

2012

City of Pickerington, Ohio

Comprehensive Annual Financial Report



For the year ended
December 31, 2012



Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the City of Pickerington, Fairfield County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2012 through December 31, 2012. 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 31, 2013

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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, 2012**

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Introductory Section

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CITY OF PICKERINGTON

June 18, 2013

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

The Comprehensive Annual Financial Report (CAFR) of the City of Pickerington, Ohio (the City), for the year ended December 31, 2012 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, 2012. 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.

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, 2012. 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 2012 was 18,408. The unincorporated Violet Township estimated population (excluding Pickerington) 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, City Clerk, and concurs on the Mayor's appointment of the City Manager. Council also makes citizen appointments to several boards and commissions. There are four standing Council Committees that Council appoints: Finance, City Administration, Public Safety and Community Affairs, and City Planning, Projects and Services. 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.

The City Clerk is responsible for maintaining Council's schedule, attending and preparing transcripts of all Council and Committee meetings, preparation and management of all legislative actions, and all duties associated with the office of the City Clerk.

In 2006, the law firm of Ice Miller, LLP was hired as Law Director for a period of two years. Their contract was renewed in 2008, 2010 and again in 2012 for two year periods. Outside counsel was utilized for a Tax Increment Financing project and for various debt 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 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 31st. 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 also adopted 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 28. For other funds, this comparison is presented in the supplementary section of this report, which starts on page 96.

Economic Condition and Outlook

Commercial development over the last year has seen a steady growth in the City, and appears to be outpacing the state and national commercial growth rates. Over the past few years, many projects have been completed, new projects have begun, and a number of existing facilities are renovating their buildings. With new development announcements being made in the last year, we have seen a strong growth in business development interest in our community and believe we will see a steady growth over the next few years. In 2012, over \$32,482,788 was invested in new construction in Pickerington, with an approximate \$41,500,000 in additional projects under construction or anticipated to be constructed.

The following commercial development projects were completed during 2012:

- Mark Matthews and Associates Insurance, located at 107 West Columbus Street, renovated and expanded their existing office building with a 1,044 square foot addition located in the Olde Pickerington Village. The estimated value of the renovation and expansion was \$70,000.
- The Shoppes at Stonecreek, located at 1500 Stonecreek Drive South, were completed in the winter of 2012/13. Phase 2, the final phase, included an approximate 12,000 square foot addition bringing the total center up to approximately 43,000 square feet. The addition has an estimated value of \$1,100,000.
- Tide Dry Cleaners, located at 990 Old Diley Road, opened a new 2,800 square foot dry cleaner with an estimated value of \$525,000.

- Waterstone Landing, which is an approximately 112-unit apartment complex located on Fullers Way, was completed in 2012. The construction of the apartment complex has an estimated value of \$2,310,000.
- Seton Parish, located at 600 Hill Road North, completed a 3,200 square foot storage building with an estimated value of \$40,000.
- Burger King, located at 1080 Hill Road North, recently completed an exterior renovation of their building. The estimated cost of the renovation was \$360,000.
- Giant Eagle completed a renovation to their store located at 873 Refugee Road. The renovation is estimated to be valued at \$61,367.
- Max and Erma's, located at 1281 Hill Road North completed exterior and interior renovation to their existing restaurant. The estimated cost of the renovation was \$120,000.

Under Construction

- Pickerington Eye Care's new facility, located at 141 Clint Drive will be approximately 7,240 square feet. The new facility is estimated to be valued at \$1,500,000.
- 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.
- Grace Fellowship Church is currently under construction. Located at 1449 Refugee Road, the approximate 25,800 square foot building has an estimated value of \$3,000,000.
- Pickerington Medical Center is currently renovating their medical office building located at 670 Hill Road North. The estimated cost of the renovation will be \$200,000.
- The private infrastructure for the eight acre Commercial plat of Diley Crossroads (5 commercial parcels) started construction in spring 2013. The site is located at the northwest corner of Diley Road and Hill Road North.

Anticipated to be Constructed

- OhioHealth recently purchased approximately sixty acres of land along Refugee Road with the plans to construct a medical facility. Their plans are to begin construction in the summer of 2013.
- Midas Auto Service Center has received Planning and Zoning Commission approval for an approximate 5,214 square foot service center to be located at the northwest corner of Diley Road and Hill Road North. Construction should start summer 2013.
- Pickerington Plaza has received Planning and Zoning Commission approval to construct an approximate 47,630 square foot shopping center which will be made up of three separate buildings at the southeast corner of Hill Road North (SR 256) and

Blacklick-Eastern Road (SR 204). Construction for the shopping center is anticipated to begin in the summer of 2013.

Recent Actions Relating to Development

- The City of Pickerington is currently in the process of updating and revising the Zoning Code. The goal is to complete this review process by the end of 2013.
- The City's Engineering Department secured a \$5 million safety grant from the Ohio Department of Transportation for Hill Road North between I-70 and Refugee Road. This safety grant will not only improve the safety of Hill Road North but will also improve the aesthetics of the corridor. The remainder of State Route 256 would be repaved. Construction is estimated to begin in 2015.

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 Development Growth Alliance, the Mid-Ohio Regional Planning Commission, Columbus 2020, 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, held in late July, is a venue to showcase the community which brings an estimated 20,000 visitors into the community.

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 may 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 \$3,567,428 has been collected from December 2005 to December 2012. Impact Fees have been and continue to be 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 hired one patrol officer; one full-time public safety dispatcher; one part-time public safety dispatcher, and three auxiliary officers to fill vacant positions. The police staff includes the chief, two commanders, four sergeants, fourteen patrol officers, two community relations officers, one officer assigned to the Fairfield/Hocking Major Crimes Unit, three detectives, five auxiliary officers, a communications supervisor, seven full-time dispatchers, and one part-time dispatcher, dedicated to protecting and serving the City's residents. The Mounted Patrol Unit was created in June 2007 with the donation of a registered American Palomino Quarter Horse named Prince. The Mounted Patrol Unit is used for 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. The Police Department's K9 dog was purchased from a breeder/trainer in West Virginia. Officer Gallagher and his partner Shadow have 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 include; drug detection, tracking, and search and rescue. In 2012, Officer Jim Gallagher and his K9 partner Shadow participated in drug searches at Pickerington High School Central, Pickerington High School North, Lakeview Junior High School, and Ridgeview Junior High School. The Department continues to work with the school administration scheduling future searches. Officer Gallagher and Shadow also assisted several other outside area communities in their efforts to keep drugs out of their schools.

In 2012, the Department implemented and assigned an officer specifically to a Drug Enforcement Program. The Officer is responsible for acting as a liaison between the department and state, federal, and local area law enforcement agencies in regards to drug enforcement. The Officer also develops and distributes drug intelligence to patrol officers and detectives, conducts plain clothes assignments, and serves part-time on the Fairfield County SCRAP (Street Crime Reduction and Apprehension Program) team. The Officer was involved in several drug trafficking arrests this past year, contributing greatly to the city's efforts on drug interdiction.

The Police Department in coordination with the Ohio Department of Public Safety participated in an "Over the Limit, Under Arrest" and "Click It Or Ticket" campaign. Officers performed over 500 traffic stops during these events. The Department was awarded a new speed measuring device for participating.

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 Detective was presented an award at the Tenth Annual Blue Coat Appreciation Dinner that was hosted by the Knights of Columbus.

The DARE Program has been restructured and returned to the local school district. The DARE Program is a two week program that is offered before school begins and is on a volunteer basis. Approximately 300 students graduated from the program offered at Diley Ridge Middle School, Harmon Middle School, and Tollgate Middle School. The DARE program was such a success this year that attendance is expected to more than double for 2013.

In 2012, the Department implemented a new summer program. The Children Home Alone Program (CHAP) is designed to help ensure the safety of children during the summer months. Residents can register their home with the police department as having teens or pre-teens staying home without adult supervision. Officers will then pay special attention to those homes registered. Officers will then contact the resident and inform them of activity, or in the case that illegal or dangerous activity is observed, take immediate action.

In 2012, the Ride Along Police Program (RAPP) was implemented by the Department's School Resource Officer (SRO). This program allows students interested in a law enforcement career to come to the police station during the summer and spend a day with the SRO doing police type activities. Students get to tour the police facility, handle police equipment such as unloaded firearms, radar, riot gear, fingerprinting equipment, and go out on patrol in a patrol vehicle with an officer. They are exposed to the dispatch center and allowed to observe dispatchers responding to calls for service and dispatching officers to emergencies.

In 2012, the Department participated in a day of walking and riding bicycles to school with children. Several officers rode bikes and walked with elementary and middle school children to school. This event was organized to teach the children about pedestrian and bicycle safety. Several different neighborhoods and many children and parents participated in this community event.

Street Department

The Street 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 including annual street resurfacing program. The City crews maintain 60 miles of existing streets that lie within its borders.

Engineering Department

Design began on improvements to State Route (SR) 256 from I-70 to Diley Road in 2012. The project will 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 nine traffic signals to include mast arms, signal backplates, large street name signs, and lighting. The City was awarded a \$5,000,000 Ohio Department of Transportation (ODOT) Safety Grant for this major improvement project. It is anticipated that construction will begin in 2015.

Design work began on improving the intersection of Center/Milnor/Meadows. The City was awarded a \$500,000 Mid-Ohio Regional Planning (MORPC) grant in 2010 for this project. It is estimated that construction will begin in 2016.

Design work was done for sidewalks and bike paths for Pickerington Elementary School on Long Road. Pickerington obtained an ODOT Safe Routes to School (SRTS) grant in the amount of \$300,000, for the project. Construction is planned for 2014.

Asphalt resurfacing was completed for approximately four miles of City streets at a cost of \$560,000. Crack sealing was done on another approximately four miles of streets at a cost of \$20,000. The City has established a five year capital improvement plan, which includes an annual street resurfacing program.

The 500,000 gallon Longview Elevated Water Storage Tank was drained and inspected. An altitude valve vault was designed for the site.

Construction began on lining one-half mile of damaged 18" to 30" diameter storm sewer pipe on SR 256 north of Refugee Road.

Notable construction inspection projects included Fox Glen Section 7C, Waterstone Landings, Tide Dry Cleaners, and WOW cable.

Utilities Department

During 2012, the Water Treatment plant production averaged 1.39 MGD per day for a total of 508.51 MG for the year.

The Wastewater Treatment plant treated an average of 2.17 MGD per day for a total of 793.90 MG treated during 2012.

Urban Forestry

During 2012, service workers planted 94 trees and pruned 706 trees around the City. 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 20th consecutive year.

Parks and Recreation Department

The City's Parks System has seven parks within its corporation limits totaling more than 157 acres of passive and active parkland. The City's largest and most-used park, Sycamore Park, provides tennis courts, softball diamonds, picnic shelters, a fishing pond, sledding hills, playgrounds, a putting green, an amphitheater, an arboretum, a covered bridge, soccer fields, a skate park, and jogging/walking trails.

The Pickerington Recreation Department can look back at 2012 as a hugely successful year, which included 1,584 registrants for the various programs, classes, and workshops, and 955 renters for various facilities.

Additionally, the special events sponsored or co-sponsored by the Department came off without a hitch, except for one Sunday summer concert and a Friday night movie which were rained out.

The Department offered more summer sports camps than ever before, and during the course of the year, featured 48 new classes and programs for the first time.

The Department partnered with the Pickerington Area Chamber of Commerce, the Pickerington Local Schools, the Pickerington Lions Club, the Pickerington Christian Church, Children's Hospital Twigs #165, the Pickerington Senior Center, Eastside Vineyard Church, the Rock Factory Studios, the Olde Pickerington Village Business Association, David Beckham Photography, the Pickerington-Violet Township Historical Society, PickeringtonKidz.com, the Violet Festival Committee, the Pickerington Food Pantry, and the Columbus Flyers Disc Golf Club in a variety of activities and programs during the year.

Spring

Casual play on the City's disc golf course throughout the spring and summer months once again exceeded the City's expectations.

Also noteworthy is an 8.5 percent growth of garden plots and gardeners involved in the Pickerington Community Gardens. All available plots were utilized.

Co-sponsored events, including "Breakfast with the Bunny" and KidzFest, were well-attended.

Summer

The Adult Softball Leagues had a total of 32 teams in four leagues, and the Summer Playground program drew 36 registrants. Three separate sessions of tennis lessons, and an adult league, were filled throughout the summer.

Also in summer Department activity, the July Fourth Parade included more than 89 entries, and an enormous crowd witnessed the fireworks later that night. Giant Eagle sponsored the Department's Summer Concert Series for the sixth 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 July youth Fishing Derby produced new highs in participants and numbers of fish caught.

The Pickerington Community Pool brought in a total of 2,119 season pass patrons, swimming lessons attracted 208 youngsters, and all summer programs, classes, and workshops attracted 755 registrants.

Autumn and Winter

In October, both the Haunted Village and Tots Trick or Treat drew praise from impressive numbers of attendees. The return of the pumpkin-carving contest at the Haunted Village supplied many creative entries. Also back by popular demand were the haunted museum and the haunted house.

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

The holiday gathering and tree-lighting event was enhanced by a caroling group, carriage rides, two santa clauses, crafts, a story-teller, free hot chocolate, and a museum open house.

The Department sponsored the third annual holiday decorating contest for Olde Pickerington Village. Girl Scouts helped the City load the Mitten Tree for needy families in Fairfield County.

“Letters to Santa” responded to 250 youngsters who used the City Hall mailbox to the North Pole.

The Sunday Co-Rec Volleyball League had seven teams with over 100 athletes participating.

Even though last year’s weather did not cooperate by having a long cold season, the temporary ice rink was usable for two weekends. This year the ice rink is looking much better in Victory Park for more ice-skating and hockey devotees to enjoy.

The Department continues to offer a wide variety of activities and programs for families to enjoy throughout the year.

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 17 percent over 2011. A total of 526 permits were issued in 2012, which included 98 single family homes, 144 commercial, and 284 permits for home improvement projects. This increase reflected a 54 percent increase in total fees collected up to \$1,754,557 including Building Department fees, municipal fees, and impact fees.

The Code Enforcement Department responded to complaints concerning high grass, signs, parking, and property maintenance issues. All complaints are entered into a data base and the status is tracked until the matter has been resolved. In 2012, Code Enforcement responded to 265 complaints and closed out 246 of those violations.

Human Resources Department

Human Resources Director, Lynn Miller, continued in 2012 to prioritize personnel projects related to safety, risk, recruitment and retention, compliance, benefits, employment practices, and policies.

In the recruitment function, the Human Resources Department successfully facilitated the recruitment process for 17 total employees to fill full-time and regular part-time vacancies. The recruitment was needed as a result of the generation of six newly added positions, seven resignations, and two retirements.

Recruitment and retention including training and orientation for 33 summer seasonal staff continued with added emphasis on retaining top performers and recruiting high caliber candidates to fill safety sensitive positions.

Under the guidance of the Human Resources Director, the ESP – Employees for a Safe Pickerington – safety team continues to meet monthly to discuss safety items and brainstorm training opportunities to mitigate risk. ESP reps are two-way communicators, responsible for bringing information to and from the departments they represent.

Occupational Safety and Health Administration safety consultant, Kyle Weygandt, visited the City 10 times in 2012 to present industry best-practices for a variety of safety topics from: Personal Protective Equipment and Ladder Safety to Lock-out/Tag-Out, Heat Safety and workplace musculoskeletal risks and mitigation. The City continues to provide shared safety services for the region, with members from Violet Township and the Pickerington Library participating in featured safety programs.

Other staff training organized by the Human Resources Department included: Ethics Training, Fire and Tornado Drills, two-part Active Shooter training, and retirement planning. In addition, the HR Director worked with other HR professionals in the area to bring noted industrial psychologist George Flanagan to Pickerington in September to present a leadership seminar that was well received by leaders from Pickerington, Violet Township, Groveport, and Canal Winchester.

The Human Resources Director successfully applied for a \$15,000 Bureau of Workers' Compensation (BWC) Wellness Grant in 2012 to measure the success of on-site wellness campaigns. The grant provides for annual biometrics screenings for employees. The first such event took place on December 4, 2012. Over 40 employees took part in the free, 3-hour health event. Other health initiatives include completing personalized on-line health risk assessments, participating in lunchtime fitness activities and incentives for remaining fit and active outside of work. The BWC-funded program will continue through 2016.

There were four medical-only work-related injuries reported in 2012 plus one claim that resulted in recurring medical treatment with less than one week away from work. This limited claims experience allows the City to continue to retain a favorable group-rated status for reduced BWC premiums.

In October 2012, the Human Resources Director was elected Secretary to the Board of Directors for the Central Ohio Risk Management Association. She represents City interests with regard to this risk and liability insurance pool. The membership for 2012 remains at 7 participating cities: Pickerington, Groveport, Grove City, Dublin, Upper Arlington, Westerville, and Powell. The group pools resources to retain greater control over liability premiums and claims administration.

Finance Department

The Finance Department continued to receive a positive return from income tax collections due to the growth in the area. In 2012, cash basis income tax revenue increased 2.1 percent over 2011. This equates to \$105,691 in additional revenue. Income tax delinquency collections, penalties, and interest brought in \$503,310 due to concentrated efforts for compliance and continuing to utilize 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, calculate and prepare their City tax returns. For 2012, the tax office personnel coordinated with our software vendor, to upgrade our online tax preparation and filing tool. 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.

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. The note rating has been maintained from 2005 through 2012. The overall rating of the City was upgraded to "A-1" status in 2007 and was reaffirmed in 2008 through 2010. In 2012, City staff traveled to Moody's Investor Services in New York City to make a ratings presentation. The City's "Aa-2" bond rating was reaffirmed and the City utilized this rating to refinance/advance refund several outstanding debt issues. The refunding of the 2004 Street Improvement bonds resulted in a total economic gain in the amount of \$131,080 at a net interest cost of 1.84 percent. The City also, refinanced all outstanding notes to bonds including the outstanding police station lease and Windmill/Diley Tax Increment Financing revenue anticipation notes. The historically low interest rates, yielded the City an average 2.12 percent interest rate for all issues combined.

The City completed the refinancing of the State Infrastructure Bank Loan (SIB) in January 2013 to a twenty year term. The outstanding balance was refinanced to a bond issue with a net interest cost of 2.24 percent which is significantly less than the 3.0 percent rate through the State Infrastructure Bank. The refinancing also dramatically reduced the annual principal payment as the prior loan maintained a 10 year term with a lump sum balloon payment due in 2015.

The Finance Department once again completed a five-year financial forecast in 2012. This forecast was adopted by Council as a tool for assisting with future decisions regarding the finances of the City. The forecast has been instrumental for successfully renewing the annual street resurfacing program.

This year will mark the twentieth year of filing financial statements according to accounting principles generally accepted in the United States of America (GAAP) and the ninth 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 begun the engineering for an upgrade to the Leisure Drive Pump Station. In addition, the design phase has been completed for the Sycamore Creek East relief sewer line phases II and III project.

The City applied for and received Ohio Public Works Commission grant funding for State Route 256 storm sewer line improvement project. This project will reinforce the integrity of the existing line which has deteriorated.

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 has initiated discussions with several communities for water tank maintenance programs, cooperative road salt bidding, and sharing of specialized employees. 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.

Awards and Acknowledgements

The Finance Director received the Dave Yost, Auditor of State's "Award with Distinction" for outstanding commitment to the highest standards of financial reporting for the years 2005, 2006, and 2008 through 2011 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, 2011. This was the eighth year that the City had filed a CAFR and received this reward. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

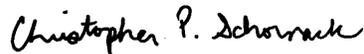
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City received the Award for Outstanding Achievement in Popular Annual Financial Reporting from GFOA for the City's 2011 Citizen's Report, a condensed, more user-friendly financial report intended to provide highlights of the City's financial condition. 2011 was the first year the City completed the Popular Annual Financial Report and received this prestigious award.

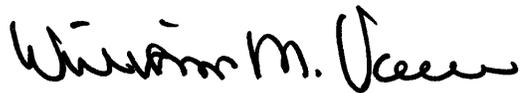
Tree City USA – The City received its twentieth Tree City USA Award for the year ended December 31, 2012. This prestigious award recognized the City for its annual program of planting new trees and maintaining and removing old trees.

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, 2012**

City Council

Mayor	Lee Gray
President Pro Tempore	Gavin Blair
Vice President Pro Tempore	Jeff Fix
Council Member	Tony Barletta
Council Member	Cristie Hammond
Council Member	Michael Sabatino
Council Member	Brian Sauer
Council Member	Chris Schweitzer

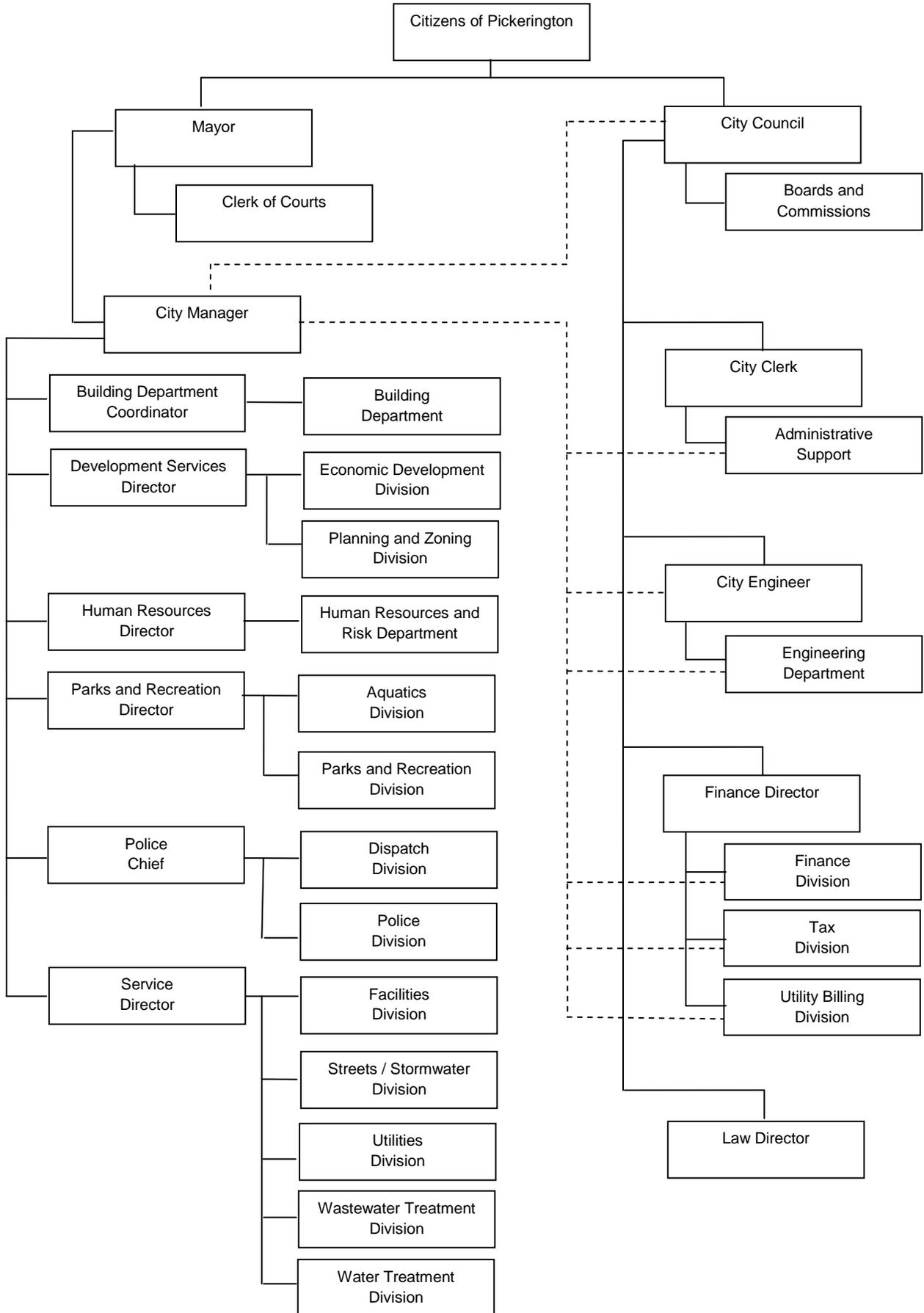
Appointed Officials

City Manager	William Vance
Law Director	Ice Miller, LLP
Municipal Clerk	Lynda Yartin
City Engineer	Greg Bachman
Finance Director	Christopher Schornack

Executive Staff

Deputy Finance Director	Stephanie Spencer
Income Tax Administrator	Kim Pulley
Clerk of Court	Molly Schwartz
Recreation Administrator	Rebecca Medinger
Human Resource Director	Lynn Miller
Development Services Director	Joseph Henderson
Chief of Police	Michael Taylor
Service Director	Edward Drobin

City of Pickerington Organizational 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, 2011

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



Christopher P. Morill

President

Jeffrey R. Enos

Executive Director

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Financial Section



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

INDEPENDENT AUDITOR'S REPORT

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, Ohio (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, Ohio, as of December 31, 2012, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Police Funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As disclosed in Note 3, the City implemented GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*", and GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities*". In addition, the City restated governmental activities to properly account for payment in lieu of taxes. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information present additional analysis and is 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 relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements.

We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

City of Pickerington
Fairfield County
Independent Auditor's Report

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2013, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Wilson, Shannon & Sons, Inc.

Newark, Ohio
June 18, 2013

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City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
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, 2012. 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 2012 are as follows:

- The City's total net position increased by \$1,985,897, from the total net position at the beginning of the year 2012.
- At the end of the current year, the City's governmental activities reported total net position of \$50,877,769, an increase of \$262,476 from the prior year.
- At the end of the current year, unassigned fund balance for the General Fund was \$2,727,219, which represents a 7 percent decrease from the prior year.

