260	240	304	74	113	72
19.48	18.37	10.00	9.93	54.62	5.83
150	957	0	0	0	176
6.00	47.25	17.00	2.50	8.60	14.20
0.00	0.00	0.00	0.00	0.00	7.35
\$1,261,700	\$1,251,865	\$1,123,518	\$1,186,044	\$918,746	\$889,328
551.13	540.36	499.33	453.22	440.15	370.86
1.51	1.48	1.36	1.24	1.21	1.02
494.76	486.37	445.20	392.68	380.94	337.82
1.36	1.33	1.22	1.08	1.04	0.93
6,007	5,419	5,095	3,814	2,813	3,598
16.46	14.85	13.96	10.45	7.70	9.86
17,429	16,911	15,346	13,352	12,883	11,390
47.50	46.33	42.04	37.13	35.30	31.21
24,368	24,521	22,076	18,575	11,625	24,348
66.76	67.18	60.48	50.89	31.85	66.71
12,537	16,878	11,895	22,183	16,367	15,501
34.34	46.24	32.58	60.78	44.84	42.47
551,130	540,360	499,331	453,220	440,150	370,860
516,750	486,370	468,389	412,940	398,340	337,820
52,800	52,400	57,760	58,450	60,500	33,040
\$1,383,818	\$1,397,171	\$1,309,367	\$1,147,823	\$1,190,747	\$1,155,358
492.81	456.88	396.69	399.43	472.50	473.42
1.360	1.252	1.086	1.094	1.295	1.297
158.00	169.60	215.87	114.50	117.11	242.46
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0

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

Function/Program	2010	2009	2008	2007
General Government				
Square Footage of Municipal Building	9,280	9,280	9,280	9,280
Square Footage of Building/ Parks Building (1)	2,547	2,547	2,547	2,547
Vehicles	6	5	5	5
Police				
Stations	1	1	1	1
Square Footage of Building	20,531	20,531	20,531	20,531
Vehicles	18	18	17	16
Motorcycle	1	1	1	1
Leisure Time Activities				
Number of Parks	5	5	5	5
Number of Tennis Courts	5	5	5	5
Number of Skateboarding Areas	1	1	1	1
Number of Baseball and Softball Diamonds	4	4	4	4
Number of Soccer Fields	3	3	3	4
Disc Golf Course	1	0	0	0
Vehicles	5	8	8	8
Transportation				
Streets (miles)	59.62	59.62	59.62	58.23
Service Vehicles	17	15	15	15
Service Complex (3)				
Square Footage of Cold Storage Building	4,368	4,368	4,368	0
Sewer				
Sanitary Sewers (feet)	409,840	409,840	409,840	397,807
Square Footage of Building	800	800	800	800
Vehicles	3	3	2	2
Water				
Square Footage of Building	13,667	13,667	13,667	13,667
Water Lines (feet)	351,814	312,377	312,377	307,498
Vehicles	3	3	2	2
Stormwater				
Storm Sewers (feet)	217,687	214,807	210,987	204,969
Utilities				
Square Footage of Utilities Complex	1,658	1,658	1,658	1,658
Aquatic Recreation Center (2)				
Acreage	3.89	3.89	3.89	0
Square Footage of Adult Swimming Pool	9,350	9,350	9,350	0
Square Footage of Youth Swimming Pool	250	250	250	0

(1) Prior to 2002, the Building/ Parks Departments shared office space at the Municipal Building. After the completion of the new police building, the Building/ Parks Departments moved into the old police station.

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

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

n/a - Information was not available.

2006	2005	2004	2003	2002	2001
7,744	7,744	7,744	7,744	7,744	7,744
2,547	2,547	2,547	2,547	2,547	n/a
5	5	5	5	5	5
1	1	1	1	1	1
20,531	20,531	20,531	20,531	20,531	2,547
15	15	15	11	11	11
1	1	1	1	1	1
5	5	5	5	5	5
1	1	1	1	1	1
1	0	0	0	0	0
4	4	4	4	4	4
4	4	4	4	4	4
0	0	0	0	0	0
8	8	8	8	8	8
58.23	57.29	56.81	56.81	54.62	50.80
15	15	13	12	10	9
0	0	0	0	0	0
397,807	378,864	359,788	218,032	214,472	196,871
800	800	800	800	800	800
2	2	2	2	2	2
13,667	13,667	13,667	13,667	13,667	13,667
307,498	303,178	303,178	268,971	256,750	239,000
2	2	2	2	2	2
204,969	198,898	198,898	173,546	159,324	133,944
1,658	1,658	1,658	1,658	1,658	1,658
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0

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CITY OF PICKERINGTON
FAIRFIELD COUNTY
REGULAR AUDIT
JANUARY 1, 2010 – DECEMBER 31, 2010



**CITY OF PICKERINGTON
FAIRFIELD COUNTY**

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

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

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 10, 2011. As disclosed in Note 3A, the City adopted GASB Statement No. 51. In addition, as disclosed in Note 3B, the City restated net assets to account for loan proceeds received by the City. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

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 more than a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS

Ten West Locust Street

Newark, Ohio 43055

(740) 345-6611

1-800-523-6611

FAX (740) 345-5635

City of Pickerington
Fairfield County
Report on the Internal Control over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion 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*.

However, we did note a certain matter not requiring inclusion in this report that we reported to the City's management in a separate letter dated June 10, 2011.

We intend this report solely for the information and use of the management, the Finance Committee, City Council, and others within the City. We intend it for no one other than these specified parties.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
June 10, 2011



Dave Yost • Auditor of State

CITY OF PICKERINGTON

FAIRFIELD COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 26, 2011**