Using this Annual Financial Report

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

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

Reporting the City as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2012?" The Statement of Net Position 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, 2012
Unaudited

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

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

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

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

Reporting the City's Most Significant Funds

Fund Financial Statements

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

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

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

The City maintains a number of individual governmental funds. Information for the major funds, identified earlier, is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

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 20 through 29 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 30 through 37 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 38.

The City as a Whole

Recall that the Statement of Net Position looks at the City as a whole. Table I provides a summary of the City's net position for 2012 compared to 2011.

Table I
Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2012	Restated 2011	2012	2011	2012	Restated 2011
Assets						
Current and Other Assets	\$10,758,316	\$11,387,141	\$6,736,397	\$6,851,953	\$17,494,713	\$18,239,094
Capital Assets, Net	55,798,223	56,857,791	59,858,018	60,513,158	115,656,241	117,370,949
<i>Total Assets</i>	<u>66,556,539</u>	<u>68,244,932</u>	<u>66,594,415</u>	<u>67,365,111</u>	<u>133,150,954</u>	<u>135,610,043</u>
Deferred Outflows of Resources						
Deferred Charge on Refunding	105,099	0	114,067	141,881	219,166	141,881
Liabilities						
Current and Other Liabilities	756,733	2,875,316	391,880	1,674,062	1,148,613	4,549,378
Long-term Liabilities	12,757,136	12,524,323	17,296,772	18,536,521	30,053,908	31,060,844
<i>Total Liabilities</i>	<u>13,513,869</u>	<u>15,399,639</u>	<u>17,688,652</u>	<u>20,210,583</u>	<u>31,202,521</u>	<u>35,610,222</u>
Deferred Inflows of Resources						
Property Taxes	2,270,000	2,230,000	0	0	2,270,000	2,230,000
Net Position						
Net Investment in Capital Assets	44,046,257	42,835,157	42,935,198	41,184,090	86,981,455	84,019,247
Restricted	3,118,919	3,676,954	0	0	3,118,919	3,676,954
Unrestricted	3,712,593	4,103,182	6,084,632	6,112,319	9,797,225	10,215,501
<i>Total Net Position</i>	<u>\$50,877,769</u>	<u>\$50,615,293</u>	<u>\$49,019,830</u>	<u>\$47,296,409</u>	<u>\$99,897,599</u>	<u>\$97,911,702</u>

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

Total governmental activities assets decreased \$1,688,393. This decrease is primarily due to decreases in cash and cash equivalents in the amount of \$631,382, in payment in lieu of taxes receivable in the amount of \$516,079, and in capital assets in the amount of \$1,059,568. The decrease in cash and cash equivalents is a direct result of the City utilizing cash reserves in the General Fund in the amount of \$324,125 to retire outstanding bond anticipation notes. The decrease in payment in lieu of taxes receivable is due to the expiration of three tax increment financing agreements that were in effect from tax year 2001 to tax year 2011, collection year 2012. The decrease in capital assets is primarily due to current year depreciation.

Total governmental activities long-term liabilities increased \$232,813. On November 21, 2012, the City issued \$1,045,000 in street improvement general obligation advance refunding bonds and \$8,070,000 in various purpose general obligation bonds. The various purpose general obligation bonds issued include \$5,660,000 in governmental general obligation bonds and \$2,410,000 in business-type general obligation bonds. The \$1,045,000 street improvement general obligation advance refunding bonds were issued to partially advance refund the 2004 street improvement general obligation serial bonds. The \$1,045,000 street improvement general obligation bonds were sold at a premium in the amount of \$38,621. Issuance costs were \$21,441. The partial advance refunding resulted in a difference between the net carrying amount of the debt and the acquisition price, in the amount of \$105,099. The partial advance refunding resulted in a savings between the cash flows required to service the old debt and the cash flows required to service the new debt of \$169,679. The issuance resulted in a total economic gain of \$131,080. The overall increase in long-term liabilities is primarily due to notes payable being refinanced into bonds during 2012, which were offset by scheduled principal payments resulting from the bond issuance and the payoff of the settlement payable in 2012.

Total business-type activities assets decreased \$770,696. This decrease is primarily due to a decrease in capital assets in the amount of \$655,140 as a result of current year depreciation.

Total business-type activities liabilities decreased \$2,521,931. This decrease is primarily due to decreases in short-term notes payable in the amount of \$1,209,000 and long-term liabilities in the amount of \$1,239,749. The decrease in notes payable is due to the City retiring the outstanding sewer bond anticipation notes in the amount of \$350,000 and the issuance of bonds for the remaining water plant and water tower bond anticipation notes in the amount of \$2,410,000. The \$2,410,000 various purpose water general obligation bonds were sold at a premium of \$68,675 that is being amortized over the term of the bonds. Issuance costs associated with the bond issue were \$43,683. During 2012, the City made principal payments in the amount of \$430,000 on outstanding general obligations water system and sewer treatment bonds and principal payments in the amount of \$558,454 on outstanding Ohio Water Development Authority loans.

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

Table 2 shows the changes in net position for 2012, compared to the changes in net position for 2011.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2012	Restated 2011	2012	2011	2012	Restated 2011
Revenues						
Program Revenues						
Charges for Services	\$1,528,539	\$1,370,357	\$6,600,697	\$6,395,799	\$8,129,236	\$7,766,156
Operating Grants and Contributions	987,808	897,451	0	0	987,808	897,451
Capital Grants and Contributions	946,086	2,234,376	971,990	474,300	1,918,076	2,708,676
<i>Total Program Revenues</i>	<u>3,462,433</u>	<u>4,502,184</u>	<u>7,572,687</u>	<u>6,870,099</u>	<u>11,035,120</u>	<u>11,372,283</u>
General Revenue						
Property and Other Taxes	2,431,640	2,451,332	0	0	2,431,640	2,451,332
Income Taxes	5,029,644	5,117,727	0	0	5,029,644	5,117,727
Franchise Taxes	265,146	256,095	0	0	265,146	256,095
Grants and Entitlements	387,648	498,744	0	0	387,648	498,744
Investment Earnings	66,069	59,449	28,563	28,740	94,632	88,189
Payment in Lieu of Taxes	212,666	528,809	0	0	212,666	528,809
Impact Fees	553,211	367,399	0	0	553,211	367,399
Gain on Sale of Capital Assets	0	8,200	0	0	0	8,200
Miscellaneous	130,579	96,332	25,596	5,575	156,175	101,907
<i>Total General Revenues</i>	<u>9,076,603</u>	<u>9,384,087</u>	<u>54,159</u>	<u>34,315</u>	<u>9,130,762</u>	<u>9,418,402</u>
<i>Total Revenues</i>	<u>12,539,036</u>	<u>13,886,271</u>	<u>7,626,846</u>	<u>6,904,414</u>	<u>20,165,882</u>	<u>20,790,685</u>
Program Expenses						
General Government	2,675,205	2,345,620	0	0	2,675,205	2,345,620
Security of Persons and Property	4,462,428	4,218,379	0	0	4,462,428	4,218,379
Transportation	3,232,743	3,480,642	0	0	3,232,743	3,480,642
Leisure Time Activities	647,569	588,605	0	0	647,569	588,605
Public Health Services	127,888	99,439	0	0	127,888	99,439
Community Environment	777,125	547,932	0	0	777,125	547,932
Interest and Fiscal Charges	353,602	378,619	0	0	353,602	378,619
Water	0	0	2,219,353	1,980,410	2,219,353	1,980,410
Sewer	0	0	2,870,268	2,853,379	2,870,268	2,853,379
Stormwater	0	0	612,881	643,564	612,881	643,564
Aquatic Recreation	0	0	200,923	196,381	200,923	196,381
<i>Total Program Expenses</i>	<u>12,276,560</u>	<u>11,659,236</u>	<u>5,903,425</u>	<u>5,673,734</u>	<u>18,179,985</u>	<u>17,332,970</u>
<i>Change in Net Position</i>	<u>262,476</u>	<u>2,227,035</u>	<u>1,723,421</u>	<u>1,230,680</u>	<u>1,985,897</u>	<u>3,457,715</u>
Net Position Beginning of Year - Restated	50,615,293	48,388,258	47,296,409	46,065,729	97,911,702	94,453,987
<i>Net Position End of Year</i>	<u>\$50,877,769</u>	<u>\$50,615,293</u>	<u>\$49,019,830</u>	<u>\$47,296,409</u>	<u>\$99,897,599</u>	<u>\$97,911,702</u>

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Governmental Activities

Charges for services accounted for 12 percent of total governmental revenues while operating and capital grants and contributions accounted for 15 percent of total governmental revenues. During 2012, charges for services increased 12 percent. The increase in charges for services is primarily due to an increase in construction inspection services for residential and commercial development in the amount of \$54,644 and an increase in residential building permits in the amount of \$41,945. During 2012, operating and capital grants and contributions decreased 38 percent. This decrease is primarily due to the City recognizing the value of capital contributions of subdivision bridges in the amount of \$1,581,000 and the dedication of Postage Drive to the City in 2011. During 2012, capital contributions from developers for subdivision streets were \$328,092.

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

Capital grants and contributions consist of \$300,000 in Safe Routes to Schools federal funds administered by the Ohio Department of Transportation, \$317,994 in State Route 256 Safety Grant federal funds administered by the Ohio Department of Transportation, and \$328,092 in capital contributions from developers for subdivision streets.

Property and income tax revenue provided 60 percent of total governmental revenues. Of the 60 percent, 40 percent of total governmental revenues were generated from income taxes and 20 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 75 percent of the City's total governmental revenues.

The City's security of persons and property activities accounted for \$4,462,428, or 36 percent, of total program expenses. Transportation services utilized \$3,232,743, or 26 percent, of total program expenses.

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

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Table 3
Governmental Activities

	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2012	2012	2011	2011
General Government	\$2,675,205	\$2,621,006	\$2,345,620	\$2,321,193
Security of Persons and Property	4,462,428	3,915,273	4,218,379	3,674,946
Transportation	3,232,743	1,358,167	3,480,642	406,776
Leisure Time Activities	647,569	464,763	588,605	436,024
Public Health Services	127,888	127,888	99,439	99,439
Community Environment	777,125	(26,572)	547,932	(159,945)
Interest and Fiscal Charges	353,602	353,602	378,619	378,619
Totals	\$12,276,560	\$8,814,127	\$11,659,236	\$7,157,052

Business-Type Activities

The City's business-type activities are for water, sewer, stormwater, and aquatic recreation services. During 2012, program revenues exceeded expenses by \$1,669,262.

The minimum water rate is \$4.04 per each thousand gallons of water used up to a maximum of 12,000 gallons plus a \$4.50 per month service charge. A water fee of \$6.20 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 \$26.58 per month up to 3,000 gallons of water. A sewer fee of \$8.86 is assessed for each thousand gallons of water used in excess of 3,000 per month. Stormwater fees are assessed at a flat rate of a \$4.25 per month.

The City's Funds

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

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

General Fund

The General Fund is the primary operating fund of the City. At the end of 2012, unassigned fund balance was \$2,727,219, while total fund balance was \$3,419,685. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance, to total expenditures and other financing uses. Unassigned fund balance represents 31 percent of total General Fund expenditures and other financing uses, while total fund balance represents 39 percent of General Fund expenditures and other financing uses.

The fund balance of the City's General Fund decreased by \$950,593 during the current year. The key factors for the decrease in fund balance were primarily due to an increase in general government expenditures in the amount of \$289,605, an increase in community environment expenditures in the

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amount of \$251,587, and an increase in transfers-out in the amount of \$1,170,591. The increase in general government expenditures and community environment expenditures is a result of a 1.5 percent increase in wages for non-union employees, along with a six percent increase in health insurance premiums. The increase in transfers-out is primarily due to the City transferring an additional \$586,000 to the Street special revenue fund for annual street resurfacing and an additional \$115,000 to the Police special revenue fund to account for a 2.5 percent increase in wages and a 6 percent increase in insurance premiums.

Other Major Governmental Funds

Police Fund

The fund balance of the Police Fund at December 31, 2012 is \$286,371, a decrease of \$193,928 from the prior year. The decrease in fund balance is primarily due to an increase in operating expenditures from the prior year in the amount of \$313,188. The increase in operating expenditures is primarily due to a 2.5 percent increase in wages and a six percent increase in health insurance premiums.

Debt Service Fund

The fund balance of the Debt Service Fund at December 31, 2012 is \$347,654, an increase of \$303,615 from the prior year. The increase is primarily due to the City issuing street improvement general obligation advance refunding bonds in the amount of \$1,045,000 and various purpose general obligation bonds in the amount of \$5,660,000. The street improvement general obligation advance refunding bonds were issued at a premium in the amount of \$38,621. The various purpose general obligation bonds were issued at a premium in the amount of \$191,089. The premiums remain in the Debt Service Fund to be used for future principal and interest payments.

Proprietary Funds

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

The City's major proprietary funds are the Water Fund, the Sewer Fund, and the Stormwater Fund. The Water Fund's net position increased \$716,843, the Sewer Fund's net position increased \$864,775, and the Stormwater Fund's net position increased \$151,127. The increases can be primarily attributed to an increase in water and sewer rates. During 2012, water rates increased three percent from \$3.92 per 1,000 gallons to \$4.04 per 1,000 gallons and sewer rates increased three percent from \$25.81 under 3,000 gallons to \$26.58 under 3,000 gallons.

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 \$1,205,272. The majority of this increase was due to an increase in transfers out in the amount of \$817,034 and an increase in general government operating expenditures in the amount of \$346,975. The increase in transfers out was due to an increase in annual street resurfacing in the amount of \$150,000, the local share transfer of the State Route 256 Safety Grant in the amount of \$45,000, park improvements in

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the amount of \$21,000, and principal and interest payments in the amount of \$324,125 to retire the outstanding police facilities and traffic control bond anticipation notes in addition to principal and interest payments on Courtright Road, Center Street and Old Town bond anticipation notes.

The increase in general government operating expenditures is primarily due to an increase in insurance and contract benefits in the amount of \$36,700, tax connect and authority tax software upgrades in the amount of \$42,400, and the hiring of an additional income tax administrator as a succession plan in the amount of \$68,000.

Actual expenditures were less than the final budgeted expenditures by \$793,762; general government actual expenditures were \$262,084 less than budgeted and community environment actual expenditures were \$526,778 less than budgeted. These differences are due to the following factors: a decrease in engineering deposit refunds in the amounts of \$423,509; a decrease in personal services in the amount of \$53,475 due to the City utilizing building inspection consulting services; a decrease in financial consulting services in the amount of \$17,671; a decrease in utility and maintenance expenses in the amount of \$37,546 due to conservative budgeting; a decrease in engineer planning and architectural reviews and engineering consulting services in the amounts of \$17,346 and \$11,321, respectively; and a decrease in personal services in the amount of \$16,596 due to the new tax administrator waiving health insurance benefits.

The City's actual revenues were greater than the final budgeted revenues by \$268,586. This increase is primarily due to an increase in licenses and permits in the amount of \$115,015 due to an increase in commercial and residential building permits and an increase in intergovernmental revenues in the amount of \$57,859 due to conservative estate tax and liquor tax estimates.

At December 31, 2012, the fund balance on a budgetary basis is \$663,179 better than initially projected in the original budget.

Capital Assets and Debt Administration

Capital Assets

As of December 31, 2012, the City had \$115,656,241 invested in capital assets, net of accumulated depreciation. Table 4 shows 2012 balances compared to 2011.

Table 4
Capital Assets at December 31, 2012 with comparative as of December 31, 2011
(Net of Accumulated Depreciation)

	<u>Government Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	2012	2011	2012	2011	2012	2011
Land	\$6,308,936	\$6,308,936	\$1,873,817	\$1,873,817	\$8,182,753	\$8,182,753
Construction in Progress	148,323	97,431	235,390	1,811,423	383,713	1,908,854
Land Improvements	640,760	713,115	179,307	179,041	820,067	892,156
Buildings	3,475,753	3,560,173	23,935,005	22,449,062	27,410,758	26,009,235
Equipment	468,392	401,110	1,128,498	1,295,135	1,596,890	1,696,245
Infrastructure	44,457,154	45,558,733	32,415,771	32,786,498	76,872,925	78,345,231
Vehicles	298,905	218,293	90,230	118,182	389,135	336,475
Totals	\$55,798,223	\$56,857,791	\$59,858,018	\$60,513,158	\$115,656,241	\$117,370,949

For additional information on capital assets, see Note 11 to the basic financial statements.

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The total decrease in the City's capital assets, net of accumulated depreciation, for the current year was \$1,714,708 due to current year depreciation exceeding current year additions and disposals.

Debt

As of December 31, 2012 and December 31, 2011, the City had total long-term debt of \$29,154,722 and \$30,023,029, respectively, as follows:

Table 5
Outstanding Debt
As of December 31, 2012, with comparative for December 31, 2011

	Governmental Activities		Business-Type Activities		Totals	
	2012	2011	2012	2011	2012	2011
General Obligation Bonds	\$7,075,716	\$1,187,077	\$5,006,375	\$2,960,645	\$12,082,091	\$4,147,722
Bond Anticipation Notes	0	2,025,000	0	2,780,000	0	4,805,000
Long-Term Loans	4,875,204	5,480,929	0	0	4,875,204	5,480,929
OWDA Loans	0	0	12,087,014	12,565,368	12,087,014	12,565,368
Capital Leases	98,240	2,998,858	12,173	25,152	110,413	3,024,010
Totals	<u>\$12,049,160</u>	<u>\$11,691,864</u>	<u>\$17,105,562</u>	<u>\$18,331,165</u>	<u>\$29,154,722</u>	<u>\$30,023,029</u>

During 2012, the City issued \$1,045,000 in street improvement general obligation advance refunding bonds and \$8,070,000 in various purpose general obligation bonds. The street improvement general obligation advance refunding bonds partially advanced refunded the 2004 street improvement general obligation serial bonds. The various purpose general obligation bonds issued include \$5,660,000 in governmental general obligation bonds and \$2,410,000 in business-type general obligation bonds. The various purpose governmental general obligation bonds retired the outstanding governmental bond anticipation notes in the amount of \$1,710,000, the outstanding Tax Increment Financing Windmill/Diley Road revenue anticipation notes in the amount of \$1,225,000, and the police facilities capital lease in the amount of \$2,715,000. The various purpose business-type general obligation bonds retired the outstanding business-type water plant and water tower bond anticipation notes in the amounts of \$700,000 and \$1,730,000, respectively.

During 2012, the City incurred \$80,100 in OWDA loans and \$92,959 in capital leases, and repaid \$605,725 in long-term loans, \$3,006,556 in capital leases, \$558,454 in OWDA loans, \$495,000 in general obligation bonds and refunding bonds, and refunded \$970,000 in street improvement general obligation bonds.

The City's overall legal debt margin was \$32,661,528 at December 31, 2012. For additional information on debt, see Note 17 to the basic financial statements.

Current Finance Related Activities

- The City's income tax rate of one percent with a one-half percent credit for tax paid to other municipalities has not increased since its inception in 1976, but revenues have continued to increase each year even in times of economic downturn. This is due to mandatory filing and a diligent delinquency collection program which has resulted in strict compliance.

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- The City employs its own certified Building Department personnel 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 three percent was instituted in 1995.
- 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 three percent each year.
- Impact fees were instituted in 2005 on new residential and commercial construction in the City.

Requests for Information

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

Basic Financial Statements

City of Pickerington, Ohio
Statement of Net Position
December 31, 2012

	Governmental Activities	Business - Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$5,996,731	\$5,852,071	\$11,848,802
Permissive Motor Vehicle Registration Fees Receivable	15,734	0	15,734
Hotel and Motel Taxes Receivable	6,932	0	6,932
Income Taxes Receivable	589,935	0	589,935
Accounts Receivable	83,282	599,809	683,091
Materials and Supplies Inventory	78,048	197,111	275,159
Prepaid Items	94,385	87,100	181,485
Intergovernmental Receivable	1,245,507	80	1,245,587
Accrued Interest Receivable	6,739	226	6,965
Property Taxes Receivable	2,428,357	0	2,428,357
Payments in Lieu of Taxes Receivable	212,666	0	212,666
Non-Depreciable Capital Assets	6,457,259	2,109,207	8,566,466
Depreciable Capital Assets, Net	49,340,964	57,748,811	107,089,775
<i>Total Assets</i>	<u>66,556,539</u>	<u>66,594,415</u>	<u>133,150,954</u>
Deferred Outflows of Resources			
Deferred Charge on Refunding	105,099	114,067	219,166
Liabilities			
Matured Compensated Absences Payable	33,861	7,014	40,875
Accrued Wages and Benefits	94,645	29,240	123,885
Intergovernmental Payable	118,851	16,457	135,308
Accounts Payable	454,666	85,263	539,929
Contracts Payable	11,449	0	11,449
Accrued Interest Payable	43,261	215,262	258,523
Customer Deposits Payable	0	38,644	38,644
Long-Term Liabilities:			
Due Within One Year	1,370,790	1,242,585	2,613,375
Due In More Than One Year	11,386,346	16,054,187	27,440,533
<i>Total Liabilities</i>	<u>13,513,869</u>	<u>17,688,652</u>	<u>31,202,521</u>
Deferred Inflows of Resources			
Property Taxes	2,270,000	0	2,270,000
Net Position			
Net Investment in Capital Assets	44,046,257	42,935,198	86,981,455
Restricted for:			
Capital Projects	1,730,788	0	1,730,788
Debt Service	250,962	0	250,962
Security of Persons and Property	8,298	0	8,298
Transportation Services	751,177	0	751,177
Other Purposes	373,339	0	373,339
Perpetual Care:			
Expendable	2,810	0	2,810
Non-Expendable	1,545	0	1,545
Unrestricted	3,712,593	6,084,632	9,797,225
<i>Total Net Position</i>	<u>\$50,877,769</u>	<u>\$49,019,830</u>	<u>\$99,897,599</u>

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

City of Pickerington, Ohio
Statement of Activities
For the Year Ended December 31, 2012

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$2,675,205	\$15,192	\$39,007	\$0
Security of Persons and Property	4,462,428	345,660	201,495	0
Transportation	3,232,743	205,874	722,616	946,086
Leisure Time Activities	647,569	158,116	24,690	0
Public Health Services	127,888	0	0	0
Community Environment	777,125	803,697	0	0
Interest and Fiscal Charges	353,602	0	0	0
<i>Total Governmental Activities</i>	<u>12,276,560</u>	<u>1,528,539</u>	<u>987,808</u>	<u>946,086</u>
Business-Type Activities:				
Water	2,219,353	2,386,759	0	518,251
Sewer	2,870,268	3,432,059	0	280,917
Stormwater	612,881	590,771	0	172,822
Aquatic Recreation Center	200,923	191,108	0	0
<i>Total Business-Type Activities</i>	<u>5,903,425</u>	<u>6,600,697</u>	<u>0</u>	<u>971,990</u>
<i>Total</i>	<u>\$18,179,985</u>	<u>\$8,129,236</u>	<u>\$987,808</u>	<u>\$1,918,076</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

Change in Net Position

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

Net Position End of Year

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

Net (Expense) Revenue and
Change in Net Position

Governmental Activities	Business - Type Activities	Total
(\$2,621,006)	\$0	(\$2,621,006)
(3,915,273)	0	(3,915,273)
(1,358,167)	0	(1,358,167)
(464,763)	0	(464,763)
(127,888)	0	(127,888)
26,572	0	26,572
(353,602)	0	(353,602)
(8,814,127)	0	(8,814,127)
0	685,657	685,657
0	842,708	842,708
0	150,712	150,712
0	(9,815)	(9,815)
0	1,669,262	1,669,262
(8,814,127)	1,669,262	(7,144,865)
960,929	0	960,929
1,470,711	0	1,470,711
5,029,644	0	5,029,644
265,146	0	265,146
387,648	0	387,648
66,069	28,563	94,632
212,666	0	212,666
553,211	0	553,211
130,579	25,596	156,175
9,076,603	54,159	9,130,762
262,476	1,723,421	1,985,897
50,615,293	47,296,409	97,911,702
\$50,877,769	\$49,019,830	\$99,897,599

City of Pickerington, Ohio
Balance Sheet
Governmental Funds
December 31, 2012

	<u>General</u>	<u>Police</u>	<u>Debt Service</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$3,084,553	\$378,034	\$347,175
Receivables:			
Permissive Motor Vehicle Registration Fees	0	0	0
Property Taxes	892,009	1,536,348	0
Income Taxes	589,935	0	0
Hotel and Motel Taxes	6,932	0	0
Payments in Lieu of Taxes	0	0	138,664
Accounts	82,737	52	479
Accrued Interest	6,739	0	0
Intergovernmental	196,848	98,274	0
Materials and Supplies Inventory	10,009	14,924	0
Prepaid Items	36,779	32,419	0
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	<u>268,425</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$5,174,966</u></u>	<u><u>\$2,060,051</u></u>	<u><u>\$486,318</u></u>
Liabilities			
Matured Compensated Absences Payable	\$33,861	\$0	\$0
Accounts Payable	95,303	11,101	0
Contracts Payable	0	0	0
Accrued Wages and Benefits	25,516	58,089	0
Intergovernmental Payable	32,326	73,545	0
Restricted Assets:			
Accounts Payable	<u>264,658</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>451,664</u>	<u>142,735</u>	<u>0</u>
Deferred Inflows of Resources			
Property Taxes	835,000	1,435,000	0
Unavailable Revenue	<u>468,617</u>	<u>195,945</u>	<u>138,664</u>
<i>Total Deferred Inflows of Resources</i>	<u>1,303,617</u>	<u>1,630,945</u>	<u>138,664</u>
Fund Balances			
Nonspendable	50,555	47,343	0
Restricted	0	239,028	347,654
Committed	0	0	0
Assigned	641,911	0	0
Unassigned (Deficit)	<u>2,727,219</u>	<u>0</u>	<u>0</u>
<i>Total Fund Balances</i>	<u>3,419,685</u>	<u>286,371</u>	<u>347,654</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u><u>\$5,174,966</u></u>	<u><u>\$2,060,051</u></u>	<u><u>\$486,318</u></u>

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

Other Governmental Funds	Total Governmental Funds
\$1,916,999	\$5,726,761
15,734	15,734
0	2,428,357
0	589,935
0	6,932
74,002	212,666
14	83,282
0	6,739
950,385	1,245,507
53,115	78,048
25,187	94,385
<u>1,545</u>	<u>269,970</u>
<u>\$3,036,981</u>	<u>\$10,758,316</u>
\$0	\$33,861
83,604	190,008
11,449	11,449
11,040	94,645
12,980	118,851
<u>0</u>	<u>264,658</u>
<u>119,073</u>	<u>713,472</u>
0	2,270,000
<u>852,993</u>	<u>1,656,219</u>
<u>852,993</u>	<u>3,926,219</u>
79,847	177,745
978,806	1,565,488
1,080,264	1,080,264
0	641,911
<u>(74,002)</u>	<u>2,653,217</u>
<u>2,064,915</u>	<u>6,118,625</u>
<u>\$3,036,981</u>	<u>\$10,758,316</u>

City of Pickerington, Ohio
 Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2012

Total Fund Balances for Governmental Funds		\$6,118,625
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds.		55,798,223
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:		
Interest	5,213	
Intergovernmental	1,034,628	
Income Taxes	207,513	
Property and Other Local Taxes	158,357	
Payment in Lieu of Taxes	212,666	
Reimbursements	37,842	
Total	1,656,219	1,656,219
Accrued Interest Payable is not due and payable in the current period and therefore is not reported in the funds		(43,261)
Deferred Outflows of Resources represent deferred charges on refundings which are not reported in the funds.		105,099
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	(5,992,095)	
General Obligation Refunding Bonds	(1,083,621)	
Long-Term Loan Payable	(4,875,204)	
Compensated Absences	(707,976)	
Capital Leases	(98,240)	
Total	(12,757,136)	(12,757,136)
Net Position of Governmental Activities		\$50,877,769

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

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

	General	Police	Debt Service
Revenues			
Property Taxes	\$854,363	\$1,469,128	\$0
Hotel and Motel Taxes	108,149	0	0
Permissive Motor Vehicle Registration Fees	0	0	0
Municipal Income Taxes	5,058,025	0	0
Charges for Services	344,657	178,964	0
Licenses and Permits	463,690	0	0
Impact Fees	0	0	0
Fines and Forfeitures	165,930	0	0
Intergovernmental	424,770	177,062	0
Interest	47,356	0	19,559
Payments in Lieu of Taxes	0	0	0
Contributions and Donations	39,007	2,525	0
Other	293,394	12,405	0
<i>Total Revenues</i>	<u>7,799,341</u>	<u>1,840,084</u>	<u>19,559</u>
Expenditures			
Current:			
General Government	2,755,626	0	0
Security of Persons and Property	94,149	4,283,058	0
Transportation	0	0	0
Leisure Time Activities	34,429	0	0
Public Health Services	127,888	0	0
Community Environment	757,051	0	0
Capital Outlay	0	0	0
Debt Service:			
Refunded Notes/ Bonds Redeemed	0	0	5,892,000
Principal Retirement	9,394	2,183	2,125,725
Interest and Fiscal Charges	3,696	330	284,888
Issuance Costs	0	0	125,157
<i>Total Expenditures</i>	<u>3,782,233</u>	<u>4,285,571</u>	<u>8,427,770</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,017,108</u>	<u>(2,445,487)</u>	<u>(8,408,211)</u>
Other Financing Sources (Uses):			
Proceeds from the Sale of Capital Assets	0	23,600	0
Inception of a Capital Lease	0	12,959	0
Refunding Bonds Issued	0	0	1,045,000
Payment to Refunded Bond Escrow Agent	0	0	(1,085,273)
Premium on Refunding Bond Issuance	0	0	38,621
General Obligation Bonds Issued	0	0	4,415,000
Premium on General Obligation Bond Issuance	0	0	191,089
Bond Anticipation Notes Issued	0	0	2,025,000
Transfers In	0	2,215,000	2,082,389
Transfers Out	(4,967,701)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(4,967,701)</u>	<u>2,251,559</u>	<u>8,711,826</u>
<i>Net Change in Fund Balances</i>	(950,593)	(193,928)	303,615
Fund Balances (Deficit) at Beginning of Year	<u>4,370,278</u>	<u>480,299</u>	<u>44,039</u>
<i>Fund Balances End of Year</i>	<u>\$3,419,685</u>	<u>\$286,371</u>	<u>\$347,654</u>

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

Other Governmental Funds	Total Governmental Funds
\$0	\$2,323,491
0	108,149
205,874	205,874
0	5,058,025
106,672	630,293
51,444	515,134
553,211	553,211
11,308	177,238
799,690	1,401,522
1,989	68,904
728,745	728,745
24,690	66,222
65,826	371,625
<u>2,549,449</u>	<u>12,208,433</u>
11,344	2,766,970
7,058	4,384,265
1,547,483	1,547,483
563,090	597,519
0	127,888
0	757,051
377,048	377,048
0	5,892,000
25,000	2,162,302
66,823	355,737
0	125,157
<u>2,597,846</u>	<u>19,093,420</u>
<u>(48,397)</u>	<u>(6,884,987)</u>
0	23,600
80,000	92,959
0	1,045,000
0	(1,085,273)
0	38,621
1,245,000	5,660,000
0	191,089
340,000	2,365,000
1,554,836	5,852,225
(884,524)	(5,852,225)
<u>2,335,312</u>	<u>8,330,996</u>
2,286,915	1,446,009
<u>(222,000)</u>	<u>4,672,616</u>
<u>\$2,064,915</u>	<u>\$6,118,625</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, 2012

Net Change in Fund Balances - Total Governmental Funds \$1,446,009

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	1,021,247	
Capital Contributions from Developers	328,092	
Depreciation Expense	<u>(2,382,589)</u>	(1,033,250)

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

Proceeds from Sale of Capital Assets	(23,600)	
Loss on Disposal of Capital Assets	<u>(2,718)</u>	(26,318)

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

Income Taxes	(28,381)	
Payment in Lieu of Taxes	(516,079)	
Intergovernmental	525,706	
Other	24,100	
Interest	<u>(2,835)</u>	2,511

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

General Obligation Bonds	65,000	
Long-Term Bond Anticipation Notes	4,390,000	
Long-Term Loans	605,725	
Capital Leases	<u>2,993,577</u>	8,054,302

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of activities. The difference between the net carrying amount of the refunded debt and the acquisition price is allocated over the life of the outstanding debt on the statement of activities. Premiums and issuance costs are reported as revenues and expenditures when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities.

Accrued Interest Payable	1,238	
Amortization on Premium of General Obligation Bonds	<u>897</u>	\$2,135

(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, 2012

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

General Obligation Bonds	(\$5,660,000)	
General Obligation Refunding Bonds	(1,045,000)	
Long-Term Bond Anticipation Notes	(2,365,000)	
Premium on Debt Issuance	<u>(229,710)</u>	(9,299,710)

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. (92,959)

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	(38,017)	
Settlements Payable	<u>162,500</u>	124,483

Payment to refunded bond escrow agent is an other financing use in governmental funds, but the payment is shown as deferred outflows of resources: deferred charge on refunding on the statement of net position. 1,085,273

Change in Net Position of Governmental Activities \$262,476

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

City of Pickerington, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Property and Other Taxes	\$926,000	\$931,000	\$961,396	\$30,396
Municipal Income Taxes	5,095,440	5,095,440	5,118,593	23,153
Charges for Services	61,125	363,284	346,082	(17,202)
Licenses and Permits	348,675	348,675	463,690	115,015
Fines and Forfeitures	160,500	160,500	168,646	8,146
Intergovernmental	387,208	387,208	445,067	57,859
Interest	40,500	40,500	35,700	(4,800)
Contributions and Donations	14,000	14,000	39,007	25,007
Other	269,200	271,200	302,212	31,012
<i>Total Revenues</i>	<u>7,302,648</u>	<u>7,611,807</u>	<u>7,880,393</u>	<u>268,586</u>
Expenditures				
Current:				
General Government	2,785,239	3,132,214	2,870,130	262,084
Security of Persons and Property	93,650	95,650	95,188	462
Leisure Time Activities	35,000	35,000	34,429	571
Public Health Services	124,255	131,755	127,888	3,867
Community Environment	988,394	1,020,157	493,379	526,778
<i>Total Expenditures</i>	<u>4,026,538</u>	<u>4,414,776</u>	<u>3,621,014</u>	<u>793,762</u>
<i>Excess of Revenues Over Expenditures</i>	3,276,110	3,197,031	4,259,379	1,062,348
Other Financing Use				
Transfers Out	(4,647,611)	(5,464,645)	(4,967,701)	496,944
<i>Net Change in Fund Balance</i>	(1,371,501)	(2,267,614)	(708,322)	1,559,292
Fund Balance at Beginning of Year	3,892,202	3,892,202	3,892,202	0
Prior Year Encumbrances Appropriated	63,842	63,842	63,842	0
<i>Fund Balance at End of Year</i>	<u>\$2,584,543</u>	<u>\$1,688,430</u>	<u>\$3,247,722</u>	<u>\$1,559,292</u>

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

City of Pickerington, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$1,400,000	\$1,435,000	\$1,469,128	\$34,128
Charges for Services	154,000	154,000	184,990	30,990
Intergovernmental	167,750	170,750	180,441	9,691
Contributions and Donations	100	100	2,525	2,425
Other	47,225	47,225	15,457	(31,768)
<i>Total Revenues</i>	<u>1,769,075</u>	<u>1,807,075</u>	<u>1,852,541</u>	<u>45,466</u>
Expenditures				
Current:				
Security of Persons and Property	4,295,874	4,506,536	4,252,097	254,439
<i>Excess of Revenues Under Expenditures</i>	(2,526,799)	(2,699,461)	(2,399,556)	299,905
Other Financing Source				
Transfers In	2,425,000	2,425,000	2,215,000	(210,000)
<i>Net Change in Fund Balance</i>	(101,799)	(274,461)	(184,556)	89,905
Fund Balance at Beginning of Year	502,836	502,836	502,836	0
Prior Year Encumbrances Appropriated	42,285	42,285	42,285	0
<i>Fund Balance at End of Year</i>	<u>\$443,322</u>	<u>\$270,660</u>	<u>\$360,565</u>	<u>\$89,905</u>

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

City of Pickerington, Ohio
Statement of Fund Net Position
Enterprise Funds
December 31, 2012

	<u>Business - Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>
Assets:			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$2,553,336	\$2,776,858	\$413,461
Accounts Receivable	214,427	320,804	64,578
Intergovernmental Receivable	80	0	0
Accrued Interest Receivable	226	0	0
Materials and Supplies Inventory	143,672	53,439	0
Prepaid Items	35,954	45,998	2,862
<i>Total Current Assets</i>	<u>2,947,695</u>	<u>3,197,099</u>	<u>480,901</u>
Noncurrent Assets:			
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	19,322	19,322	0
Non-Depreciable Capital Assets	978,924	546,330	8,603
Depreciable Capital Assets, net	20,657,055	27,586,679	9,165,079
<i>Total Noncurrent Assets</i>	<u>21,655,301</u>	<u>28,152,331</u>	<u>9,173,682</u>
<i>Total Assets</i>	<u>24,602,996</u>	<u>31,349,430</u>	<u>9,654,583</u>
Deferred Outflows of Resources:			
Deferred Charge on Refunding	23,313	90,754	0
Liabilities:			
Current Liabilities:			
Matured Compensated Absences Payable	7,014	0	0
Accrued Wages and Benefits	12,558	13,224	3,458
Intergovernmental Payable	6,004	7,482	2,131
Accounts Payable	32,840	52,037	0
Accrued Interest Payable	31,703	183,559	0
Current Portion of:			
Compensated Absences Payable	42,868	33,563	5,004
General Obligation Bonds Payable	210,000	325,000	0
Capital Leases Payable	4,704	4,704	0
OWDA Loans Payable	137,976	478,766	0
<i>Total Current Liabilities</i>	<u>485,667</u>	<u>1,098,335</u>	<u>10,593</u>
Long-Term Liabilities (Net of Current Portion):			
Customer Deposits Payable from Restricted Assets	19,322	19,322	0
Compensated Absences Payable	60,759	44,490	4,526
General Obligation Bonds Payable	2,505,337	1,966,038	0
Capital Leases Payable	1,382	1,383	0
OWDA Loans Payable	1,302,791	10,167,481	0
<i>Total Long-Term Liabilities</i>	<u>3,889,591</u>	<u>12,198,714</u>	<u>4,526</u>
<i>Total Liabilities</i>	<u>4,375,258</u>	<u>13,297,049</u>	<u>15,119</u>
Net Position:			
Net Investment in Capital Assets	17,565,777	15,280,391	9,173,682
Unrestricted	2,685,274	2,862,744	465,782
<i>Total Net Position</i>	<u>\$20,251,051</u>	<u>\$18,143,135</u>	<u>\$9,639,464</u>

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

Nonmajor Aquatic Recreation Center	Totals
\$69,772	\$5,813,427
0	599,809
0	80
0	226
0	197,111
2,286	87,100
<u>72,058</u>	<u>6,697,753</u>
0	38,644
575,350	2,109,207
<u>339,998</u>	<u>57,748,811</u>
<u>915,348</u>	<u>59,896,662</u>
<u>987,406</u>	<u>66,594,415</u>
<u>0</u>	<u>114,067</u>
0	7,014
0	29,240
840	16,457
386	85,263
0	215,262
0	81,435
0	535,000
0	9,408
0	616,742
<u>1,226</u>	<u>1,595,821</u>
0	38,644
0	109,775
0	4,471,375
0	2,765
0	11,470,272
<u>0</u>	<u>16,092,831</u>
<u>1,226</u>	<u>17,688,652</u>
915,348	42,935,198
<u>70,832</u>	<u>6,084,632</u>
<u>\$986,180</u>	<u>\$49,019,830</u>

City of Pickerington, Ohio
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2012

	Business - Type Activities - Enterprise Funds		
	Water	Sewer	Stormwater
Operating Revenues			
Charges for Services	\$2,386,759	\$3,432,059	\$590,771
<i>Total Operating Revenues</i>	<u>2,386,759</u>	<u>3,432,059</u>	<u>590,771</u>
Operating Expenses			
Personal Services	805,674	788,063	245,838
Contractual Services	496,906	1,069,621	171,278
Materials and Supplies	245,731	89,601	38,262
Depreciation	506,776	466,254	157,319
<i>Total Operating Expenses</i>	<u>2,055,087</u>	<u>2,413,539</u>	<u>612,697</u>
<i>Operating Income (Loss)</i>	<u>331,672</u>	<u>1,018,520</u>	<u>(21,926)</u>
Non-Operating Revenues (Expenses)			
Interest	23,823	4,550	190
Interest and Fiscal Charges	(164,266)	(456,729)	(184)
Other Non-Operating Revenues	7,363	17,517	225
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(133,080)</u>	<u>(434,662)</u>	<u>231</u>
<i>Operating Income (Loss)</i>			
<i>Before Contributions</i>	198,592	583,858	(21,695)
Capital Contributions from Developers	96,100	6,290	83,795
Capital Contributions from Customers	422,151	274,627	89,027
<i>Change in Net Position</i>	716,843	864,775	151,127
Net Position Beginning of Year	19,534,208	17,278,360	9,488,337
<i>Net Position End of Year</i>	<u>\$20,251,051</u>	<u>\$18,143,135</u>	<u>\$9,639,464</u>

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

Nonmajor Aquatic Recreation Center	Total
\$191,108	\$6,600,697
<u>191,108</u>	<u>6,600,697</u>
81,866	1,921,441
84,656	1,822,461
19,324	392,918
<u>15,077</u>	<u>1,145,426</u>
<u>200,923</u>	<u>5,282,246</u>
<u>(9,815)</u>	<u>1,318,451</u>
0	28,563
0	(621,179)
<u>491</u>	<u>25,596</u>
<u>491</u>	<u>(567,020)</u>
(9,324)	751,431
0	186,185
<u>0</u>	<u>785,805</u>
(9,324)	1,723,421
<u>995,504</u>	<u>47,296,409</u>
<u>\$986,180</u>	<u>\$49,019,830</u>

City of Pickerington, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012

Business - Type Activities - Enterprise Funds

	Water	Sewer	Stormwater
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Customers	\$2,385,321	\$3,423,016	\$586,474
Cash Payments for Employee Services and Benefits	(800,546)	(784,316)	(256,795)
Cash Payments for Goods and Services	(809,921)	(1,177,225)	(212,587)
Utility Deposits Received	7,821	7,822	0
Utility Deposits Returned	(4,571)	(4,572)	0
Other Non-Operating Revenues	8,745	15,626	225
<i>Net Cash Provided by Operating Activities</i>	786,849	1,480,351	117,317
Cash Flows from Investing Activities			
Interest on Investments	24,448	5,220	260
<i>Net Cash Provided by Investing Activities</i>	24,448	5,220	260
Cash Flows from Capital and Related Financing Activities			
Acquisition of Capital Assets	(239,767)	(43,520)	(34,219)
Proceeds of General Obligation Bonds Issued	2,410,000	0	0
Proceeds from the Sale of Notes	2,430,000	350,000	0
Proceeds of OWDA Loans	80,100	0	0
Tap-In Fees	431,129	274,627	89,027
Premium on Debt Issued	68,675	0	0
Bond Issuance Costs	(43,683)	0	0
Principal Paid on General Obligation Refunding Bonds	(110,000)	(320,000)	0
Principal Paid on Notes	(5,530,000)	(1,050,000)	(189,000)
Principal Paid on OWDA Loans	(133,088)	(425,366)	0
Principal Paid on Capital Leases	(6,489)	(6,490)	0
Interest Paid on General Obligation Refunding Bonds	(12,195)	(77,223)	0
Interest Paid on Notes	(69,125)	(13,125)	(2,363)
Interest Paid on OWDA Loans	(56,088)	(325,049)	0
Interest Paid on Capital Leases	(799)	(800)	0
<i>Net Cash Used for Capital and Related Financing Activities</i>	(781,330)	(1,636,946)	(136,555)
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	29,967	(151,375)	(18,978)
Cash and Cash Equivalents Beginning of Year	2,542,691	2,947,555	432,439
<i>Cash and Cash Equivalents End of Year</i>	\$2,572,658	\$2,796,180	\$413,461

Nonmajor Aquatic Recreation Center	Total
\$191,108	\$6,585,919
(81,871)	(1,923,528)
(104,409)	(2,304,142)
0	15,643
0	(9,143)
491	25,087
5,319	2,389,836

0	29,928
0	29,928

(6,650)	(324,156)
0	2,410,000
0	2,780,000
0	80,100
0	794,783
0	68,675
0	(43,683)
0	(430,000)
0	(6,769,000)
0	(558,454)
0	(12,979)
0	(89,418)
0	(84,613)
0	(381,137)
0	(1,599)

(6,650)	(2,561,481)
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(1,331)	(141,717)
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71,103	5,993,788
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\$69,772	\$5,852,071
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(continued)

City of Pickerington, Ohio
Statement of Cash Flows
Proprietary Funds (Continued)
For the Year Ended December 31, 2012

Business - Type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating Income (Loss)	\$331,672	\$1,018,520	(\$21,926)
Adjustments:			
Other Non-Operating Revenues	8,745	15,626	225
Depreciation	506,776	466,254	157,319
(Increases) Decreases in Assets:			
Accounts Receivable	(1,438)	(9,043)	(4,297)
Prepaid Items	(15,819)	(10,015)	(2,862)
Materials and Supplies Inventory	(58,923)	(2,576)	0
Increases (Decreases) in Liabilities:			
Accounts Payable	7,332	(5,257)	(273)
Accrued Wages and Benefits Payable	2,431	3,425	220
Compensated Absences Payable	4,032	(188)	(10,976)
Customer Deposits Payable	3,250	3,250	0
Intergovernmental Payable	(1,209)	355	(113)
<i>Net Cash Provided by Operating Activities</i>	<u>\$786,849</u>	<u>\$1,480,351</u>	<u>\$117,317</u>

Noncash Capital Financing Activities:

During 2012, capital contributions from customers decreased \$8,978 in the Water Enterprise Fund due to a decrease in receivables for unbilled tap-in fees.

During 2012, developers contributed \$96,100, \$6,290, and \$83,795 in the form of water, sewer, and stormwater lines.

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

Nonmajor Aquatic Recreation Center	Total
(\$9,815)	\$1,318,451
491	25,087
15,077	1,145,426
0	(14,778)
(238)	(28,934)
0	(61,499)
(138)	1,664
0	6,076
0	(7,132)
0	6,500
(58)	(1,025)
<u>\$5,319</u>	<u>\$2,389,836</u>

City of Pickerington, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2012

Assets	
Cash and Cash Equivalents in Segregated Accounts	<u>\$8,610</u>
<i>Total Assets</i>	<u><u>\$8,610</u></u>
Liabilities	
Undistributed Monies	<u>\$8,610</u>
<i>Total Liabilities</i>	<u><u>\$8,610</u></u>

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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 20 and 21 to the basic financial statements.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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 more significant of the City's accounting policies are described below.

A. Basis of Presentation

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

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

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

B. Fund Accounting

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

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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.

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

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

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

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

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

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

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

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

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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 position. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and 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 position. The statement of changes in revenues, expenses, and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

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

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

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.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2012, but which were levied to finance fiscal year 2013 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, payment in lieu of taxes, and grants and entitlements. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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 Federal Emergency Management Agency Special Revenue Fund, the Street Construction Capital Projects Fund, and the Cemetery Permanent Fund were not budgeted because the City did not anticipate any financial activity within these funds. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates.

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

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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 2012, investments were limited to federal agency securities, commercial paper, 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 2012. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's net asset value per share which is the price the investment could be sold for on December 31, 2012.

Provisions of the Ohio Revised Code restrict investment procedures. During 2012, interest was distributed to the General Fund, certain special revenue funds, capital projects funds, and enterprise funds according to City ordinances. Interest revenue credited to the General Fund during 2012 amounted to \$47,356, which includes \$29,079 assigned from other City funds.

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.

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.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2012 are recorded as prepaid items using the consumption method 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 that are not available for appropriation. Restricted cash and cash equivalents in the Permanent Fund represent the principal portion of cemetery funds bequeathed to the City. Restricted cash and cash equivalents in the Water and Sewer Enterprise Funds represent resources set aside by the City for the repayment of water and sewer deposits.

K. Capital Assets and Depreciation

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

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

Donated capital assets are recorded at their 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:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Building	50 years	50 -60 years
Improvements to Land Other than Buildings	20 years	20 years
Equipment	5-15 years	5-20 years
Vehicles	4-15 years	8-15 years
Infrastructure	10-50 years	65 years

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

On government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium.

On the governmental fund financial statements, 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.

O. Deferred Charge on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources on the statement of net position.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

P. Fund Balance

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

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

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

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

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the City Council. In the General Fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute. State Statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The City Council assigned fund balance to cover a gap between estimated revenue and appropriations in 2013’s appropriated budget.

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

Q. Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations or other governments.

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

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

R. Contributions of Capital

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

S. Internal Activity

Transfers 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.

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

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

T. 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.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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 2012.

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

A. Changes in Accounting Principle

For 2012, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 60, “Accounting and Financial Reporting for Service Concession Arrangements,” Statement No. 62, “Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements,” Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,” Statement No. 64, “Derivative Instruments: Application of Hedge Accounting Termination Provisions - an amendment of GASB Statement No. 53” Statement No. 65, “Items Previously Reported as Assets and Liabilities,” and Statement No. 66, “Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62”

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements, which are a type of public-private or public –public partnership. The implementation of this statement did not result in any change in the City’s financial statements.

GASB Statement No. 62 incorporates into GASB’s authoritative literature certain FASB and AICPA pronouncements issued on or before November 30, 1989. The implementation of this statement did not result in any change in the City’s financial statements.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related note disclosures. These changes were incorporated in the City’s 2012 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty’s credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change in the City’s financial statements.

GASB Statement No. 65 properly classifies certain items that were previously reported as net position and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources (expense or expenditures) or inflows of resources (revenues). These changes were incorporated in the City’s 2012 financial statements; however, there was no effect on beginning net position/fund balance.

City of Pickerington, Ohio
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GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The implementation of this statement did not result in any change in the City's financial statements.

B. Restatement of Net Position

During 2012, the City did not receive payment in lieu of taxes revenue that was recorded as a payment in lieu of taxes receivable and revenue at December 31, 2011; therefore, the governmental activities net position balance was restated at December 31, 2011:

	Governmental Activities
Governmental Activities Net Position, December 31, 2011	\$50,809,219
Payment in Lieu of Taxes Restatement	(193,926)
Adjusted Governmental Activities Net Position, December 31, 2011	\$50,615,293

NOTE 4 – ACCOUNTABILITY

The Tax Increment Financing Agreement Equity Construction Capital Projects fund had a deficit fund balance in the amount of \$74,002 as of December 31, 2012.

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

NOTE 5 – FUND BALANCES

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

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

Fund Balances	General	Police	Debt Service	Other Governmental Funds	Total
<u>Nonspendable:</u>					
Prepays	\$36,779	\$32,419	\$0	\$25,187	\$94,385
Materials and Supplies Inventory	10,009	14,924	0	53,115	78,048
Unclaimed Monies	3,767	0	0	0	3,767
Cemetery Care	0	0	0	1,545	1,545
<i>Total Nonspendable</i>	<u>50,555</u>	<u>47,343</u>	<u>0</u>	<u>79,847</u>	<u>177,745</u>
<u>Restricted for:</u>					
Street Improvements	0	0	0	853,945	853,945
Community Development	0	0	0	67,242	67,242
Security of Persons and Property	0	239,028	0	0	239,028
Law Enforcement	0	0	0	26,316	26,316
Drug and Alcohol Enforcement	0	0	0	5,897	5,897
Debt Service	0	0	347,654	0	347,654
Cemetery Care	0	0	0	2,810	2,810
Other Purposes	0	0	0	22,596	22,596
<i>Total Restricted</i>	<u>0</u>	<u>239,028</u>	<u>347,654</u>	<u>978,806</u>	<u>1,565,488</u>
<u>Committed to:</u>					
Street Improvements	0	0	0	454,876	454,876
Security of Persons and Property	0	0	0	81,970	81,970
Parks and Recreation	0	0	0	423,123	423,123
Urban Forestry	0	0	0	36,845	36,845
Municipal Improvements	0	0	0	83,450	83,450
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,080,264</u>	<u>1,080,264</u>
<u>Assigned to:</u>					
Other Purposes	79,677	0	0	0	79,677
Subsequent Year's Appropriations	562,234	0	0	0	562,234
<i>Total Assigned</i>	<u>641,911</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>641,911</u>
<u>Unassigned:</u>	<u>2,727,219</u>	<u>0</u>	<u>0</u>	<u>(74,002)</u>	<u>2,653,217</u>
Total Fund Balances	<u>\$3,419,685</u>	<u>\$286,371</u>	<u>\$347,654</u>	<u>\$2,064,915</u>	<u>\$6,118,625</u>

NOTE 6 - BUDGETARY BASIS OF ACCOUNTING

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

The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual, for the General Fund and 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 restricted, committed, or assigned fund balance.
4. Unrecorded cash and fair market value adjustments are reported on the GAAP basis, but not on the budgetary basis.

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	(\$950,593)	(\$193,928)
Net Adjustment for Revenue Accruals	78,728	(24,102)
Net Adjustment for Expenditure Accruals	250,474	50,943
Beginning of Year:		
Unreported Cash	4,851	0
Fair Value Adjustment for Investments	13,474	0
End of Year:		
Unreported Cash	(7,017)	0
Fair Value Adjustment for Investments	(8,984)	0
Encumbrances	(89,255)	(17,469)
Budget Basis	(\$708,322)	(\$184,556)

NOTE 7 - DEPOSITS AND INVESTMENTS

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

Active deposits are public monies determined to be necessary to meet current demands 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.

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.

City of Pickerington, Ohio
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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 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.

City of Pickerington, Ohio
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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 \$9,573 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, \$1,228,089 of the City's bank balance of \$8,068,339 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
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Investments: Investments are reported at fair value. As of December 31, 2012, the City had the following investments.

	Fair Value	Maturity	Percent of Total Investments	Rating	Agency
Federal Home Loan Bank Bonds	\$1,461,528	5/15/2013 to 3/13/2015	34.25%	Aaa	Moody's
Federal National Mortgage Association Treasury Notes	1,548,367	12/18/2013 to 4/25/2017	36.28%	Aaa	Moody's
Federal National Mortgage Association Bonds	405,243	2/22/2016	9.50%	Aaa	Moody's
Toyota Motor Credit Commercial Paper	728,912	4/24/2013 to 5/6/2013	17.08%	P-1	Moody's
First American Treasury Obligation	4,535	n/a	0.11%	P-1	Moody's
STAR Ohio	118,705	Average 55 Days	2.78%	Aaam	S&P
Total	\$4,267,290		100.00%		

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 8 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2012 for real and public utility property taxes represents collections of 2011 taxes.

2012 real property taxes are levied after October 1, 2012, on assessed value as of January 1, 2012, the lien date. Assessed values are established by State law at 35 percent of the appraised market value.

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

City of Pickerington, Ohio
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For the Year Ended December 31, 2012

Public utility property tax revenues received in 2012 represent the collection of 2011 taxes. Public utility property taxes received in 2012 became a lien on December 31, 2011, were levied after October 1, 2012, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentage of true value.

The County Treasurer collects property taxes on behalf of Fairfield County, including the City of Pickerington. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2012 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2012 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

The full tax rate for all City operations for the year ended December 31, 2012, was \$7.80 per \$1,000 of assessed value. The assessed values of real and public utility tangible personal property upon which 2012 property tax receipts were based are as follows:

	<u>2012</u>
Real Property/ Public Utility Real	\$417,178,130
Public Utility Personal	2,194,040
Total Assessed Value	<u><u>\$419,372,170</u></u>

NOTE 9 - 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 2012, the proceeds were receipted into the General Fund.

NOTE 10 - RECEIVABLES

Receivables at December 31, 2012 consisted primarily of taxes, payment in lieu of taxes, intergovernmental receivables arising from grants, entitlements and shared revenues, interest on investments, and utility accounts. All receivables except property taxes and payment in lieu of taxes are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
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A summary of intergovernmental receivables follows:

<u>Governmental Activities</u>	
Homestead and Rollback	\$132,500
Local Government Subsidies	92,628
Estate Taxes	56,220
Gasoline Tax	277,610
Motor Vehicle License Tax	53,939
911 Wireless Assistance	3,677
Equitable Sharing	4,076
Drug Use Prevention Grant	6,187
Safe Routes to Schools Grant	264,443
State Route 256 Safety Grant	317,994
FEMA Grant	31,888
Miscellaneous Reimbursements	4,345
Total Governmental Activities	<u>1,245,507</u>
 <u>Business-Type Activities</u>	
Miscellaneous Reimbursements	<u>80</u>
 Total	 <u><u>\$1,245,587</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.

As of December 31, 2012, one Tax Increment Financing Agreement remains outstanding. A receivable has been recorded in the Tax Increment Financing Equity Construction Capital Projects Fund in the amount of \$74,002 which represents amounts measurable at December 31, 2012. In addition, a receivable has been recorded in the Debt Service Fund in the amount of \$138,664 which represents delinquent collections for the remaining expired Tax Increment Financing Agreements.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 11 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2012, was as follows:

	Balance December 31, 2011	Additions	Reductions	Balance December 31, 2012
<u>Governmental Activities:</u>				
Non-Depreciable Capital Assets:				
Land	\$6,308,936	\$0	\$0	\$6,308,936
Construction in Progress	97,431	50,892	0	148,323
Total Non Depreciable Capital Assets	<u>6,406,367</u>	<u>50,892</u>	<u>0</u>	<u>6,457,259</u>
Depreciable Capital Assets:				
Land Improvements	1,737,735	5,853	0	1,743,588
Buildings	4,939,948	7,863	0	4,947,811
Equipment	1,466,058	186,119	(15,182)	1,636,995
Infrastructure	64,903,344	916,183	0	65,819,527
Vehicles	918,772	182,429	(89,717)	1,011,484
Total Depreciable Capital Assets	<u>73,965,857</u>	<u>1,298,447</u>	<u>(104,899)</u>	<u>75,159,405</u>
Accumulated Depreciation:				
Land Improvements	(1,024,620)	(78,208)	0	(1,102,828)
Buildings	(1,379,775)	(92,283)	0	(1,472,058)
Equipment	(1,064,948)	(116,306)	12,651	(1,168,603)
Infrastructure	(19,344,611)	(2,017,762)	0	(21,362,373)
Vehicles	(700,479)	(78,030)	65,930	(712,579)
Total Accumulated Depreciation	<u>(23,514,433)</u>	<u>(2,382,589) *</u>	<u>78,581</u>	<u>(25,818,441)</u>
Total Depreciable Capital Assets, Net				
	<u>50,451,424</u>	<u>(1,084,142)</u>	<u>(26,318)</u>	<u>49,340,964</u>
Governmental Capital Assets, Net				
	<u>\$56,857,791</u>	<u>(\$1,033,250)</u>	<u>(\$26,318)</u>	<u>\$55,798,223</u>

During 2012, developers contributed \$328,092 in infrastructure. This amount is reflected within Capital Grants and Contributions on the Statement of Activities.

*Depreciation expense was charged to governmental activities as follows:

<u>Governmental Activities:</u>	
General Government	\$75,353
Security of Persons and Property	200,107
Transportation	2,047,074
Leisure Time Activities	56,908
Community Environment	3,147
Total Depreciation Expense	<u>\$2,382,589</u>

City of Pickerington, Ohio
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	Balance December 31, 2011	Additions	Reductions	Balance December 31, 2012
<u>Business - Type Activities:</u>				
Non-Depreciable Capital Assets:				
Land	\$1,873,817	\$0	\$0	\$1,873,817
Construction in Progress	1,811,423	116,640	(1,692,673)	235,390
Total Non Depreciable Capital Assets	<u>3,685,240</u>	<u>116,640</u>	<u>(1,692,673)</u>	<u>2,109,207</u>
Depreciable Capital Assets:				
Land Improvements	232,095	11,706	0	243,801
Buildings	26,925,411	1,723,893	0	28,649,304
Equipment	3,771,197	103,799	0	3,874,996
Infrastructure	39,784,649	226,921	0	40,011,570
Vehicles	448,554	0	0	448,554
Total Depreciable Capital Assets	<u>71,161,906</u>	<u>2,066,319</u>	<u>0</u>	<u>73,228,225</u>
Accumulated Depreciation:				
Land Improvements	(53,054)	(11,440)	0	(64,494)
Buildings	(4,476,349)	(237,950)	0	(4,714,299)
Equipment	(2,476,062)	(270,436)	0	(2,746,498)
Infrastructure	(6,998,151)	(597,648)	0	(7,595,799)
Vehicles	(330,372)	(27,952)	0	(358,324)
Total Accumulated Depreciation	<u>(14,333,988)</u>	<u>(1,145,426)</u>	<u>0</u>	<u>(15,479,414)</u>
Total Depreciable Capital Assets, Net	<u>56,827,918</u>	<u>920,893</u>	<u>0</u>	<u>57,748,811</u>
Business - Type Activities Capital Assets, Net	<u>\$60,513,158</u>	<u>\$1,037,533</u>	<u>(\$1,692,673)</u>	<u>\$59,858,018</u>

NOTE 12 - 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 Pension 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. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension 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. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, 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. Member contribution rates, as set in the Ohio Revised Code, are not to exceed 10 percent of covered payroll for members in State and local divisions. For the year ended December 31, 2012, members in state and local divisions contributed 10 percent of covered payroll. Members in the state and local divisions may participate in all three plans. For 2012, member and employer contribution rates were consistent across all three plans.

The City's 2012 contribution rate was 14.0 percent. 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 4.0 percent for 2012. The portion of employer contributions allocated to health care for members in the combined plan was 6.05 percent for 2012. Employer contribution rates are actuarially determined.

The City's required contributions for pension obligations to the traditional pension and combined plans for the years ended December 31, 2012, 2011, and 2010 were \$304,375, \$290,942 and \$265,160 respectively; 97.61 percent has been contributed for 2012 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010. Contributions to the member-directed plan for 2012 were \$19,167 made by the City and \$13,690 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 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.

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 \$245,202 for the year ended December 31, 2012, \$233,966 for the year ended December 31, 2011, and \$296,637 for the year ended December 31, 2010. 97.74 percent has been contributed for 2012 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 13 - 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 visiting <https://www.opers.org/investments/cafr.shtml>, 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 2012, state and local employers contributed at a rate of 14.0 percent of covered payroll. These are the maximum employer contribution rates permitted by the Ohio Revised Code.

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 4.0 percent for 2012. The portion of employer contributions allocated to health care for members in the combined plan was 6.05 percent for 2012.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or 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, 2012, 2010, and 2011 were \$132,590, \$124,433 and \$166,422 respectively; 97.61 percent has been contributed for 2012 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

City of Pickerington, Ohio
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For the Year Ended December 31, 2012

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

B. Ohio Police and Fire Pension Fund

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. That report is also available on OP&F's website at www.op-f.org.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required 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 of covered payroll for police employers. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made 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, 2012, 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.

City of Pickerington, Ohio
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For the Year Ended December 31, 2012

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police were \$132,819 for the year ended December 31, 2012, \$126,278 for the year ended December 31, 2011, and \$159,404 for the year ended December 31, 2010. 97.74 percent has been contributed for police for 2012 with the balance for police being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

NOTE 14 – 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.

NOTE 15 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters.

City of Pickerington, Ohio
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During 2012, the City contracted with CORMA for the following insurance coverages:

Coverage	Limit of Insurance	Deductible
Property Insurance	\$373,864,336	\$10,000
Inland Marine		
Business Computer	8,200,000	25,000
Pipeline Distribution System	20,000,000	100,000
Contractors Equipment	41,689,258	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	1,000
Comprehensive	Cash Value	1,000
Collision	Cash Value	1,000
Professional Liability Coverage		
Public Officials Errors & Omissions		
Per Occurance	1,000,000	n/a
Aggregate	1,000,000	n/a
Public Officials Employment Practices		
Per Occurance	1,000,000	n/a
Aggregate	1,000,000	n/a
Public Officials Employee Benefits Administration		
Per Occurance	1,000,000	n/a
Aggregate	1,000,000	n/a
Law Enforcement Liability		
Per Occurance	1,000,000	n/a
Aggregate	1,000,000	n/a
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 three 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.

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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 16 - CAPITAL LEASES - LESSEE DISCLOSURE

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

A dump truck and equipment acquired by lease has been capitalized in the government-wide statements governmental activities in the amount of \$141,932 and business-type activities in the amount of \$62,522, 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 \$93,142. Business-type capitalized lease assets are reflected net of accumulated depreciation in the amount of \$9,372.

The following is a schedule of capital assets acquired through capital leases at December 31, 2012 for governmental and business-type activities:

Capitalized Leased Assets	Present Value of Future Minimum Lease Payments	Less Accumulated Depreciation 12/31/2012	Net of Accumulated Depreciation
<u>Governmental Activities:</u>			
Equipment	\$61,932	(\$43,457)	\$18,475
Vehicle	80,000	(5,333)	74,667
Total Governmental Activities	<u>141,932</u>	<u>(48,790)</u>	<u>93,142</u>
<u>Business-Type Activities:</u>			
Equipment	62,522	(53,150)	9,372
Total Business-Type Activities	<u>62,522</u>	<u>(53,150)</u>	<u>9,372</u>
Total	<u>\$204,454</u>	<u>(\$101,940)</u>	<u>\$102,514</u>

Principal payments toward governmental activities capital leases during 2012 totaled \$2,993,577, \$2,957,000 for capitalized buildings, \$11,577 for capitalized equipment, and \$25,000 for capitalized vehicles. During 2012, the City refinanced the police facility lease with General Obligation Bonds in the amount of \$2,715,000

City of Pickerington, Ohio
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For the Year Ended December 31, 2012

(See Note 17). Principal payments toward business-type activities capital leases during 2012 totaled \$12,979 which was comprised of \$12,979 for capitalized equipment.

The following is a schedule of the future minimum lease payments at December 31, 2012 for governmental and business-type activities:

Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2013	\$29,276	\$5,299	\$9,408	\$622
2014	31,517	3,562	1,138	271
2015	30,201	1,791	1,282	126
2016	4,913	385	345	7
2017	2,333	88	0	0
Total	<u>\$98,240</u>	<u>\$11,125</u>	<u>\$12,173</u>	<u>\$1,026</u>

NOTE 17 - LONG-TERM OBLIGATIONS

Changes in the City's long-term obligations during 2012 consist of the following:

	Outstanding 12/31/2011	Additions	Reductions	Outstanding 12/31/2012	Amounts Due Within One Year
<u>Governmental Activities:</u>					
<u>General Obligation Bonds:</u>					
Street Improvement					
2004 - \$1,550,000					
Serial Bonds - 5.00%	\$1,175,000	\$0	\$1,035,000	\$140,000	\$70,000
Unamortized Premium on Serial Bonds	12,077	0	11,071	1,006	0
Street Improvement Advance Refunding Bonds					
2012 - \$1,045,000					
Serial Bonds - 2.0%-2.25%	0	1,045,000	0	1,045,000	15,000
Unamortized Premium on Serial Bonds	0	38,621	0	38,621	0
Various Purpose General Obligation Bonds					
2012 - \$5,660,000					
Police Facility Serial Bonds - 2.0%	0	2,715,000	0	2,715,000	245,000
Courtight Road Street Improvement					
Serial Bonds - 2.0%-2.5%	0	1,405,000	0	1,405,000	85,000
Windmill/Diley TIF Serial Bonds - 2.0%-2.5%	0	805,000	0	805,000	50,000
Windmill/Diley TIF Term Bonds - 2.5% - 3.0%	0	440,000	0	440,000	0
Real Estate Acquisition Serial Bonds - 2.0% - 2.5%	0	195,000	0	195,000	10,000
Real Estate Acquisition Term Bonds - 2.5% - 3.0%	0	100,000	0	100,000	0
Unamortized Premium on Serial and Term Bonds	0	191,089	0	191,089	0
Total General Obligation Bonds	<u>\$1,187,077</u>	<u>\$6,934,710</u>	<u>\$1,046,071</u>	<u>\$7,075,716</u>	<u>\$475,000</u>

(continued)

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

(continued)

	Outstanding 12/31/2011	Additions	Reductions	Outstanding 12/31/2012	Amounts Due Within One Year
<u>Governmental Activities:</u>					
<u>Long-Term Bond Anticipation Notes:</u>					
<u>2012 - \$5,145,000 Various Purpose - 1.25%</u>					
Courtright Road Realignment/ Downtown					
Streetscape/ Diley Road Improvement - \$1,415,000	\$0	\$1,415,000	\$1,415,000	\$0	\$0
Municipal Building Improvement - \$35,000	0	35,000	35,000	0	0
Police Facility - \$100,000	0	100,000	100,000	0	0
Center Street Property - \$295,000	0	295,000	295,000	0	0
Traffic Control Devices - \$180,000	0	180,000	180,000	0	0
TIF Old Town Street Improvement - \$340,000	0	340,000	340,000	0	0
<u>2011 - \$6,284,000 Various Purpose - 1.25%</u>					
Courtright Road Realignment/ Downtown					
Streetscape/ Diley Road Improvement - \$1,550,000	1,415,000	0	1,415,000	0	0
Municipal Building Improvement - \$70,000	35,000	0	35,000	0	0
Police Facility - \$150,000	100,000	0	100,000	0	0
Center Street Property - \$325,000	295,000	0	295,000	0	0
Traffic Control Devices - \$200,000	180,000	0	180,000	0	0
Total Long-Term Bond Anticipation Notes	2,025,000	2,365,000	4,390,000	0	0
<u>Long-Term Loans:</u>					
Diley Road Improvement					
State Infrastructure Bank Loan - 2005					
\$7,737,113 - 3.00%	5,480,929	0	605,725	4,875,204	624,033
Total Long-Term Loans	5,480,929	0	605,725	4,875,204	624,033
Compensated Absences	669,959	297,676	259,659	707,976	242,481
Capital Leases Payable	2,998,858	92,959	2,993,577	98,240	29,276
Settlements Payable	162,500	0	162,500	0	0
Total Governmental Activities	\$12,524,323	\$9,690,345	\$9,457,532	\$12,757,136	\$1,370,790
<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 - 1.5% - 3.625%	\$345,000	\$0	\$110,000	\$235,000	\$115,000
Unamortized Premium on Serial Bonds	2,250	0	588	1,662	0

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City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

(continued)

	Outstanding 12/31/2011	Additions	Reductions	Outstanding 12/31/2012	Amounts Due Within One Year
<u>Business-Type Activities:</u>					
<u>General Obligation Bonds:</u>					
Wastewater Treatment Plant Various Purpose					
Utility General Obligation Refunding Bonds					
2003 - \$2,165,000					
Serial Bonds - 1.50 - 3.625%	\$750,000	\$0	\$180,000	\$570,000	\$185,000
Unamortized Premium on Serial Bonds	3,305	0	683	2,622	0
Sanitary Sewer Current Refunding Bonds					
2011 - \$1,955,000					
Serial Bonds - 2.25%-3.5%	860,000	0	140,000	720,000	140,000
Term Bonds - 2.8%-3.5%	980,000	0	0	980,000	0
Unamortized Premium on Serial and Term Bonds	20,090	0	1,674	18,416	0
Various Purpose General Obligation Bonds					
2012 - \$2,410,000 - Water					
Serial Bonds - 2.0% - 2.5%	0	1,560,000	0	1,560,000	95,000
Term Bonds - 2.5% - 3.0%	0	850,000	0	850,000	0
Unamortized Premium on Serial and Term Bonds	0	68,675	0	68,675	0
Total General Obligation Bonds	2,960,645	2,478,675	432,945	5,006,375	535,000
<u>Long-Term Bond Anticipation Notes:</u>					
<u>2012 - \$5,145,000 Various Purpose - 1.25%</u>					
Water Plant - \$700,000	0	700,000	700,000	0	0
Sewer D-Line II, III, & IV and Sewer Plant Engineer - \$350,000	0	350,000	350,000	0	0
Water Tower - \$1,730,000	0	1,730,000	1,730,000	0	0
<u>2011 - \$6,284,000 Various Purpose - 1.25%</u>					
Water Plant - \$1,200,000	700,000	0	700,000	0	0
Sewer D-Line II, III, & IV and Sewer Plant Engineer - \$700,000	350,000	0	350,000	0	0
Water Tower - \$1,900,000	1,730,000	0	1,730,000	0	0
Total Long-Term Bond Anticipation Notes	2,780,000	2,780,000	5,560,000	0	0
<u>OWDA Loans:</u>					
1973 - OWDA Sewer Loan \$440,864 - 6.25%	42,283	0	27,583	14,700	14,700
2001 - OWDA Sewer Loan \$819,398 - 4.64%	502,050	0	40,489	461,561	42,390
2008 - OWDA Sewer Loan \$10,973,040 - 3.30%	10,527,280	0	357,294	10,169,986	421,676
2011 - OWDA Water Loan \$1,573,855 - 3.64%	1,493,755	80,100	133,088	1,440,767	137,976
Total OWDA	12,565,368	80,100	558,454	12,087,014	616,742
Compensated Absences Payable	205,356	64,282	78,428	191,210	81,435
Capital Leases Payable	25,152	0	12,979	12,173	9,408
Total Business-Type Activities	\$18,536,521	\$5,403,057	\$6,642,806	\$17,296,772	\$1,242,585

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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. The amount of premium amortized during 2012 was \$11,071 (\$897 was the annual amortization amount and \$10,174 was removed due to the 2012 partial advance refunding). Issuance costs associated with the bond issue were \$26,380. On November 21, 2012, the City partially advance refunded \$970,000 of the outstanding serial bonds. The remaining outstanding serial bonds are being retired from the General Obligation Bond Retirement Debt Service Fund using General Fund income tax revenues. The original bonds were issued for a twenty year period with a final maturity at December 1, 2024, and after the partial advance refunding the remaining bonds will have a final maturity at December 1, 2014.

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.

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

Year	2004 Street Improvement General Obligation Bonds		
	Principal	Interest	Total
2013	\$70,000	\$7,000	\$77,000
2014	70,000	3,500	73,500
Total	\$140,000	\$10,500	\$150,500

On November 21, 2012, the City issued \$1,045,000 in street improvement general obligation advance refunding bonds to partially advance refund the 2004 street improvement general obligation serial bonds. The \$1,045,000 general obligation advance refunding bonds were issued for a twelve year period with a final maturity at December 1, 2024. The \$1,045,000 bond issue consists of serial bonds which were issued at a premium in the amount of \$38,621. No premium was amortized during 2012 because it was immaterial. Issuance costs associated with the bond issue were \$21,441. The partial advance refunding resulted in a difference between the net carrying amount of the debt and the acquisition price, in the amount of \$105,099. This difference is being reported in the accompanying financial statements as deferred outflows of resources – deferred charge on refunding and is being amortized to interest expense over the life of the bonds using the straight-line method. The issuance resulted in a difference (savings) between the cash flows required to service the old debt and the cash flows required to service the new debt of \$169,679. The issuance resulted in a total economic gain of \$131,080.

On November 21, 2012, the date of the refunding, \$1,085,273 was deposited in an irrevocable trust to provide for all future debt service payments on the partially advance refunded 2004 Street Improvement General Obligation serial bonds. As all of the legal steps had been taken to refund the debt, the balance of the outstanding bonds refunded was removed from the City’s financial statements. As of December 31, 2012, \$1,061,023 remained in the escrow account to retire the refunded 2004 street improvement general obligation serial bonds outstanding balance in the amount of \$970,000.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

Year	2012 Street Improvement General Obligation Advance Refunding Bonds		
	Principal	Interest	Total
2013	\$15,000	\$22,046	\$37,046
2014	15,000	21,150	36,150
2015	90,000	20,850	110,850
2016	95,000	19,050	114,050
2017	95,000	17,150	112,150
2018-2022	515,000	56,150	571,150
2023-2024	220,000	7,425	227,425
Total	\$1,045,000	\$163,821	\$1,208,821

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

The various purpose general obligation bonds include the following: \$2,715,000 of these various purpose general obligation bonds was issued to refinance the 2002 police facilities lease for the purpose of acquiring, constructing, equipping, and furnishing a police building. \$1,405,000 of these various purpose general obligation bonds was issued to retire the Courtright Road street improvement bond anticipation notes for the purpose of constructing street improvements known as the Courtright Road realignment and sidewalks, curbs and gutters, and other street improvements in the downtown area of the City. \$1,245,000 of these various purpose general obligation bonds include both serial and term bonds originally issued in the amount of \$805,000 and \$440,000, respectively. The \$1,245,000 various purpose general obligation bonds was issued to retire the TIF Windmill/Diley Road revenue anticipation notes for the purpose of street improvements in the Windmill/ Diley Road areas including constructing turn lane improvements for State Route 256 to establish an exit point for the realignment of Diley Road. \$295,000 of these various purpose general obligation bonds include both serial and term bonds originally issued in the amount of \$195,000 and \$100,000, respectively. The \$295,000 various purpose general obligation bonds were issued to retire the Real Estate Acquisition bond anticipation notes for the purpose of acquiring real property for the City.

The \$5,660,000 various purpose general obligation bonds were sold at a premium of \$191,089 that is being amortized over the term of the bonds. No premium was amortized during 2012 because it was immaterial. Issuance costs associated with the bond issue were \$103,716.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

Year	2012 Various Purpose General Obligation Bonds		
	Principal	Interest	Total
2013	\$390,000	\$123,514	\$513,514
2014	405,000	112,375	517,375
2015	405,000	104,275	509,275
2016	430,000	96,175	526,175
2017	435,000	87,575	522,575
2018-2022	2,295,000	304,375	2,599,375
2023-2027	845,000	121,025	966,025
2028-2032	455,000	40,475	495,475
Total	\$5,660,000	\$989,789	\$6,649,789

Term bonds maturing December 1, 2028 are subject to mandatory sinking fund redemption in the principal amount of \$215,000 on December 1, 2027 at the redemption price of 100 percent of the principal amount to be redeemed plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$220,000 principal amount of the bonds due December 1, 2028 is to be paid at stated maturity.

Term bonds maturing December 1, 2030 are subject to mandatory sinking fund redemption in the principal amount of \$225,000 on December 1, 2029 at the redemption price of 100 percent of the principal amount to be redeemed plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$230,000 principal amount of the bonds due December 1, 2030 is to be paid at stated maturity.

Term bonds maturing December 1, 2032 are subject to mandatory sinking fund redemption in the principal amount of \$250,000 on December 1, 2031 at the redemption price of 100 percent of the principal amount to be redeemed plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$250,000 principal amount of the bonds due December 1, 2032 is to be paid at stated maturity.

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

Long-Term Bond Anticipation Notes

The various purpose bond anticipation notes issued on January 30, 2012, for \$5,145,000 mature on January 30, 2013; however, these notes were retired on November 21, 2012 when general obligation bonds were issued. The various purpose bond anticipation notes issued include \$2,365,000 in governmental bond anticipation notes and \$2,780,000 in business-type bond anticipation notes. These notes were issued to retire the 2011 various purpose bond anticipation notes.

The various purpose long-term governmental bond anticipation notes include the following: \$1,415,000 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; \$35,000 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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

buildings; \$100,000 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; \$295,000 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; \$180,000 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; and \$340,000 Old Town bond anticipation notes were issued for the purpose of constructing street improvements on Hill Road and Blacklick – Eastern Road.

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 water utility capacity fees.

State Infrastructure Bank Loan debt service requirements to maturity are as follows:

Year	State Infrastructure Bank Loan		
	Principal	Interest	Total
2013	\$624,033	\$145,812	\$769,845
2014	642,894	122,749	765,643
2015	3,608,277	103,318	3,711,595
Total	\$4,875,204	\$371,879	\$5,247,083

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 dump truck. These leases will be repaid through the General Fund and Police and Street Special Revenue Funds.

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 was payable by the City. During 2012, the City made the final payment in the amount of \$162,500. The settlement was repaid through the General Fund.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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. The amount of premium amortized during 2012 was \$1,271. Issuance costs associated with the bond issue were \$64,662. 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 deferred outflow of resources – deferred charge on refunding, 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 2012 is \$25,625.

The 2011 general obligation current refunding bonds originally were issued in the amount of \$1,955,000 with interest rates varying from 2.25 percent to 3.5 percent. The proceeds were used to refund \$1,920,000 of outstanding 1999 sanitary sewer improvement general obligation bonds. The general obligation bonds were sold at a premium of \$21,764, which will be amortized over the life of the bonds. The amount of premium amortized during 2012 was \$1,674. Issuance costs associated with the bond issue were \$50,331. The current refunding resulted in a difference between the net carrying amount of the debt and the acquisition price, in the amount of \$28,453. This difference is being reported in the accompanying financial statements as deferred outflow of resources – deferred charge on refunding and is being amortized to interest expense over the life of the bonds using the straight-line method. The issuance resulted in a difference (savings) between the cash flows required to service the old debt and the cash flows required to service the new debt of \$265,385. The issuance resulted in a total economic gain of \$223,277. These general obligation bonds will be paid from Sewer Enterprise revenues.

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

The \$2,410,000 various purpose general obligation bonds were sold at a premium of \$68,675 that is being amortized over the term of the bonds. There was no premium amortized during 2012 because it was immaterial. Issuance costs associated with the bond issue were \$43,683.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Principal and interest requirements to retire the City's general obligation bonds payable from the Sewer and Water Enterprise Funds outstanding at December 31, 2012 were:

Year	Sewer General Obligation Bonds		Water General Obligation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$325,000	\$67,772	\$210,000	\$66,466	\$535,000	\$134,238
2014	335,000	58,148	220,000	58,970	555,000	117,118
2015	335,000	47,977	100,000	52,650	435,000	100,627
2016	145,000	37,828	105,000	50,650	250,000	88,478
2017	150,000	34,565	105,000	48,550	255,000	83,115
2018-2022	800,000	110,610	560,000	210,150	1,360,000	320,760
2023-2027	180,000	6,300	625,000	147,850	805,000	154,150
2028-2032	0	0	720,000	63,875	720,000	63,875
Total	<u>\$2,270,000</u>	<u>\$363,200</u>	<u>\$2,645,000</u>	<u>\$699,161</u>	<u>\$4,915,000</u>	<u>\$1,062,361</u>

Long-Term Bond Anticipation Notes

The various purpose bond anticipation notes issued on January 30, 2012, for \$5,145,000 mature on January 30, 2013; however, they were retired on November 21, 2012 when general obligation bonds were issued. The various purpose bond anticipation notes issued include \$2,780,000 in business-type bond anticipation notes and \$2,365,000 in governmental bond anticipation notes. These notes were issued to retire the 2011 various purpose bond anticipation notes.

The various purpose long-term business-type bond anticipation notes include the following: the \$700,000 water system bond anticipation notes were issued for the purpose of water system improvements; the \$350,000 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; and \$1,730,000 for the purpose of paying construction costs related to a new water tower.

OWDA Loans

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$1,573,855 in water system OWDA Loans issued in 2011. Proceeds from this loan provided financing for the water reverse osmosis system project. The loan is payable solely from water customer net revenues and is payable through 2021. Annual principal and interest payments on the loan are expected to require less than 4.60 percent of net revenues. The total principal and interest remaining to be paid on the loan is \$1,702,584 related to finalized terms and amortization schedules. Principal and interest paid for the current year and total customer net revenues were \$189,176 and \$869,634, respectively.

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay \$12,233,302 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 2030. Annual principal and interest payments on the loans are expected to require less than 2.01 percent of net revenues. The total principal and interest remaining to be paid on the loans is \$14,154,029 related to finalized terms and amortization schedules. Principal and interest paid for the current year and total customer net revenues were \$750,415 and \$1,506,841, respectively.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Principal and interest requirements to retire the City's OWDA loans outstanding at December 31, 2012 were:

Year	Sewer OWDA		Water OWDA		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$478,766	\$353,505	\$137,976	\$51,200	\$616,742	\$404,705
2014	480,085	337,070	143,044	46,132	623,129	383,202
2015	496,665	320,490	148,299	40,877	644,964	361,367
2016	513,826	303,330	153,746	35,430	667,572	338,760
2017	531,586	285,569	159,393	29,783	690,979	315,352
2018-2022	2,882,860	1,139,596	698,309	58,395	3,581,169	1,197,991
2023-2027	3,126,015	643,160	0	0	3,126,015	643,160
2028-2030	2,136,444	125,062	0	0	2,136,444	125,062
Total	<u>\$10,646,247</u>	<u>\$3,507,782</u>	<u>\$1,440,767</u>	<u>\$261,817</u>	<u>\$12,087,014</u>	<u>\$3,769,599</u>

Compensated Absences Payable

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

Capital Leases Payable

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

Legal Debt Margin

As of December 31, 2012, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$32,661,528.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 18 – SHORT-TERM OBLIGATIONS

A summary of the short-term note transactions for the year ended December 31, 2012, follows:

<u>Governmental Activities:</u>	<u>Outstanding 12/31/2011</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding 12/31/2012</u>
<u>Revenue Anticipation Notes:</u>				
TIF Cover - 2011 - \$43,750 - 2.8%	\$43,750	\$0	\$43,750	\$0
TIF Hill Road and TIF Old Town - 2011 - \$371,000 - 2.8%	371,000	0	371,000	0
TIF Windmill/ Diley Road 2011 - \$1,675,000 - 2.8%	1,675,000	1,225,000	2,900,000	0
Total Revenue Anticipation Notes	2,089,750	1,225,000	3,314,750	0
<u>Bond Anticipation Notes:</u>				
<u>2011 - \$6,284,000 Various Purpose - 1.25%</u>				
<u>Courtright Road Realignment/ Downtown</u>				
Streetscape/ Diley Road Improvement - \$1,550,000	135,000	0	135,000	0
Municipal Building Improvement - \$70,000	35,000	0	35,000	0
Police Facility - \$150,000	50,000	0	50,000	0
Center Street Property - \$325,000	30,000	0	30,000	0
Traffic Control Devices - \$200,000	20,000	0	20,000	0
Total Bond Anticipation Notes	270,000	0	270,000	0
Total Governmental Activities	2,359,750	1,225,000	3,584,750	0
<u>Business - Type Activities:</u>				
<u>Bond Anticipation Notes:</u>				
<u>2011 - \$6,284,000 Various Purpose - 1.25%</u>				
Water Plant - \$1,200,000	500,000	0	500,000	0
Sewer D-Line II, III, & IV and Sewer Plant Engineer - \$700,000	350,000	0	350,000	0
Storm Drainage Improvements - \$189,000	189,000	0	189,000	0
Water Tower - \$1,900,000	170,000	0	170,000	0
Total Bond Anticipation Notes	1,209,000	0	1,209,000	0
Total Business-Type Activities	1,209,000	0	1,209,000	0
Total All Types	\$3,568,750	\$1,225,000	\$4,793,750	\$0

Governmental Activities:

Revenue Anticipation Notes

The TIF Cover revenue anticipation notes issued on September 2, 2011, for \$43,750 matured on August 31, 2012. 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.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

The TIF Hill Road revenue anticipation notes issued on September 2, 2011, for \$371,000 matured on August 31, 2012. 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 Windmill/ Diley Road revenue anticipation notes issued on August 31, 2012, for \$1,225,000 will mature on August 30, 2013. These revenue anticipation notes retired the \$1,675,000 TIF Windmill/ Diley revenue anticipation notes issued on September 2, 2011. 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. On November 21, 2012, the City retired the outstanding revenue anticipation notes and issued general obligation bonds.

The City is utilized 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 January 30, 2012, for \$5,145,000 mature on January 30, 2013. The various purpose bond anticipation notes issued include \$2,365,000 in governmental bond anticipation notes and \$2,780,000 in business-type bond anticipation notes. These notes were issued to retire the 2011 various purpose bond anticipation notes that matured on February 2, 2012. These 2012 bond anticipation notes are presented in the long-term obligation Note 17 because on November 21, 2012, the City retired all outstanding note debt and issued general obligation bonds.

Business-Type Activities:

Bond Anticipation Notes

The various purpose bond anticipation notes issued on January 30, 2012, for \$5,145,000 mature on January 30, 2013. The various purpose bond anticipation notes issued include \$2,780,000 in business-type bond anticipation notes and \$2,365,000 in governmental bond anticipation notes. These notes were issued to retire the 2011 various purpose bond anticipation notes that matured on February 2, 2012. These 2012 bond anticipation notes are presented in the long-term obligation Note 17 because on November 21, 2012, the City retired all outstanding note debt and issued general obligation bonds.

NOTE 19 - SIGNIFICANT COMMITMENTS

A. Encumbrances

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

<u>Governmental Funds</u>	
General	\$89,255
Police	17,469
Other Governmental Funds	54,496
Total Governmental Funds	161,220
 <u>Proprietary Funds</u>	
Water	79,653
Sewer	82,305
Stormwater	2,898
Other Enterprise Funds	615
Total Proprietary Funds	165,471
Total	\$326,691

B. Contractual Commitments

As of December 31, 2012, 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, 2012	Amount Remaining on Contracts
Center St., Milnor, and Meadows Intersection Project	Street Fund	\$115,000	\$57,246	\$57,754
Reverse Osmosis Construction	Water Fund	46,950	0	46,950
Leisure Dr. Pump Station	Sewer Fund	64,000	30,891	33,109
ODOT Safety Grant Engineering	SR 256 Safety Grant Fund	44,233	6,352	37,881
Total		\$270,183	\$94,489	\$175,694

NOTE 20 - 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 2012.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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 \$4,551 to the Commission during 2012.

C. Mid-Ohio Regional Planning Commission (MORPC)

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. The organization is composed of 74 representatives appointed by member governments who make up the Commission, the policy-making body of the organization, and the oversight board. MORPC is a voluntary association of local governments in central and south central Ohio and a regional planning agency whose membership includes 42 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members. The City contributed \$8,462 in membership dues to the Mid-Ohio Regional Planning Commission during 2012.

NOTE 21 - POOLS

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

The Central Ohio Risk Management Association Inc. (CORMA) is a shared risk pool which is administered by 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 approves bylaws, establish policies and contract with service providers for the best savings. Member cities agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORMA. Coverage includes comprehensive general liability, property insurance, crime insurance, employee benefits liability, law enforcement liability, public officials' liability, automotive liability, and healthcare professional liability.

B. Ohio Municipal League Workers' Compensation Group Rating Program

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

NOTE 22 - CONTINGENT LIABILITIES

A. Litigation

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

B. Federal and State Grants

For the period January 1, 2012 to December 31, 2012 the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

NOTE 23 - INTERFUND ACTIVITY

Interfund transfers during 2012, consisted of the following:

	Transfer to			Totals
	Major Funds			
	Police	Debt Service	Other Nonmajor Governmental	
<u>Transfer from</u>				
Major Funds:				
General Fund	\$2,215,000	\$1,233,740	\$1,518,961	\$4,967,701
Other Nonmajor Governmental	0	848,649	35,875	884,524
Totals	<u>\$2,215,000</u>	<u>\$2,082,389</u>	<u>\$1,554,836</u>	<u>\$5,852,225</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.

NOTE 24 - SUBSEQUENT EVENTS

On January 3, 2013, the City refunded the State Infrastructure Bank Loan and issued General Obligation Bonds in the amount of \$4,740,000. The general obligation bonds were sold at a premium of \$226,032.

**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, 2012

	<u>Budgeted Amounts</u>		Actual	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Property and Other Taxes	\$926,000	\$931,000	\$961,396	\$30,396
Municipal Income Taxes	5,095,440	5,095,440	5,118,593	23,153
Charges for Services	61,125	363,284	346,082	(17,202)
Licenses and Permits	348,675	348,675	463,690	115,015
Fines and Forfeitures	160,500	160,500	168,646	8,146
Intergovernmental	387,208	387,208	445,067	57,859
Interest	40,500	40,500	35,700	(4,800)
Contributions and Donations	14,000	14,000	39,007	25,007
Other	269,200	271,200	302,212	31,012
<i>Total Revenues</i>	<u>7,302,648</u>	<u>7,611,807</u>	<u>7,880,393</u>	<u>268,586</u>
Expenditures				
Current:				
General Government				
Council				
Personal Services	102,300	134,800	124,220	10,580
Contractual Services	14,268	14,948	11,481	3,467
Materials and Supplies	1,600	1,600	788	812
Total Council	<u>118,168</u>	<u>151,348</u>	<u>136,489</u>	<u>14,859</u>
Mayor				
Personal Services	44,165	47,165	45,211	1,954
Contractual Services	2,250	2,250	1,349	901
Materials and Supplies	3,250	3,250	2,392	858
Total Mayor	<u>49,665</u>	<u>52,665</u>	<u>48,952</u>	<u>3,713</u>
City Manager				
Personal Services	97,300	112,500	107,553	4,947
Contractual Services	4,050	4,285	2,934	1,351
Materials and Supplies	1,000	1,000	687	313
Total City Manager	<u>102,350</u>	<u>117,785</u>	<u>111,174</u>	<u>6,611</u>
Receptionist				
Personal Services	73,445	79,045	78,802	243
Materials and Supplies	600	600	116	484
Total Receptionist	<u>74,045</u>	<u>79,645</u>	<u>78,918</u>	<u>727</u>
Facilities Operations Administration				
Personal Services	58,300	58,300	56,438	1,862
Contractual Services	1,000	1,185	541	644
Materials and Supplies	2,750	2,750	807	1,943
Total Facilities Operations Administration	<u>62,050</u>	<u>62,235</u>	<u>57,786</u>	<u>4,449</u>
Personnel Department				
Personal Services	80,850	80,850	75,329	5,521
Contractual Services	22,300	23,100	19,581	3,519
Materials and Supplies	2,025	2,025	1,465	560
Total Personnel Department	<u>\$105,175</u>	<u>\$105,975</u>	<u>\$96,375</u>	<u>\$9,600</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, 2012

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Public Information				
Personal Services	\$0	\$4,500	\$0	\$4,500
Contractual Services	29,000	25,650	23,428	2,222
Total Public Information	<u>29,000</u>	<u>30,150</u>	<u>23,428</u>	<u>6,722</u>
Land and Buildings				
Personal Services	2,000	2,000	0	2,000
Contractual Services	266,566	340,794	303,248	37,546
Materials and Supplies	67,700	78,322	70,594	7,728
Capital Outlay	51,000	51,000	40,707	10,293
Total Land and Buildings	<u>387,266</u>	<u>472,116</u>	<u>414,549</u>	<u>57,567</u>
Engineer				
Personal Services	220,158	220,158	209,523	10,635
Contractual Services	80,000	86,344	64,142	22,202
Materials and Supplies	7,000	9,000	6,184	2,816
Total Engineer	<u>307,158</u>	<u>315,502</u>	<u>279,849</u>	<u>35,653</u>
Law Director				
Contractual Services	<u>280,500</u>	<u>284,746</u>	<u>280,319</u>	<u>4,427</u>
Mayor's Court Clerk				
Personal Services	82,000	82,000	78,185	3,815
Contractual Services	31,813	32,963	29,500	3,463
Materials and Supplies	5,800	5,800	3,422	2,378
Total Mayor's Court Clerk	<u>119,613</u>	<u>120,763</u>	<u>111,107</u>	<u>9,656</u>
Administrative Assistant				
Personal Services	44,200	44,200	41,922	2,278
Materials and Supplies	575	575	319	256
Total Administrative Assistant	<u>44,775</u>	<u>44,775</u>	<u>42,241</u>	<u>2,534</u>
Finance Director				
Personal Services	371,670	439,670	389,679	49,991
Contractual Services	289,025	316,447	298,767	17,680
Materials and Supplies	15,075	15,192	13,851	1,341
Total Finance Director	<u>675,770</u>	<u>771,309</u>	<u>702,297</u>	<u>69,012</u>
Municipal Clerk				
Personal Services	128,150	128,150	118,811	9,339
Contractual Services	1,400	1,400	352	1,048
Materials and Supplies	2,700	2,700	1,947	753
Total Municipal Clerk	<u>\$132,250</u>	<u>\$132,250</u>	<u>\$121,110</u>	<u>\$11,140</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous				
Personal Services	\$31,340	\$31,340	\$26,049	\$5,291
Contractual Services	266,114	279,577	270,945	8,632
Total Miscellaneous	<u>297,454</u>	<u>310,917</u>	<u>296,994</u>	<u>13,923</u>
Other General Government				
Election Expenses	0	7,000	3,844	3,156
Auditor and Treasurer Fees	0	40,519	32,282	8,237
Miscellaneous Dues	0	32,514	32,416	98
Total Other General Government	<u>0</u>	<u>80,033</u>	<u>68,542</u>	<u>11,491</u>
<i>Total General Government</i>	<u>2,785,239</u>	<u>3,132,214</u>	<u>2,870,130</u>	<u>262,084</u>
Security of Persons and Property				
Street Lighting				
Contractual Services	93,400	95,400	95,188	212
Materials and Supplies	250	250	0	250
<i>Total Security of Persons and Property</i>	<u>93,650</u>	<u>95,650</u>	<u>95,188</u>	<u>462</u>
Leisure Time Activities				
Contractual Services	35,000	35,000	34,429	571
<i>Total Leisure Time Activities</i>	<u>35,000</u>	<u>35,000</u>	<u>34,429</u>	<u>571</u>
Public Health Services				
Contractual Services	116,755	124,255	122,307	1,948
Materials and Supplies	7,500	7,500	5,581	1,919
<i>Total Public Health Services</i>	<u>124,255</u>	<u>131,755</u>	<u>127,888</u>	<u>3,867</u>
Community Environment				
Development Department				
Personal Services	97,250	97,250	92,773	4,477
Contractual Services	32,350	45,460	41,888	3,572
Materials and Supplies	3,500	3,500	2,789	711
Total Development Department	<u>133,100</u>	<u>146,210</u>	<u>137,450</u>	<u>8,760</u>
Building Inspection				
Personal Services	215,820	169,303	115,828	53,475
Contractual Services	510,559	557,809	131,089	426,720
Materials and Supplies	4,500	4,600	3,906	694
Total Building Inspection	<u>\$730,879</u>	<u>\$731,712</u>	<u>\$250,823</u>	<u>\$480,889</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Planning and Zoning				
Personal Services	\$105,300	\$105,300	\$89,163	\$16,137
Contractual Services	14,465	32,285	14,939	17,346
Materials and Supplies	4,650	4,650	1,004	3,646
Total Planning and Zoning	<u>124,415</u>	<u>142,235</u>	<u>105,106</u>	<u>37,129</u>
<i>Total Community Environment</i>	<u>988,394</u>	<u>1,020,157</u>	<u>493,379</u>	<u>526,778</u>
<i>Total Expenditures</i>	<u>4,026,538</u>	<u>4,414,776</u>	<u>3,621,014</u>	<u>793,762</u>
<i>Excess of Revenues Over Expenditures</i>	3,276,110	3,197,031	4,259,379	1,062,348
Other Financing Use				
Transfers Out	<u>(4,647,611)</u>	<u>(5,464,645)</u>	<u>(4,967,701)</u>	496,944
<i>Net Change in Fund Balance</i>	(1,371,501)	(2,267,614)	(708,322)	1,559,292
Fund Balance at Beginning of Year	3,892,202	3,892,202	3,892,202	0
Prior Year Encumbrances Appropriated	<u>63,842</u>	<u>63,842</u>	<u>63,842</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$2,584,543</u></u>	<u><u>\$1,688,430</u></u>	<u><u>\$3,247,722</u></u>	<u><u>\$1,559,292</u></u>

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Projects Funds

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

Permanent Fund

The permanent fund is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs – that is for the benefit of the government or its citizenry.

City of Pickerington, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$772,812	\$1,141,377	\$2,810	\$1,916,999
Receivables:				
Permissive Motor Vehicle Registration Fees	6,294	9,440	0	15,734
Payments in Lieu of Taxes	0	74,002	0	74,002
Accounts	14	0	0	14
Intergovernmental	367,948	582,437	0	950,385
Materials and Supplies Inventory	53,115	0	0	53,115
Prepaid Items	25,187	0	0	25,187
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	0	1,545	1,545
<i>Total Assets</i>	<u>\$1,225,370</u>	<u>\$1,807,256</u>	<u>\$4,355</u>	<u>\$3,036,981</u>
Liabilities:				
Accounts Payable	\$7,136	\$76,468	\$0	\$83,604
Contracts Payable	11,449	0	0	11,449
Accrued Wages and Benefits	11,040	0	0	11,040
Intergovernmental Payable	12,980	0	0	12,980
<i>Total Liabilities</i>	<u>42,605</u>	<u>76,468</u>	<u>0</u>	<u>119,073</u>
Deferred Inflows of Resources:				
Unavailable Revenue	254,019	598,974	0	852,993
<i>Total Deferred Inflows of Resources</i>	<u>254,019</u>	<u>598,974</u>	<u>0</u>	<u>852,993</u>
Fund Balances:				
Fund Balances:				
Nonspendable	78,302	0	1,545	79,847
Restricted	720,356	255,640	2,810	978,806
Committed	130,088	950,176	0	1,080,264
Unassigned (Deficit)	0	(74,002)	0	(74,002)
<i>Total Fund Balances</i>	<u>928,746</u>	<u>1,131,814</u>	<u>4,355</u>	<u>2,064,915</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$1,225,370</u>	<u>\$1,807,256</u>	<u>\$4,355</u>	<u>\$3,036,981</u>

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:				
Permissive Motor Vehicle Registration Fees	\$82,350	\$123,524	\$0	\$205,874
Charges for Services	106,672	0	0	106,672
Licenses and Permits	51,444	0	0	51,444
Impact Fees	0	553,211	0	553,211
Fines and Forfeitures	11,308	0	0	11,308
Intergovernmental	706,668	93,022	0	799,690
Interest	831	1,152	6	1,989
Payments in Lieu of Taxes	0	728,745	0	728,745
Contributions and Donations	24,690	0	0	24,690
Other	65,826	0	0	65,826
<i>Total Revenues</i>	<u>1,049,789</u>	<u>1,499,654</u>	<u>6</u>	<u>2,549,449</u>
Expenditures:				
Current:				
General Government	11,344	0	0	11,344
Security of Persons and Property	7,058	0	0	7,058
Transportation	1,547,483	0	0	1,547,483
Leisure Time Activities	563,090	0	0	563,090
Capital Outlay	0	377,048	0	377,048
Debt Service:				
Principal Retirement	25,000	0	0	25,000
Interest and Fiscal Charges	0	66,823	0	66,823
<i>Total Expenditures</i>	<u>2,153,975</u>	<u>443,871</u>	<u>0</u>	<u>2,597,846</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,104,186)</u>	<u>1,055,783</u>	<u>6</u>	<u>(48,397)</u>
Other Financing Sources (Use)				
Inception of a Capital Lease	80,000	0	0	80,000
General Obligation Bonds Issued	0	1,245,000	0	1,245,000
Bond Anticipation Notes Issued	0	340,000	0	340,000
Transfers In	1,176,500	378,336	0	1,554,836
Transfers Out	0	(884,524)	0	(884,524)
<i>Total Other Financing Sources (Use)</i>	<u>1,256,500</u>	<u>1,078,812</u>	<u>0</u>	<u>2,335,312</u>
<i>Net Changes in Fund Balances</i>	152,314	2,134,595	6	2,286,915
Fund Balances (Deficit) at Beginning of Year	<u>776,432</u>	<u>(1,002,781)</u>	<u>4,349</u>	<u>(222,000)</u>
<i>Fund Balances at End of Year</i>	<u>\$928,746</u>	<u>\$1,131,814</u>	<u>\$4,355</u>	<u>\$2,064,915</u>

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

The following are reported as special revenue funds:

Major Special Revenue 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.

Justice Assistance Grant – To account for federal grant monies received from the Ohio Department of Public Safety for law enforcement equipment and overtime. This fund has no balance sheet activity to present.

Federal Emergency Management Agency Fund – To account for federal grant monies received from the Federal Emergency Management Agency and the state government for claims for assistance due to natural catastrophes. No budgetary schedule and no statement of revenues, expenditures, and changes in fund balances were presented because no activity was anticipated and no activity occurred during 2012.

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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$1,400,000	\$1,435,000	\$1,469,128	\$34,128
Charges for Services	154,000	154,000	184,990	30,990
Intergovernmental	167,750	170,750	180,441	9,691
Contributions and Donations	100	100	2,525	2,425
Other	47,225	47,225	15,457	(31,768)
<i>Total Revenues</i>	<u>1,769,075</u>	<u>1,807,075</u>	<u>1,852,541</u>	<u>45,466</u>
Expenditures				
Current:				
Security of Persons and Property				
Personal Services	3,620,624	3,682,453	3,520,877	161,576
Contractual Services	375,245	403,520	353,917	49,603
Materials and Supplies	206,505	226,134	192,451	33,683
Capital Outlay	93,500	194,429	184,852	9,577
<i>Total Expenditures</i>	<u>4,295,874</u>	<u>4,506,536</u>	<u>4,252,097</u>	<u>254,439</u>
<i>Excess of Revenues Under Expenditures</i>	(2,526,799)	(2,699,461)	(2,399,556)	299,905
Other Financing Source				
Transfers In	<u>2,425,000</u>	<u>2,425,000</u>	<u>2,215,000</u>	<u>(210,000)</u>
<i>Net Change in Fund Balance</i>	(101,799)	(274,461)	(184,556)	89,905
Fund Balance at Beginning of Year	502,836	502,836	502,836	0
Prior Year Encumbrances Appropriated	<u>42,285</u>	<u>42,285</u>	<u>42,285</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$443,322</u>	<u>\$270,660</u>	<u>\$360,565</u>	<u>\$89,905</u>

City of Pickerington, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2012

	Street	State Highway	Parks and Recreation	Computer	Operation of a Motor Vehicle Under the Influence Enforcement and Education
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$445,291	\$68,566	\$105,103	\$21,663	\$4,977
Receivables:					
Permissive Motor Vehicle Registration Fees	6,294	0	0	0	0
Accounts	0	0	14	0	0
Intergovernmental	307,082	24,867	0	0	0
Materials and Supplies Inventory	29,578	0	23,537	0	0
Prepaid Items	16,530	168	8,489	0	0
<i>Total Assets</i>	<u>\$804,775</u>	<u>\$93,601</u>	<u>\$137,143</u>	<u>\$21,663</u>	<u>\$4,977</u>
Liabilities:					
Accounts Payable	\$3,043	\$619	\$3,474	\$0	\$0
Contracts Payable	11,449	0	0	0	0
Accrued Wages and Benefits	6,326	255	4,459	0	0
Intergovernmental Payable	7,991	1,048	3,941	0	0
<i>Total Liabilities</i>	<u>28,809</u>	<u>1,922</u>	<u>11,874</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:					
Unavailable Revenue	205,471	16,660			
Fund Balances:					
Nonspendable	46,108	168	32,026	0	0
Restricted	524,387	74,851	0	21,663	4,977
Committed	0	0	93,243	0	0
<i>Total Fund Balances</i>	<u>570,495</u>	<u>75,019</u>	<u>125,269</u>	<u>21,663</u>	<u>4,977</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$804,775</u>	<u>\$93,601</u>	<u>\$137,143</u>	<u>\$21,663</u>	<u>\$4,977</u>

Law Enforcement Trust	Mandatory Drug Law Enforcement	Immobilization	Urban Forestry	Community Development Block Grant Revolving Loan	Federal Emergency Management Agency	Total Nonmajor Special Revenue Funds
\$20,181	\$2,024	\$920	\$36,845	\$67,242	\$0	\$772,812
0	0	0	0	0	0	6,294
0	0	0	0	0	0	14
4,111	0	0	0	0	31,888	367,948
0	0	0	0	0	0	53,115
0	0	0	0	0	0	25,187
<u>\$24,292</u>	<u>\$2,024</u>	<u>\$920</u>	<u>\$36,845</u>	<u>\$67,242</u>	<u>\$31,888</u>	<u>\$1,225,370</u>
\$0	\$0	\$0	\$0	\$0	\$0	7,136
0	0	0	0	0	0	11,449
0	0	0	0	0	0	11,040
0	0	0	0	0	0	12,980
0	0	0	0	0	0	42,605
0	0	0	0	0	31,888	254,019
0	0	0	0	0	0	78,302
24,292	2,024	920	0	67,242	0	720,356
0	0	0	36,845	0	0	130,088
24,292	2,024	920	36,845	67,242	0	928,746
<u>\$24,292</u>	<u>\$2,024</u>	<u>\$920</u>	<u>\$36,845</u>	<u>\$67,242</u>	<u>\$31,888</u>	<u>\$1,225,370</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, 2012

	<u>Street</u>	<u>State Highway</u>	<u>Parks and Recreation</u>	<u>Computer</u>	<u>Operation of a Motor Vehicle Under the Influence Enforcement and Education</u>	<u>Law Enforcement Trust</u>
Revenues:						
Permissive Motor Vehicle Registration Fees	\$82,350	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	106,672	0	0	0
Licenses and Permits	0	0	0	0	0	0
Fines and Forfeitures	0	0	0	10,542	691	0
Intergovernmental	636,714	51,626	0	0	0	13,828
Interest	656	79	0	0	0	0
Contributions and Donations	0	0	24,690	0	0	0
Other	52,814	379	12,633	0	0	0
<i>Total Revenues</i>	<u>772,534</u>	<u>52,084</u>	<u>143,995</u>	<u>10,542</u>	<u>691</u>	<u>13,828</u>
Expenditures:						
Current:						
General Government	0	0	0	11,344	0	0
Security of Persons and Property	0	0	0	0	1,967	0
Transportation	1,520,818	26,665	0	0	0	0
Leisure Time Activities	0	0	501,392	0	0	0
Debt Service:						
Principal Retirement	25,000	0	0	0	0	0
<i>Total Expenditures</i>	<u>1,545,818</u>	<u>26,665</u>	<u>501,392</u>	<u>11,344</u>	<u>1,967</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(773,284)</u>	<u>25,419</u>	<u>(357,397)</u>	<u>(802)</u>	<u>(1,276)</u>	<u>13,828</u>
Other Financing Sources						
Inception of Capital Lease	80,000	0	0	0	0	0
Transfers In	786,000	0	370,000	0	0	0
<i>Total Other Financing Sources</i>	<u>866,000</u>	<u>0</u>	<u>370,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	92,716	25,419	12,603	(802)	(1,276)	13,828
Fund Balances at Beginning of Year	<u>477,779</u>	<u>49,600</u>	<u>112,666</u>	<u>22,465</u>	<u>6,253</u>	<u>10,464</u>
<i>Fund Balances at End of Year</i>	<u><u>\$570,495</u></u>	<u><u>\$75,019</u></u>	<u><u>\$125,269</u></u>	<u><u>\$21,663</u></u>	<u><u>\$4,977</u></u>	<u><u>\$24,292</u></u>

Mandatory Drug Law Enforcement	Immobilization	Urban Forestry	Community Development Block Grant Revolving Loan	Justice Assistance Grant	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$82,350
0	0	0	0	0	106,672
0	0	51,444	0	0	51,444
75	0	0	0	0	11,308
0	0	0	0	4,500	706,668
0	0	0	96	0	831
0	0	0	0	0	24,690
0	0	0	0	0	65,826
<u>75</u>	<u>0</u>	<u>51,444</u>	<u>96</u>	<u>4,500</u>	<u>1,049,789</u>
0	0	0	0	0	11,344
91	0	0	0	5,000	7,058
0	0	0	0	0	1,547,483
0	0	61,698	0	0	563,090
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>25,000</u>
<u>91</u>	<u>0</u>	<u>61,698</u>	<u>0</u>	<u>5,000</u>	<u>2,153,975</u>
<u>(16)</u>	<u>0</u>	<u>(10,254)</u>	<u>96</u>	<u>(500)</u>	<u>(1,104,186)</u>
0	0	0	0	0	80,000
<u>0</u>	<u>0</u>	<u>20,000</u>	<u>0</u>	<u>500</u>	<u>1,176,500</u>
<u>0</u>	<u>0</u>	<u>20,000</u>	<u>0</u>	<u>500</u>	<u>1,256,500</u>
(16)	0	9,746	96	0	152,314
<u>2,040</u>	<u>920</u>	<u>27,099</u>	<u>67,146</u>	<u>0</u>	<u>776,432</u>
<u>\$2,024</u>	<u>\$920</u>	<u>\$36,845</u>	<u>\$67,242</u>	<u>\$0</u>	<u>\$928,746</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Permissive Motor Vehicle Registration Fees	\$76,000	\$82,566	\$6,566
Intergovernmental	615,000	635,673	20,673
Interest	350	656	306
Other	3,500	54,248	50,748
<i>Total Revenues</i>	<u>694,850</u>	<u>773,143</u>	<u>78,293</u>
Expenditures			
Current:			
Transportation			
Street			
Personal Services	359,997	320,778	39,219
Contractual Services	882,492	845,086	37,406
Materials and Supplies	252,143	173,150	78,993
Capital Outlay	238,360	155,685	82,675
<i>Total Expenditures</i>	<u>1,732,992</u>	<u>1,494,699</u>	<u>238,293</u>
<i>Excess of Revenues Under Expenditures</i>	(1,038,142)	(721,556)	316,586
Other Financing Source			
Transfers In	<u>725,000</u>	<u>786,000</u>	<u>61,000</u>
<i>Net Change in Fund Balance</i>	(313,142)	64,444	377,586
Fund Balance at Beginning of Year	298,035	298,035	0
Prior Year Encumbrances Appropriated	<u>68,927</u>	<u>68,927</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$53,820</u></u>	<u><u>\$431,406</u></u>	<u><u>\$377,586</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$51,000	\$51,541	\$541
Interest	5	79	74
Other	350	379	29
<i>Total Revenues</i>	<u>51,355</u>	<u>51,999</u>	<u>644</u>
Expenditures			
Current:			
Transportation			
State Highway			
Personal Services	22,456	17,472	4,984
Contractual Services	8,900	8,823	77
Materials and Supplies	21,500	0	21,500
<i>Total Expenditures</i>	<u>52,856</u>	<u>26,295</u>	<u>26,561</u>
<i>Net Change in Fund Balance</i>	(1,501)	25,704	27,205
Fund Balance at Beginning of Year	<u>42,863</u>	<u>42,863</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$41,362</u></u>	<u><u>\$68,567</u></u>	<u><u>\$27,205</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$89,400	\$106,672	\$17,272
Contributions and Donations	21,000	24,690	3,690
Other	4,750	12,619	7,869
<i>Total Revenues</i>	<u>115,150</u>	<u>143,981</u>	<u>28,831</u>
Expenditures			
Current:			
Leisure Time Activities			
Parks and Recreation			
Personal Services	274,571	260,591	13,980
Contractual Services	267,416	204,890	62,526
Materials and Supplies	52,427	32,763	19,664
Capital Outlay	6,000	5,811	189
<i>Total Expenditures</i>	<u>600,414</u>	<u>504,055</u>	<u>96,359</u>
<i>Excess of Revenues Under Expenditures</i>	(485,264)	(360,074)	125,190
Other Financing Source			
Transfers In	415,000	370,000	(45,000)
<i>Net Change in Fund Balance</i>	(70,264)	9,926	80,190
Fund Balance at Beginning of Year	90,929	90,929	0
Prior Year Encumbrances Appropriated	4,184	4,184	0
<i>Fund Balance at End of Year</i>	<u>\$24,849</u>	<u>\$105,039</u>	<u>\$80,190</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$10,000	\$10,773	\$773
Expenditures			
Current:			
General Government			
Computer			
Contractual Services	10,820	9,563	1,257
Materials and Supplies	7,800	1,781	6,019
<i>Total Expenditures</i>	<u>18,620</u>	<u>11,344</u>	<u>7,276</u>
<i>Net Change in Fund Balance</i>	(8,620)	(571)	8,049
Fund Balance at Beginning of Year	20,985	20,985	0
Prior Year Encumbrances Appropriated	<u>680</u>	<u>680</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$13,045</u>	<u>\$21,094</u>	<u>\$8,049</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$600	\$731	\$131
Expenditures			
Current:			
Security of Persons and Property			
Operation of a Motor Vehicle Under the Influence Enforcement and Education			
Contractual Services	1,525	868	657
Materials and Supplies	2,900	1,298	1,602
<i>Total Expenditures</i>	<u>4,425</u>	<u>2,166</u>	<u>2,259</u>
<i>Net Change in Fund Balance</i>	(3,825)	(1,435)	2,390
Fund Balance at Beginning of Year	5,793	5,793	0
Prior Year Encumbrances Appropriated	<u>400</u>	<u>400</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$2,368</u>	<u>\$4,758</u>	<u>\$2,390</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$420	\$10,710	\$10,290
Expenditures			
Current:			
Security of Persons and Property			
Law Enforcement Trust			
Materials and Supplies	3,000	0	3,000
<i>Net Change in Fund Balance</i>	(2,580)	10,710	13,290
Fund Balance at Beginning of Year	9,471	9,471	0
<i>Fund Balance at End of Year</i>	<u>\$6,891</u>	<u>\$20,181</u>	<u>\$13,290</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$125	\$75	(\$50)
Expenditures			
Current:			
Security of Persons and Property			
Mandatory Drug Law Enforcement			
Materials and Supplies	1,395	91	1,304
<i>Net Change in Fund Balance</i>	(1,270)	(16)	1,254
Fund Balance at Beginning of Year	1,945	1,945	0
Prior Year Encumbrances Appropriated	95	95	0
<i>Fund Balance at End of Year</i>	<u>\$770</u>	<u>\$2,024</u>	<u>\$1,254</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$100	\$0	(\$100)
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	100	0	(100)
Fund Balance at Beginning of Year	<u>920</u>	<u>920</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,020</u></u>	<u><u>\$920</u></u>	<u><u>(\$100)</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and Permits	\$26,000	\$51,444	\$25,444
Expenditures			
Current:			
Leisure Time Activities			
Urban Forestry			
Contractual Services	41,200	37,908	3,292
Materials and Supplies	47,225	23,790	23,435
<i>Total Expenditures</i>	<u>88,425</u>	<u>61,698</u>	<u>26,727</u>
<i>Excess of Revenues Under Expenditures</i>	(62,425)	(10,254)	52,171
Other Financing Source			
Transfers In	40,000	20,000	(20,000)
<i>Net Change in Fund Balance</i>	(22,425)	9,746	32,171
Fund Balance at Beginning of Year	12,374	12,374	0
Prior Year Encumbrances Appropriated	14,725	14,725	0
<i>Fund Balance at End of Year</i>	<u><u>\$4,674</u></u>	<u><u>\$36,845</u></u>	<u><u>\$32,171</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$85	\$96	\$11
Expenditures			
Current:			
Community Environment			
Community Development Block Grant Revolving Loan			
Contractual Services	65,000	0	65,000
<i>Net Change in Fund Balance</i>	(64,915)	96	65,011
Fund Balance at Beginning of Year	67,146	67,146	0
<i>Fund Balance at End of Year</i>	<u>\$2,231</u>	<u>\$67,242</u>	<u>\$65,011</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Justice Assistance Grant Fund
For the Year Ended December 31, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$5,000	\$4,500	(\$500)
Expenditures			
Security of Persons and Property			
Justice Assistance Grant			
Materials and Supplies	5,000	5,000	0
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(500)	(500)
Other Financing Source			
Transfers In	0	500	(500)
<i>Net Change in Fund Balance</i>	0	0	(1,000)
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

DEBT SERVICE FUNDS

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

The following 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, 2012

	Final	Actual	Variance Positive (Negative)
Revenues			
Interest	\$12,100	\$19,559	\$7,459
<i>Total Revenues</i>	<u>12,100</u>	<u>19,559</u>	<u>7,459</u>
Expenditures			
Debt Service:			
Principal Retirement	11,607,476	11,602,475	5,001
Interest and Fiscal Charges	449,550	374,806	74,744
Issuance Costs	138,913	125,157	13,756
<i>Total Expenditures</i>	<u>12,195,939</u>	<u>12,102,438</u>	<u>93,501</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(12,183,839)</u>	<u>(12,082,879)</u>	<u>100,960</u>
Other Financing Sources (Use)			
Refunding Bonds Issued	1,045,000	1,045,000	0
Payment to Bond Escrow Agent	(1,085,273)	(1,085,273)	0
Premium on Refunding Bond Issuance	47,250	38,621	(8,629)
General Obligation Bonds Issued	5,648,135	5,660,000	11,865
Premium on General Obligation Bond Issuance	194,325	191,089	(3,236)
Bond Anticipation Notes Issued	3,790,000	3,590,000	(200,000)
Transfers In	2,605,160	2,857,950	252,790
<i>Total Other Financing Sources (Use)</i>	<u>12,244,597</u>	<u>12,297,387</u>	<u>52,790</u>
<i>Net Change in Fund Balance</i>	60,758	214,508	153,750
Fund Balance at Beginning of Year	<u>132,667</u>	<u>132,667</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$193,425</u></u>	<u><u>\$347,175</u></u>	<u><u>\$153,750</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$0	\$20,097	\$20,097
Expenditures			
Debt Service:			
Principal Retirement	5,776,000	5,773,088	2,912
Interest and Fiscal Charges	167,696	137,408	30,288
Issuance Costs	48,300	43,683	4,617
<i>Total Expenditures</i>	<u>5,991,996</u>	<u>5,954,179</u>	<u>37,817</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(5,991,996)</u>	<u>(5,934,082)</u>	<u>57,914</u>
Other Financing Sources			
Notes Issued	2,430,000	2,430,000	0
General Obligation Bonds Issued	2,410,000	2,410,000	0
Premium on General Obligation Bond Issuance	68,675	68,675	0
Transfers In	1,083,321	1,074,398	(8,923)
<i>Total Other Financing Sources</i>	<u>5,991,996</u>	<u>5,983,073</u>	<u>(8,923)</u>
<i>Net Change in Fund Balance</i>	0	48,991	48,991
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>\$48,991</u></u>	<u><u>\$48,991</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$0	\$2,896	\$2,896
Expenditures			
Debt Service:			
Principal Retirement	1,825,423	1,727,294	98,129
Interest and Fiscal Charges	476,180	389,923	86,257
Issuance Costs	1,000	0	1,000
<i>Total Expenditures</i>	<u>2,302,603</u>	<u>2,117,217</u>	<u>185,386</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,302,603)</u>	<u>(2,114,321)</u>	<u>188,282</u>
Other Financing Sources			
Notes Issued	350,000	350,000	0
Transfers In	1,952,603	1,764,321	(188,282)
<i>Total Other Financing Sources</i>	<u>2,302,603</u>	<u>2,114,321</u>	<u>(188,282)</u>
<i>Net Change in Fund Balance</i>	0	0	0
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>\$0</u></u>	<u><u>\$0</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Stormwater Debt Service Fund
For the Year Ended December 31, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Debt Service:			
Principal Retirement	189,000	189,000	0
Interest and Fiscal Charges	2,363	2,363	0
<i>Total Expenditures</i>	191,363	191,363	0
<i>Excess of Revenues Under Expenditures</i>	(191,363)	(191,363)	0
Other Financing Source			
Transfers In	191,363	191,363	0
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	3,984	3,984	0
<i>Fund Balance at End of Year</i>	\$3,984	\$3,984	\$0

CAPITAL PROJECTS FUNDS

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

Nonmajor Capital Projects Funds:

State Route 256 Highway Fund - To account for the permissive motor vehicle registration fees 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 Picktown Beverage for the company of Kohls to begin business within the City. This fund has no balance sheet activity to present.

Street Construction Fund – To account for revenue and expenditures associated with street construction projects. No budgetary schedule was presented because no activity occurred during 2012.

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.

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

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. This fund has no balance sheet activity to present.

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

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. This fund has no balance sheet activity to present.

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. This fund has no balance sheet activity to present.

(continued)

CAPITAL PROJECTS FUNDS (Continued)

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. This fund has no balance sheet activity to present.

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. For budgetary purposes, this fund is included in the Debt Service Fund.

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.

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

City of Pickerington, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2012

	<u>State Route 256 Highway</u>	<u>Street Construction</u>	<u>Street Impact Fee</u>	<u>Park Capital Improvement</u>
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$149,756	\$165	\$174,345	\$625
Receivables:				
Permissive Motor Vehicle Registration Fees	9,440	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Intergovernmental	0	0	0	0
<i>Total Assets</i>	<u>\$159,196</u>	<u>\$165</u>	<u>\$174,345</u>	<u>\$625</u>
Liabilities:				
Accounts Payable	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:				
Unavailable Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:				
Restricted	159,196	165	0	0
Committed	0	0	174,345	625
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>159,196</u>	<u>165</u>	<u>174,345</u>	<u>625</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$159,196</u>	<u>\$165</u>	<u>\$174,345</u>	<u>\$625</u>

<u>Police Impact Fee</u>	<u>Safe Routes to School</u>	<u>Tax Increment Financing Agreement Equity Construction</u>	<u>Street Improvement Trust</u>	<u>Sidewalk Improvement Trust</u>	<u>Municipal Building</u>
\$81,970	\$0	\$0	\$278,823	\$1,708	\$933
0	0	0	0	0	0
0	0	74,002	0	0	0
0	264,443	0	0	0	0
<u>\$81,970</u>	<u>\$264,443</u>	<u>\$74,002</u>	<u>\$278,823</u>	<u>\$1,708</u>	<u>\$933</u>
<u>\$0</u>	<u>\$0</u>	<u>\$74,002</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>0</u>	<u>0</u>	<u>74,002</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>264,146</u>	<u>74,002</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	297	0	0	0	933
81,970	0	0	278,823	1,708	0
0	0	(74,002)	0	0	0
<u>81,970</u>	<u>297</u>	<u>(74,002)</u>	<u>278,823</u>	<u>1,708</u>	<u>933</u>
<u>\$81,970</u>	<u>\$264,443</u>	<u>\$74,002</u>	<u>\$278,823</u>	<u>\$1,708</u>	<u>\$933</u>

(continued)

City of Pickerington, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds (Continued)
December 31, 2012

	Park Impact Fee	Municipal Facility Impact Fee	State Route 256 Safety Grant	Total Nonmajor Capital Projects Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$329,255	\$83,450	\$40,347	\$1,141,377
Receivables:				
Permissive Motor Vehicle Registration Fees	0	0	0	9,440
Payments in Lieu of Taxes	0	0	0	74,002
Intergovernmental	0	0	317,994	582,437
<i>Total Assets</i>	<u>\$329,255</u>	<u>\$83,450</u>	<u>\$358,341</u>	<u>\$1,807,256</u>
Liabilities:				
Accounts Payable	\$0	\$0	\$2,466	\$76,468
<i>Total Liabilities</i>	0	0	2,466	76,468
Deferred Inflows of Resources:				
Unavailable Revenue	0	0	260,826	598,974
Fund Balances:				
Restricted	0	0	95,049	255,640
Committed	329,255	83,450	0	950,176
Unassigned (Deficit)	0	0	0	(74,002)
<i>Total Fund Balances (Deficit)</i>	<u>329,255</u>	<u>83,450</u>	<u>95,049</u>	<u>1,131,814</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$329,255</u>	<u>\$83,450</u>	<u>\$358,341</u>	<u>\$1,807,256</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, 2012

	State Route 256 Highway	Tax Increment Financing Agreement Cover Construction	Street Construction	Street Impact Fee	Park Capital Improvement	Police Impact Fee
Revenues:						
Permissive Motor Vehicle Registration Fees	\$123,524	\$0	\$0	\$0	\$0	\$0
Impact Fees	0	0	0	127,849	0	109,273
Intergovernmental	0	0	0	0	0	0
Interest	0	0	0	156	0	102
Payment in Lieu of Taxes	0	205,603	0	0	0	0
<i>Total Revenues</i>	<u>123,524</u>	<u>205,603</u>	<u>0</u>	<u>128,005</u>	<u>0</u>	<u>109,375</u>
Expenditures:						
Capital Outlay	0	102,300	0	0	0	0
Debt Service:						
Interest and Fiscal Charges	0	817	20,088	0	0	1,299
<i>Total Expenditures</i>	<u>0</u>	<u>103,117</u>	<u>20,088</u>	<u>0</u>	<u>0</u>	<u>1,299</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>123,524</u>	<u>102,486</u>	<u>(20,088)</u>	<u>128,005</u>	<u>0</u>	<u>108,076</u>
Other Financing Sources (Use)						
General Obligation Bonds Issued	0	0	0	0	0	0
Bond Anticipation Notes Issued	0	0	0	0	0	0
Transfers In	0	0	176,875	0	0	51,875
Transfers Out	(100,000)	(330,028)	0	(50,000)	0	(50,000)
<i>Total Other Financing Sources (Use)</i>	<u>(100,000)</u>	<u>(330,028)</u>	<u>176,875</u>	<u>(50,000)</u>	<u>0</u>	<u>1,875</u>
<i>Net Changes in Fund Balances</i>	23,524	(227,542)	156,787	78,005	0	109,951
Fund Balances (Deficits) at Beginning of Year	<u>135,672</u>	<u>227,542</u>	<u>(156,622)</u>	<u>96,340</u>	<u>625</u>	<u>(27,981)</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$159,196</u>	<u>\$0</u>	<u>\$165</u>	<u>\$174,345</u>	<u>\$625</u>	<u>\$81,970</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, 2012

	Diley Road Improvement	Safe Routes to Schools	Tax Increment Financing Agreement Old Town Construction	Tax Increment Financing Agreement Cycle Way Construction	Tax Increment Financing Agreement Windmill/Diley Construction
Revenues:					
Permissive Motor Vehicle Registration Fees	\$0	\$0	\$0	\$0	\$0
Impact Fees	0	0	0	0	0
Intergovernmental	0	35,854	0	0	0
Interest	0	0	0	0	0
Payment in Lieu of Taxes	0	0	0	161,195	302,162
<i>Total Revenues</i>	<u>0</u>	<u>35,854</u>	<u>0</u>	<u>161,195</u>	<u>302,162</u>
Expenditures:					
Capital Outlay	0	35,557	0	75,000	8,838
Debt Service:					
Interest and Fiscal Charges	0	0	952	0	39,478
<i>Total Expenditures</i>	<u>0</u>	<u>35,557</u>	<u>952</u>	<u>75,000</u>	<u>48,316</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>297</u>	<u>(952)</u>	<u>86,195</u>	<u>253,846</u>
Other Financing Sources (Use)					
General Obligation Bonds Issued	0	0	0	0	1,245,000
Bond Anticipation Notes Issued	0	0	340,000	0	0
Transfers In	0	0	35,415	0	0
Transfers Out	(25,358)	0	0	(208,841)	(48,984)
<i>Total Other Financing Sources (Use)</i>	<u>(25,358)</u>	<u>0</u>	<u>375,415</u>	<u>(208,841)</u>	<u>1,196,016</u>
<i>Net Changes in Fund Balances</i>	<u>(25,358)</u>	<u>297</u>	<u>374,463</u>	<u>(122,646)</u>	<u>1,449,862</u>
Fund Balances (Deficits) at Beginning of Year	<u>25,358</u>	<u>0</u>	<u>(374,463)</u>	<u>122,646</u>	<u>(1,449,862)</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$0</u>	<u>\$297</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Tax Increment Financing Agreement Equity Construction	Street Improvement Trust	Sidewalk Improvement Trust	Municipal Building	Park Impact Fee	Municipal Facility Impact Fee	State Route 256 Safety Grant	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$123,524
0	0	0	0	221,415	94,674	0	553,211
0	0	0	0	0	0	57,168	93,022
0	414	2	0	388	90	0	1,152
59,785	0	0	0	0	0	0	728,745
59,785	414	2	0	221,803	94,764	57,168	1,499,654
74,002	0	0	0	74,999	0	6,352	377,048
0	0	0	4,189	0	0	0	66,823
74,002	0	0	4,189	74,999	0	6,352	443,871
(14,217)	414	2	(4,189)	146,804	94,764	50,816	1,055,783
0	0	0	0	0	0	0	1,245,000
0	0	0	0	0	0	0	340,000
0	0	0	69,938	0	0	44,233	378,336
0	0	0	0	0	(71,313)	0	(884,524)
0	0	0	69,938	0	(71,313)	44,233	1,078,812
(14,217)	414	2	65,749	146,804	23,451	95,049	2,134,595
(59,785)	278,409	1,706	(64,816)	182,451	59,999	0	(1,002,781)
(\$74,002)	\$278,823	\$1,708	\$933	\$329,255	\$83,450	\$95,049	\$1,131,814

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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Permissive Motor Vehicle Registration Fees	\$115,000	\$123,849	\$8,849
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	115,000	123,849	8,849
Other Financing Use			
Transfers Out	<u>(100,000)</u>	<u>(100,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	15,000	23,849	8,849
Fund Balance at Beginning of Year	<u>125,907</u>	<u>125,907</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$140,907</u></u>	<u><u>\$149,756</u></u>	<u><u>\$8,849</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Payment in Lieu of Taxes	\$216,099	\$205,603	(\$10,496)
Expenditures			
Capital Outlay			
Tax Increment Financing Agreement Cover Construction			
Contractual Services	104,955	102,300	2,655
<i>Excess of Revenues Over Expenditures</i>	111,144	103,303	(7,841)
Other Financing Use			
Transfers Out	(334,021)	(334,021)	0
<i>Net Change in Fund Balance</i>	(222,877)	(230,718)	(7,841)
Fund Balance at Beginning of Year	230,718	230,718	0
<i>Fund Balance at End of Year</i>	<u>\$7,841</u>	<u>\$0</u>	<u>(\$7,841)</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$124,500	\$127,849	\$3,349
Interest	75	156	81
<i>Total Revenues</i>	<u>124,575</u>	<u>128,005</u>	<u>3,430</u>
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	124,575	128,005	3,430
Other Financing Use			
Transfers Out	<u>(50,000)</u>	<u>(50,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	74,575	78,005	3,430
Fund Balance at Beginning of Year	<u>96,340</u>	<u>96,340</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$170,915</u></u>	<u><u>\$174,345</u></u>	<u><u>\$3,430</u></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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$7,573	\$0	(\$7,573)
Expenditures			
Capital Outlay			
Park Capital Improvement			
Capital Outlay	625	0	625
<i>Net Change in Fund Balance</i>	6,948	0	(6,948)
Fund Balance at Beginning of Year	625	625	0
<i>Fund Balance at End of Year</i>	<u>\$7,573</u>	<u>\$625</u>	<u>(\$6,948)</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$160,000	\$109,273	(\$50,727)
Interest	80	102	22
<i>Total Revenues</i>	<u>160,080</u>	<u>109,375</u>	<u>(50,705)</u>
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	160,080	109,375	(50,705)
Other Financing Use			
Transfers Out	<u>(50,000)</u>	<u>(50,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	110,080	59,375	(50,705)
Fund Balance at Beginning of Year	<u>22,595</u>	<u>22,595</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$132,675</u></u>	<u><u>\$81,970</u></u>	<u><u>(\$50,705)</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Diley Road Improvement
For the Year Ended December 31, 2012

	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	(25,358)	(25,358)	0
<i>Net Change in Fund Balance</i>	(25,358)	(25,358)	0
Fund Balance at Beginning of Year	25,358	25,358	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
 Safe Routes to Schools Fund
 For the Year Ended December 31, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$300,000	\$35,557	(\$264,443)
Expenditures			
Capital Outlay			
Safe Routes to Schools			
Capital Outlay	300,000	35,557	264,443
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Tax Increment Financing Agreement Cycle Way Construction Fund
For the Year Ended December 31, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Payment in Lieu of Taxes	\$161,195	\$161,195	\$0
Expenditures			
Capital Outlay			
Tax Increment Financing Agreement Cycle Way Construction			
Contractual Services	75,000	75,000	0
<i>Excess of Revenues Over Expenditures</i>	86,195	86,195	0
Other Financing Use			
Transfers Out	(161,195)	(161,195)	0
<i>Net Change in Fund Balance</i>	(75,000)	(75,000)	0
Fund Balance at Beginning of Year	75,000	75,000	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 Windmill/ Diley Construction Fund
For the Year Ended December 31, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Payment in Lieu of Taxes	\$318,324	\$302,162	\$16,162
Expenditures			
Capital Outlay			
Tax Increment Financing Agreement			
Windmill/ Diley Construction			
Contractual Services	25,000	8,838	16,162
<i>Excess of Revenues Over Expenditures</i>	293,324	293,324	0
Other Financing Use			
Transfers Out	(534,095)	(534,095)	0
<i>Net Change in Fund Balance</i>	(240,771)	(240,771)	0
Fund Balance at Beginning of Year	240,771	240,771	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
 Tax Increment Financing Agreement Equity Construction Fund
 For the Year Ended December 31, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Payment in Lieu of Taxes	\$61,000	\$59,785	(\$1,215)
Expenditures			
Capital Outlay			
Tax Increment Financing Agreement Equity Construction			
Contractual Services	<u>61,000</u>	<u>59,785</u>	<u>1,215</u>
<i>Net Change in Fund Balance</i>	0	0	0
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>\$0</u></u>	<u><u>\$0</u></u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Street Improvement Trust Fund
 For the Year Ended December 31, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$15	\$414	\$399
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	15	414	399
Fund Balance at Beginning of Year	<u>278,409</u>	<u>278,409</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$278,424</u></u>	<u><u>\$278,823</u></u>	<u><u>\$399</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$2	\$2	\$0
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	2	2	0
Fund Balance at Beginning of Year	<u>1,706</u>	<u>1,706</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,708</u></u>	<u><u>\$1,708</u></u>	<u><u>\$0</u></u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Park Impact Fee Fund
 For the Year Ended December 31, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$216,000	\$221,415	\$5,415
Interest	135	388	253
<i>Total Revenues</i>	<u>216,135</u>	<u>221,803</u>	<u>5,668</u>
Expenditures			
Capital Outlay			
Park Impact Fee			
Capital Outlay	<u>75,000</u>	<u>74,999</u>	<u>1</u>
<i>Net Change in Fund Balance</i>	141,135	146,804	5,669
Fund Balance at Beginning of Year	<u>182,451</u>	<u>182,451</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$323,586</u></u>	<u><u>\$329,255</u></u>	<u><u>\$5,669</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$87,500	\$94,674	\$7,174
Interest	45	90	45
<i>Total Revenues</i>	<u>87,545</u>	<u>94,764</u>	<u>7,219</u>
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	87,545	94,764	7,219
Other Financing Use			
Transfers Out	<u>(71,313)</u>	<u>(71,313)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	16,232	23,451	7,219
Fund Balance at Beginning of Year	<u>59,999</u>	<u>59,999</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$76,231</u></u>	<u><u>\$83,450</u></u>	<u><u>\$7,219</u></u>

City of Pickerington, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 State Route 256 Safety Grant Fund
 For the Year Ended December 31, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$397,329	\$0	(\$397,329)
Expenditures			
Capital Outlay			
State Route 256 Safety Grant			
Capital Outlay	442,329	44,233	398,096
<i>Excess of Revenues Under Expenditures</i>	(45,000)	(44,233)	767
Other Financing Source			
Transfers In	45,000	44,233	(767)
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

PERMANENT FUND

The permanent fund is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs – that is for the benefit of the government or its citizenry.

Cemetery Fund – To account for receiving and disbursing funds 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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest Income	\$0	\$6	\$6
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	6	6
Fund Balance at Beginning of Year	<u>4,349</u>	<u>4,349</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$4,349</u></u>	<u><u>\$4,355</u></u>	<u><u>\$6</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$2,365,710	\$2,385,321	\$19,611
Tap-in Fees	406,200	431,129	24,929
Utility Deposits Received	4,000	3,211	(789)
Interest	4,000	8,745	4,745
OWDA Loans Issued	76,851	80,100	3,249
Other Non-Operating Revenues	10,750	7,821	(2,929)
<i>Total Revenues</i>	<u>2,867,511</u>	<u>2,916,327</u>	<u>48,816</u>
Expenses			
Current:			
Personal Services	835,564	800,546	35,018
Contractual Services	607,376	533,991	73,385
Materials and Supplies	386,409	309,396	77,013
Utility Deposits Applied	3,500	3,443	57
Utility Deposits Returned	1,500	1,128	372
Capital Outlay	625,629	293,242	332,387
<i>Total Expenses</i>	<u>2,459,978</u>	<u>1,941,746</u>	<u>518,232</u>
<i>Excess of Revenues Over Expenses</i>	407,533	974,581	567,048
Transfers Out	<u>(1,083,321)</u>	<u>(1,074,398)</u>	<u>8,923</u>
<i>Net Change in Fund Equity</i>	(675,788)	(99,817)	575,971
Fund Equity at Beginning of Year	2,314,042	2,314,042	0
Prior Year Encumbrances Appropriated	<u>228,604</u>	<u>228,604</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$1,866,858</u>	<u>\$2,442,829</u>	<u>\$575,971</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$3,378,750	\$3,423,016	\$44,266
Tap-in Fees	227,500	274,627	47,127
Utility Deposits Received	4,000	7,822	3,822
Interest	2,000	2,324	324
Other Non-Operating Revenues	12,500	15,626	3,126
<i>Total Revenues</i>	<u>3,624,750</u>	<u>3,723,415</u>	<u>98,665</u>
Expenses			
Current:			
Personal Services	830,096	784,316	45,780
Contractual Services	1,191,176	1,107,488	83,688
Materials and Supplies	116,774	94,158	22,616
Utility Deposits Applied	3,500	3,443	57
Utility Deposits Returned	1,500	1,129	371
Capital Outlay	351,003	108,694	242,309
Debt Service:			
Principal Retirement	68,072	68,072	0
Interest and Fiscal Charges	25,474	25,474	0
<i>Total Expenses</i>	<u>2,587,595</u>	<u>2,192,774</u>	<u>394,821</u>
<i>Excess of Revenues Over Expenses</i>	1,037,155	1,530,641	493,486
Transfers Out	<u>(1,950,503)</u>	<u>(1,764,321)</u>	<u>186,182</u>
<i>Net Change in Fund Equity</i>	(913,348)	(233,680)	679,668
Fund Equity at Beginning of Year	2,876,024	2,876,024	0
Prior Year Encumbrances Appropriated	<u>71,531</u>	<u>71,531</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$2,034,207</u>	<u>\$2,713,875</u>	<u>\$679,668</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$581,000	\$586,474	\$5,474
Tap-in Fees	37,500	89,027	51,527
Interest	414	271	(143)
Grants	307,835	0	(307,835)
Other Non-Operating Revenues	6,500	225	(6,275)
<i>Total Revenues</i>	<u>933,249</u>	<u>675,997</u>	<u>(257,252)</u>
Expenses			
Current:			
Personal Services	276,859	256,795	20,064
Contractual Services	356,100	188,635	167,465
Materials and Supplies	45,080	38,444	6,636
Capital Outlay	338,444	22,625	315,819
<i>Total Expenses</i>	<u>1,016,483</u>	<u>506,499</u>	<u>509,984</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(83,234)	169,498	252,732
Transfers Out	<u>(191,363)</u>	<u>(191,363)</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(274,597)	(21,865)	252,732
Fund Equity at Beginning of Year	408,185	408,185	0
Prior Year Encumbrances Appropriated	<u>20,259</u>	<u>20,259</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$153,847</u>	<u>\$406,579</u>	<u>\$252,732</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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$184,000	\$191,108	\$7,108
Other Non-Operating Revenues	235	491	256
<i>Total Revenues</i>	<u>184,235</u>	<u>191,599</u>	<u>7,364</u>
Expenses			
Current:			
Personal Services	83,200	81,871	1,329
Contractual Services	87,172	84,985	2,187
Materials and Supplies	23,548	19,434	4,114
Capital Outlay	15,000	7,255	7,745
<i>Total Expenses</i>	<u>208,920</u>	<u>193,545</u>	<u>15,375</u>
<i>Net Change in Fund Equity</i>	(24,685)	(1,946)	22,739
Fund Equity at Beginning of Year	70,248	70,248	0
Prior Year Encumbrances Appropriated	<u>855</u>	<u>855</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$46,418</u></u>	<u><u>\$69,157</u></u>	<u><u>\$22,739</u></u>

AGENCY FUND

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

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

City of Pickerington, Ohio
Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended December 31, 2012

	<u>Balance</u> <u>1/1/12</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/12</u>
Mayor's Court				
Assets				
Cash and Cash Equivalents in Segregated Accounts	<u>\$4,498</u>	<u>\$256,548</u>	<u>\$252,436</u>	<u>\$8,610</u>
<i>Total Assets</i>	<u><u>\$4,498</u></u>	<u><u>\$256,548</u></u>	<u><u>\$252,436</u></u>	<u><u>\$8,610</u></u>
Liabilities				
Undistributed Monies	<u>\$4,498</u>	<u>\$256,548</u>	<u>\$252,436</u>	<u>\$8,610</u>
<i>Total Liabilities</i>	<u><u>\$4,498</u></u>	<u><u>\$256,548</u></u>	<u><u>\$252,436</u></u>	<u><u>\$8,610</u></u>

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Statistical Section

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Statistical Section

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

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

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

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

	<u>2012</u>	<u>2011 (1)</u>	<u>2010</u>	<u>2009 (1)</u>
Governmental Activities				
Net Investment in Capital Assets	\$44,046,257	\$42,835,157	\$41,960,655	\$43,487,617
Restricted:				
Capital Projects	1,730,788	2,090,799	1,758,477	2,050,326
Debt Service	250,962	0	0	0
Security of Persons and Property	8,298	218,989	233,528	198,648
Transportation Services	751,177	652,107	621,243	765,398
Other Purposes	373,339	710,710	274,748	278,252
Perpetual Care:				
Expendable	2,810	2,804	2,798	0
Non-Expendable	1,545	1,545	1,545	0
Unrestricted	<u>3,712,593</u>	<u>4,103,182</u>	<u>3,535,264</u>	<u>3,565,295</u>
<i>Total Governmental Activities Net Position</i>	<u>50,877,769</u>	<u>50,615,293</u>	<u>48,388,258</u>	<u>50,345,536</u>
Business-Type-Activities				
Net Investment in Capital Assets	42,935,198	41,184,090	39,844,968	35,699,418
Unrestricted	<u>6,084,632</u>	<u>6,112,319</u>	<u>6,220,761</u>	<u>5,653,899</u>
<i>Total Business-Type Activities Net Position</i>	<u>49,019,830</u>	<u>47,296,409</u>	<u>46,065,729</u>	<u>41,353,317</u>
Primary Government				
Net Investment in Capital Assets	86,981,455	84,019,247	81,805,623	79,187,035
Restricted	3,118,919	3,676,954	2,892,339	3,292,624
Unrestricted	<u>9,797,225</u>	<u>10,215,501</u>	<u>9,756,025</u>	<u>9,219,194</u>
<i>Total Primary Government Net Position</i>	<u>\$99,897,599</u>	<u>\$97,911,702</u>	<u>\$94,453,987</u>	<u>\$91,698,853</u>

(1) Restated net position.

<u>2008 (1)</u>	<u>2007 (1)</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$39,034,496	\$29,131,270	\$29,992,870	\$30,277,012	\$29,828,785
2,127,980	6,024,383	2,306,000	1,374,124	1,005,130
0	0	0	0	19,130
18,540	1,291	142,909	10,311	130,392
628,181	558,230	574,042	423,290	341,821
291,614	300,241	409,823	367,212	484,055
0	0	0	0	0
0	0	0	0	0
<u>2,989,047</u>	<u>2,001,791</u>	<u>2,791,432</u>	<u>2,071,459</u>	<u>1,710,743</u>
<u>45,089,858</u>	<u>38,017,206</u>	<u>36,217,076</u>	<u>34,523,408</u>	<u>33,520,056</u>
34,996,281	32,707,886	32,033,382	30,852,263	28,356,121
<u>4,837,129</u>	<u>5,650,267</u>	<u>5,682,945</u>	<u>5,707,503</u>	<u>6,172,148</u>
<u>39,833,410</u>	<u>38,358,153</u>	<u>37,716,327</u>	<u>36,559,766</u>	<u>34,528,269</u>
74,030,777	61,839,156	62,026,252	61,129,275	58,184,906
3,066,315	6,884,145	3,432,774	2,174,937	1,980,528
<u>7,826,176</u>	<u>7,652,058</u>	<u>8,474,377</u>	<u>7,778,962</u>	<u>7,882,891</u>
<u>\$84,923,268</u>	<u>\$76,375,359</u>	<u>\$73,933,403</u>	<u>\$71,083,174</u>	<u>\$68,048,325</u>

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

	2012	2011	2010	2009
<u>Program Revenues</u>				
Governmental Activities:				
Charges for Services:				
General Government	\$15,192	\$11,684	\$14,495	\$13,206
Security of Persons and Property	345,660	358,371	333,103	238,185
Transportation	205,874	198,064	196,698	192,112
Leisure Time Activities	158,116	125,161	120,889	132,472
Community Environment	803,697	677,077	668,879	471,434
Subtotal Charges for Services	1,528,539	1,370,357	1,334,064	1,047,409
Operating Grants and Contributions:				
General Government	39,007	12,743	14,136	17,289
Security of Persons and Property	201,495	185,062	253,854	270,211
Transportation	722,616	672,226	677,532	665,735
Leisure Time Activities	24,690	27,420	24,419	20,460
Community Environment	0	0	0	0
Subtotal Operating Grants and Contributions	987,808	897,451	969,941	973,695
Capital Grants and Contributions:				
Transportation	946,086	2,203,576	1,351,949	4,631,410
Leisure Time Activities	0	0	0	0
Community Environment	0	30,800	0	0
Subtotal Capital Grants and Contributions	946,086	2,234,376	1,351,949	4,631,410
Total Governmental Activities Program Revenues	3,462,433	4,502,184	3,655,954	6,652,514
Business-Type Activities:				
Charges for Services:				
Water	2,386,759	2,193,255	2,007,822	1,807,976
Sewer	3,432,059	3,456,645	3,311,157	2,787,985
Stormwater	590,771	561,066	427,243	209,067
Aquatic Recreation	191,108	184,833	201,063	239,937
Subtotal Charges for Services	6,600,697	6,395,799	5,947,285	5,044,965
Capital Grants and Contributions:				
Water	518,251	271,787	747,029	363,969
Sewer	280,917	143,271	139,507	189,811
Stormwater	172,822	59,242	133,383	750,078
Aquatic Recreation	0	0	0	0
Subtotal Capital Grants and Contributions	971,990	474,300	1,019,919	1,303,858
Total Business-Type Activities Program Revenues	7,572,687	6,870,099	6,967,204	6,348,823
Total Primary Government Program Revenues	\$11,035,120	\$11,372,283	\$10,623,158	\$13,001,337

2008	2007	2006	2005	2004
\$12,153	\$24,279	\$35,902	\$31,852	\$21,316
227,099	227,265	252,630	249,329	243,042
199,872	282,605	162,253	146,739	128,803
168,184	188,873	239,945	324,401	278,187
473,219	469,709	774,038	731,672	701,893
<u>1,080,527</u>	<u>1,192,731</u>	<u>1,464,768</u>	<u>1,483,993</u>	<u>1,373,241</u>
7,144	8,069	9,197	42,316	0
251,683	209,065	41,588	58,036	78,314
730,654	616,904	547,022	445,199	450,349
21,351	17,420	2,695	2,426	5,871
0	0	0	0	453
<u>1,010,832</u>	<u>851,458</u>	<u>600,502</u>	<u>547,977</u>	<u>534,987</u>
10,128,435	542,128	1,628,431	1,623,293	2,499,860
36,875	0	0	7,428	0
0	0	0	0	30,000
<u>10,165,310</u>	<u>542,128</u>	<u>1,628,431</u>	<u>1,630,721</u>	<u>2,529,860</u>
<u>12,256,669</u>	<u>2,586,317</u>	<u>3,693,701</u>	<u>3,662,691</u>	<u>4,438,088</u>
1,636,814	1,717,300	1,399,689	1,329,105	781,141
2,238,365	1,751,962	1,423,713	1,408,308	1,322,484
206,463	199,056	196,415	245,374	75,851
268,511	0	0	0	0
<u>4,350,153</u>	<u>3,668,318</u>	<u>3,019,817</u>	<u>2,982,787</u>	<u>2,179,476</u>
447,058	669,874	963,603	1,443,143	2,908,350
209,471	395,217	925,235	1,388,855	1,856,495
177,259	93,074	388,762	1,056,705	2,097,712
288,970	0	0	0	0
<u>1,122,758</u>	<u>1,158,165</u>	<u>2,277,600</u>	<u>3,888,703</u>	<u>6,862,557</u>
<u>5,472,911</u>	<u>4,826,483</u>	<u>5,297,417</u>	<u>6,871,490</u>	<u>9,042,033</u>
<u>\$17,729,580</u>	<u>\$7,412,800</u>	<u>\$8,991,118</u>	<u>\$10,534,181</u>	<u>\$13,480,121</u>

(continued)

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

	2012	2011	2010	2009
<u>Expenses</u>				
Governmental Activities:				
General Government	\$2,675,205	\$2,345,620	\$3,000,709	\$2,486,109
Security of Persons and Property	4,462,428	4,218,379	4,239,816	4,151,605
Transportation	3,232,743	3,480,642	2,952,265	2,279,416
Leisure Time Activities	647,569	588,605	561,867	679,915
Public Health Services	127,888	99,439	93,643	103,452
Community Environment	777,125	547,932	614,957	565,244
Interest and Fiscal Charges	353,602	378,619	419,544	556,662
<i>Total Governmental Activities Expenses</i>	<u>12,276,560</u>	<u>11,659,236</u>	<u>11,882,801</u>	<u>10,822,403</u>
Business-Type Activities:				
Water	2,219,353	1,980,410	2,202,930	1,963,643
Sewer	2,870,268	2,853,379	2,374,695	2,235,878
Stormwater	612,881	643,564	447,488	474,946
Aquatic Recreation	200,923	196,381	181,941	274,966
<i>Total Business-Type Activities Expenses</i>	<u>5,903,425</u>	<u>5,673,734</u>	<u>5,207,054</u>	<u>4,949,433</u>
<i>Total Primary Government Program Expenses</i>	<u>18,179,985</u>	<u>17,332,970</u>	<u>17,089,855</u>	<u>15,771,836</u>
Net (Expense)/ Revenue				
Governmental Activities	(8,814,127)	(7,157,052)	(8,226,847)	(4,169,889)
Business-Type Activities	1,669,262	1,196,365	1,760,150	1,399,390
<i>Total Primary Government Net Expense</i>	<u>(\$7,144,865)</u>	<u>(\$5,960,687)</u>	<u>(\$6,466,697)</u>	<u>(\$2,770,499)</u>

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$2,436,997	\$2,358,695	\$1,974,274	\$2,044,288	\$1,902,593
4,009,308	3,829,576	3,567,445	3,285,125	2,956,311
5,441,557	659,246	2,611,586	2,168,811	1,506,242
816,074	845,507	766,520	813,732	767,388
139,550	122,046	142,208	116,159	103,208
775,088	1,276,233	1,238,791	1,305,830	1,210,341
577,476	589,252	606,962	488,500	265,189
<u>14,196,050</u>	<u>9,680,555</u>	<u>10,907,786</u>	<u>10,222,445</u>	<u>8,711,272</u>
1,993,851	1,992,516	1,945,301	1,944,783	1,744,618
2,358,467	2,059,272	1,968,812	2,576,944	1,922,633
427,739	429,984	545,446	509,188	425,989
219,399	0	0	0	0
<u>4,999,456</u>	<u>4,481,772</u>	<u>4,459,559</u>	<u>5,030,915</u>	<u>4,093,240</u>
<u>19,195,506</u>	<u>14,162,327</u>	<u>15,367,345</u>	<u>15,253,360</u>	<u>12,804,512</u>
(1,939,381)	(7,094,238)	(7,214,085)	(6,559,754)	(4,273,184)
473,455	344,711	837,858	1,840,575	4,948,793
<u>(\$1,465,926)</u>	<u>(\$6,749,527)</u>	<u>(\$6,376,227)</u>	<u>(\$4,719,179)</u>	<u>\$675,609</u>

(continued)

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

	2012	2011 (2)	2010	2009
<u>General Revenues and Other Changes in Net Position</u>				
Governmental Activities:				
Property and Other Taxes Levied for General Purposes	\$960,929	\$966,394	\$984,192	\$972,149
Property Taxes Levied for Security of Persons and Property	1,470,711	1,484,938	1,453,677	1,423,744
Income Taxes Levied for General Purposes	5,029,644	5,117,727	4,643,326	4,527,504
Franchise Taxes	265,146	256,095	245,377	189,705
Grants and Entitlements not Restricted to Specific Programs	387,648	498,744	496,743	595,467
Investment Earnings	66,069	59,449	92,724	145,561
Payment in Lieu of Taxes	212,666	528,809	738,217	939,085
Impact Fees	553,211	367,399	264,926	323,888
Gain on Sale of Capital Assets	0	8,200	0	0
Miscellaneous	130,579	96,332	244,404	322,661
<i>Total Governmental Activities</i>	<u>9,076,603</u>	<u>9,384,087</u>	<u>9,163,586</u>	<u>9,439,764</u>
Business-Type Activities:				
Investment Earnings	28,563	28,740	58,010	78,236
Miscellaneous	25,596	5,575	235	28,084
<i>Total Business-Type Activities</i>	<u>54,159</u>	<u>34,315</u>	<u>58,245</u>	<u>106,320</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>9,130,762</u>	<u>9,418,402</u>	<u>9,221,831</u>	<u>9,546,084</u>
Increase Before Transfers				
Governmental Activities	262,476	2,227,035	936,739	5,269,875
Business-Type Activities	1,723,421	1,230,680	1,818,395	1,505,710
<i>Total Primary Government Increase Before Transfers</i>	<u>1,985,897</u>	<u>3,457,715</u>	<u>2,755,134</u>	<u>6,775,585</u>
Transfers In (Out)				
Governmental Activities	0	0	(2,894,017)	(14,197)
Business-Type Activities	0	0	2,894,017	14,197
Increase (Decrease) After Transfers				
Governmental Activities	262,476	2,227,035	(1,957,278)	5,255,678
Business-Type Activities	1,723,421	1,230,680	4,712,412	1,519,907
<i>Total Primary Government Increase (Decrease) After Transfers</i>	<u>\$1,985,897</u>	<u>\$3,457,715</u>	<u>\$2,755,134</u>	<u>\$6,775,585</u>

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

(2) Restated payment in lieu of taxes.

2008	2007	2006	2005 (1)	2004
\$979,584	\$906,955	\$869,092	\$759,644	\$640,080
1,399,961	1,373,786	1,345,209	1,181,883	1,078,806
4,671,505	4,156,569	4,010,850	3,648,635	3,372,437
93,439	34,616	16,897	15,963	17,365
960,300	551,593	692,089	895,566	641,415
336,461	455,624	478,126	189,389	140,672
655,079	652,684	425,912	676,183	437,296
485,964	625,041	922,709	24,290	0
0	0	0	0	0
234,740	137,500	146,869	171,553	210,754
9,817,033	8,894,368	8,907,753	7,563,106	6,538,825
122,874	268,569	164,892	141,280	76,247
73,928	28,546	153,811	49,642	40,762
196,802	297,115	318,703	190,922	117,009
10,013,835	9,191,483	9,226,456	7,754,028	6,655,834
7,877,652	1,800,130	1,693,668	1,003,352	2,265,641
670,257	641,826	1,156,561	2,031,497	5,065,802
8,547,909	2,441,956	2,850,229	3,034,849	7,331,443
(805,000)	0	0	0	(37,840)
805,000	0	0	0	37,840
7,072,652	1,800,130	1,693,668	1,003,352	2,227,801
1,475,257	641,826	1,156,561	2,031,497	5,103,642
<u>\$8,547,909</u>	<u>\$2,441,956</u>	<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 Nine Years
(Accrual Basis of Accounting)

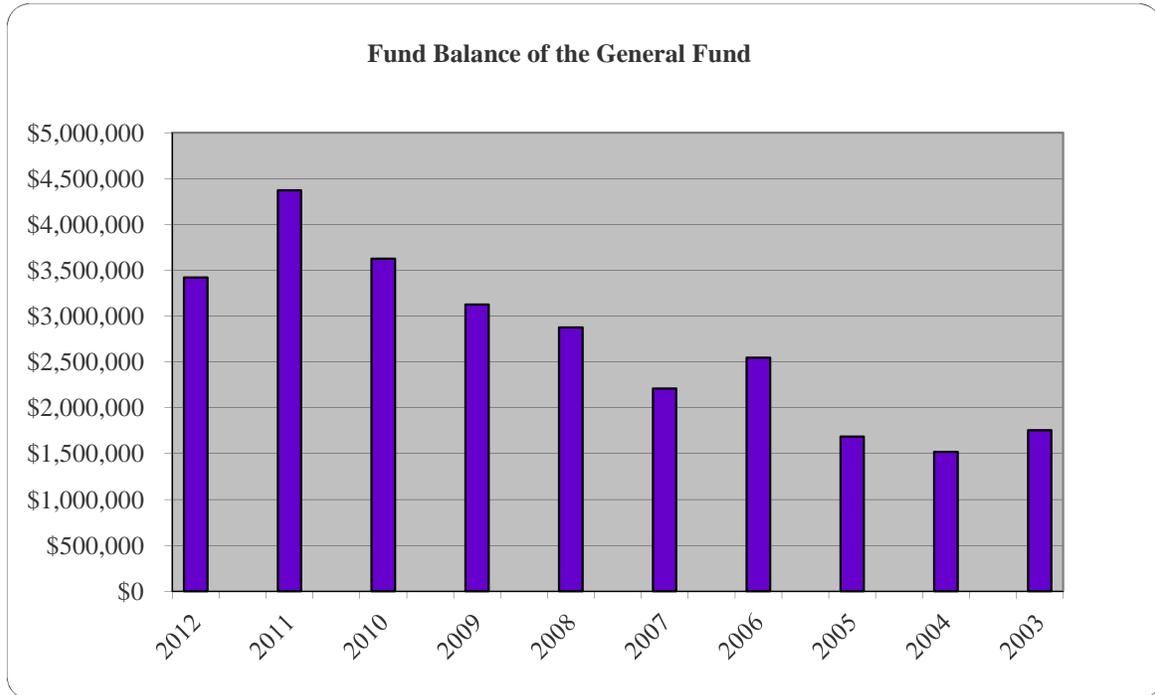
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Program Revenues</u>				
Governmental Activities:				
General Government	\$54,199	\$24,427	\$28,631	\$30,495
Security of Persons and Property	547,155	543,433	586,957	508,396
Transportation	1,874,576	3,073,866	2,226,179	5,489,257
Leisure Time Activities	182,806	152,581	145,308	152,932
Community Environment	803,697	707,877	668,879	471,434
Total Governmental Activities	<u>3,462,433</u>	<u>4,502,184</u>	<u>3,655,954</u>	<u>6,652,514</u>
Business-Type Activities:				
Water	2,905,010	2,465,042	2,754,851	2,171,945
Sewer	3,712,976	3,599,916	3,450,664	2,977,796
Stormwater	763,593	620,308	560,626	959,145
Aquatic Recreation	191,108	184,833	201,063	239,937
Total Business-Type Activities	<u>7,572,687</u>	<u>6,870,099</u>	<u>6,967,204</u>	<u>6,348,823</u>
Total Primary Government	<u>\$11,035,120</u>	<u>\$11,372,283</u>	<u>\$10,623,158</u>	<u>\$13,001,337</u>

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$19,297	\$32,348	\$45,099	\$74,168	\$21,316
478,782	436,330	294,218	307,365	321,356
11,058,961	1,441,637	2,337,706	2,215,231	3,079,012
226,410	206,293	242,640	334,255	284,058
<u>473,219</u>	<u>469,709</u>	<u>774,038</u>	<u>731,672</u>	<u>732,346</u>
<u>12,256,669</u>	<u>2,586,317</u>	<u>3,693,701</u>	<u>3,662,691</u>	<u>4,438,088</u>
2,083,872	2,387,174	2,363,292	2,772,248	3,689,491
2,447,836	2,147,179	2,348,948	2,797,163	3,178,979
383,722	292,130	585,177	1,302,079	2,173,563
<u>557,481</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>5,472,911</u>	<u>4,826,483</u>	<u>5,297,417</u>	<u>6,871,490</u>	<u>9,042,033</u>
<u>\$17,729,580</u>	<u>\$7,412,800</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)

	2012	2011	2010	2009	2008
General Fund					
Nonspendable	\$50,555	\$451,029	\$426,935	\$0	\$0
Assigned	641,911	975,595	695,552	0	0
Unassigned	2,727,219	2,943,654	2,503,505	0	0
Reserved	0	0	0	81,324	36,857
Unreserved	0	0	0	3,045,545	2,840,208
Total General Fund	3,419,685	4,370,278	3,625,992	3,126,869	2,877,065
All Other Governmental Funds					
Nonspendable	127,190	133,924	98,153	0	0
Restricted	1,565,488	1,569,175	1,122,312	0	0
Committed	1,080,264	732,768	595,454	0	0
Assigned	0	0	0	0	0
Unassigned (Deficits)	(74,002)	(2,133,529)	(2,718,465)	0	0
Reserved	0	0	0	62,242	277,276
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	0	0	0	1,168,950	846,020
Debt Service Funds	0	0	0	68,407	64,721
Capital Projects Funds (Deficits)	0	0	0	(2,050,122)	(2,080,815)
Permanent Fund	0	0	0	0	0
Total All Other Governmental Funds	2,698,940	302,338	(902,546)	(750,523)	(892,798)
Total Governmental Funds (Deficits)	\$6,118,625	\$4,672,616	\$2,723,446	\$2,376,346	\$1,984,267

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



<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
90,016	288,182	78,393	63,162	16,811
<u>2,118,085</u>	<u>2,257,696</u>	<u>1,606,415</u>	<u>1,454,927</u>	<u>1,738,398</u>
<u>2,208,101</u>	<u>2,545,878</u>	<u>1,684,808</u>	<u>1,518,089</u>	<u>1,755,209</u>
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
351,091	409,864	330,970	620,035	1,604,850
796,472	1,036,284	699,334	797,562	1,006,459
99,649	118,724	59,008	71,926	86,626
(1,435,161)	(1,702,384)	(2,892,145)	(4,075,503)	(3,846,340)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(187,949)</u>	<u>(137,512)</u>	<u>(1,802,833)</u>	<u>(2,585,980)</u>	<u>(1,148,405)</u>
<u>\$2,020,152</u>	<u>\$2,408,366</u>	<u>(\$118,025)</u>	<u>(\$1,067,891)</u>	<u>\$606,804</u>

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

	2012	2011 (6)	2010 (6)	2009 (1)	2008 (1)
Revenues					
Property and Other Taxes	\$2,323,491	\$2,441,729	\$2,292,735	\$2,265,277	\$2,239,984
Hotel and Motel Taxes (5)	108,149	101,141	104,494	99,378	116,672
Permissive Motor Vehicle Registration Fees	205,874	198,064	196,698	192,112	187,372
Municipal Income Taxes	5,058,025	5,040,931	4,753,299	4,545,475	4,604,900
Charges for Services	630,293	545,526	535,238	356,126	399,134
Licenses and Permits	515,134	434,901	429,038	335,713	367,840
Impact Fees	553,211	367,399	264,926	323,888	485,964
Fines and Forfeitures	177,238	191,866	172,465	154,033	129,921
Intergovernmental	1,401,522	1,699,146	2,851,331	6,222,723	9,999,439
Interest	68,904	60,493	99,328	160,969	333,264
Payments in Lieu of Taxes	728,745	889,381	588,786	655,079	499,189
Rent	0	0	850	9,200	3,605
Contributions and Donations	66,222	40,413	39,305	51,317	59,790
Other	371,625	338,685	489,781	513,194	327,351
<i>Total Revenues</i>	<u>12,208,433</u>	<u>12,349,675</u>	<u>12,818,274</u>	<u>15,884,484</u>	<u>19,754,425</u>
Expenditures					
Current:					
General Government	2,766,970	2,473,392	2,604,829	2,388,797	2,348,840
Security of Persons and Property	4,384,265	4,087,623	4,035,685	4,100,220	3,955,781
Transportation	1,547,483	706,954	990,005	732,827	714,092
Leisure Time Activities	597,519	549,167	532,160	605,402	780,295
Public Health Services	127,888	99,073	93,643	103,446	139,550
Community Environment	757,051	505,464	653,044	585,665	751,771
Capital Outlay	377,048	588,452	1,992,242	5,801,436	11,976,399
Debt Service:					
Refunded Notes/ Bonds Redeemed	5,892,000	2,025,000	2,295,000	2,780,000	3,205,000
Current Refunding Principal Retirement	0	270,000	485,000	695,000	240,000
Principal Retirement	2,162,302	835,877	913,707	792,868	885,687
Interest and Fiscal Charges	355,737	383,495	446,075	565,608	628,717
Bond Issuance Costs	125,157	0	0	0	0
<i>Total Expenditures</i>	<u>19,093,420</u>	<u>12,524,497</u>	<u>15,041,390</u>	<u>19,151,269</u>	<u>25,626,132</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(6,884,987)</u>	<u>(174,822)</u>	<u>(2,223,116)</u>	<u>(3,266,785)</u>	<u>(5,871,707)</u>
Other Financing Sources (Uses):					
Proceeds from the Sale of Capital Assets	23,600	8,200	0	0	0
Inception of a Capital Lease	92,959	32,724	16,249	0	655,000
Refunding Bonds Issued	1,045,000	0	0	0	0
Payment to Refunded Bond Escrow Agent	(1,085,273)	0	0	0	0
Premium on Refunding Bond Issuance	38,621	0	0	0	0
General Obligation Bonds Issued	5,660,000	0	0	0	0
Premium on General Obligation Bond Issuance	191,089	0	0	0	0
Notes Issued	2,365,000	2,025,000	2,295,000	2,780,000	3,475,000
Loans Issued	0	58,068	258,967	893,061	1,855,822
Transfers In	5,852,225	4,106,860	4,416,872	4,580,968	3,895,862
Transfers Out	(5,852,225)	(4,106,860)	(4,416,872)	(4,595,165)	(4,045,862)
<i>Total Other Financing Sources (Uses)</i>	<u>8,330,996</u>	<u>2,123,992</u>	<u>2,570,216</u>	<u>3,658,864</u>	<u>5,835,822</u>
<i>Net Change in Fund Balances</i>	<u>\$1,446,009</u>	<u>\$1,949,170</u>	<u>\$347,100</u>	<u>\$392,079</u>	<u>(\$35,885)</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	47.2%	33.6%	31.5%	36.2%	35.3%

- (1) Includes, General, Special Revenue, Capital Projects, and Debt Service Funds.
(2) During 2005, the City adopted and enforced impact fees on new residential and commercial development within the City.
(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.
(6) Includes, the Permanent Fund that the City established during 2010.

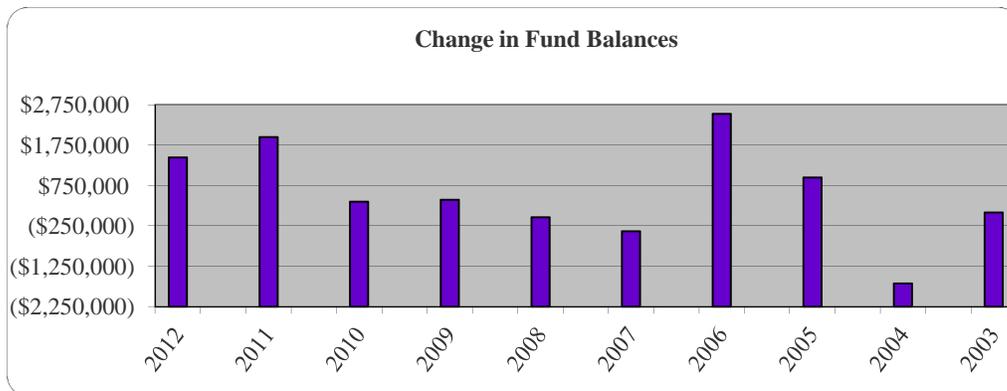
2007 (1)	2006 (1)	2005 (1) (2)	2004 (1)	2003 (1) (3) (4)
\$2,163,962	\$2,163,404	\$1,892,648	\$1,709,145	\$1,717,578
120,875	0	0	0	0
179,605	162,253	146,739	128,803	0
4,111,715	3,978,315	3,607,752	3,336,898	3,105,152
467,173	588,978	551,183	505,128	905,011
391,619	568,193	671,412	625,577	1,743,833
625,041	922,709	24,290	0	0
149,039	131,273	113,459	106,296	0
1,590,508	2,188,653	1,272,596	1,165,891	1,004,756
474,959	435,426	230,845	117,419	111,217
435,003	588,302	441,371	348,359	190,976
750	11,271	1,200	7,437	10,710
108,592	13,288	12,394	7,256	5,216
171,897	163,766	187,516	238,551	131,519
<u>10,990,738</u>	<u>11,915,831</u>	<u>9,153,405</u>	<u>8,296,760</u>	<u>8,925,968</u>

2,239,363	1,911,991	2,246,436	1,974,974	2,194,316
3,723,538	3,425,707	3,135,374	2,826,306	2,435,694
912,332	439,144	487,891	554,026	538,467
802,152	724,720	763,549	716,456	741,916
122,046	142,208	116,159	103,208	105,265
1,223,401	1,238,791	1,305,830	1,210,341	1,058,511
2,666,657	2,544,059	2,735,449	3,750,293	3,522,136

3,445,000	2,910,000	2,170,000		
200,000	225,000	0	0	0
214,688	88,121	2,208,420	2,423,764	297,219
621,508	515,277	426,860	255,712	204,645
0	0	0	26,380	0
<u>16,170,685</u>	<u>14,165,018</u>	<u>15,595,968</u>	<u>13,841,460</u>	<u>11,098,169</u>
<u>(5,179,947)</u>	<u>(2,249,187)</u>	<u>(6,442,563)</u>	<u>(5,544,700)</u>	<u>(2,172,201)</u>

124,084	1,095	3,549	0	0
22,665	31,683	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	1,550,000	0
0	0	0	18,845	0
3,445,000	3,645,000	3,010,000	2,170,000	2,256,000
1,199,984	1,097,800	4,378,880	169,000	0
3,749,296	2,842,529	2,442,706	2,383,764	2,298,864
<u>(3,749,296)</u>	<u>(2,842,529)</u>	<u>(2,442,706)</u>	<u>(2,421,604)</u>	<u>(2,298,864)</u>
<u>4,791,733</u>	<u>4,775,578</u>	<u>7,392,429</u>	<u>3,870,005</u>	<u>2,256,000</u>
<u>(\$388,214)</u>	<u>\$2,526,391</u>	<u>\$949,866</u>	<u>(\$1,674,695)</u>	<u>\$83,799</u>

31.1% 30.8% 37.3% 28.4% 6.6%



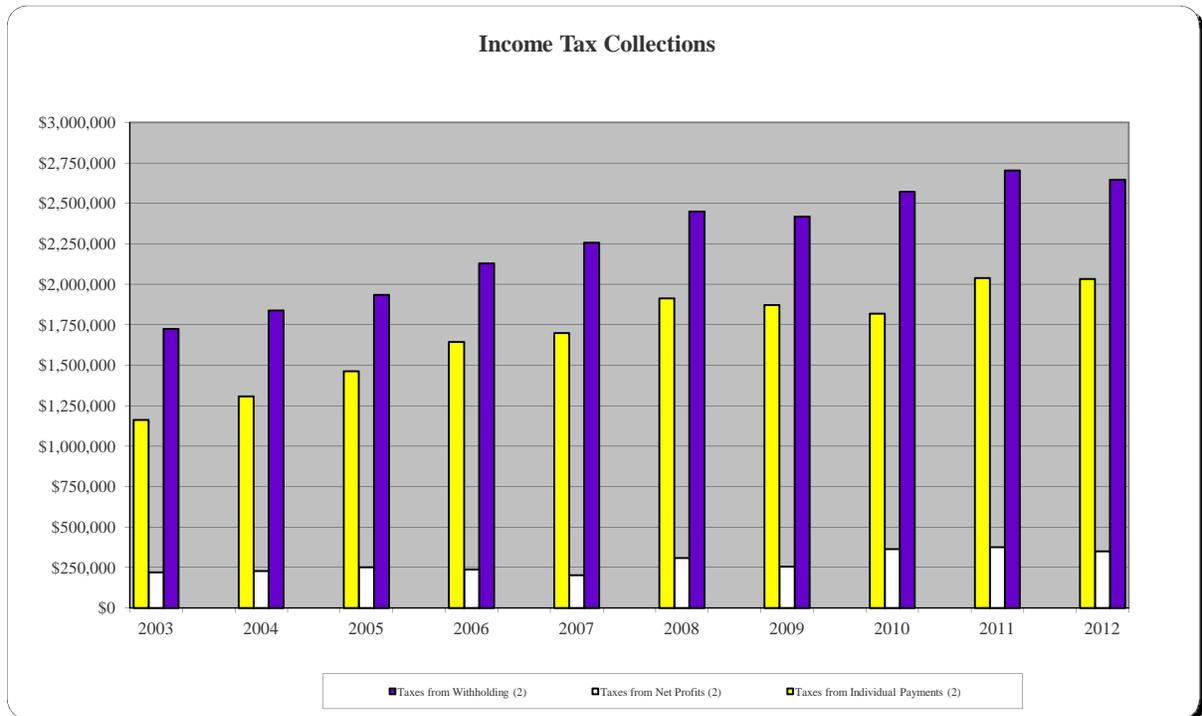
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City of Pickerington, Ohio
Income Tax Revenue Base and Collections
Last Ten Years

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
2012	1%	\$5,029,644	\$2,646,137	52.61%	\$350,288	6.96%	\$2,033,219	40.42%
2011	1%	5,117,727	2,704,270	52.84%	374,826	7.32%	2,038,631	39.83%
2010	1%	4,643,326	2,571,767	55.39%	363,204	7.82%	1,818,328	39.16%
2009	1%	4,527,504	2,418,654	53.42%	255,503	5.64%	1,871,318	41.33%
2008	1%	4,671,505	2,450,369	52.45%	308,373	6.60%	1,912,763	40.95%
2007	1%	4,156,569	2,257,671	54.32%	201,113	4.84%	1,697,786	40.85%
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%

(1) 2004 through 2012 are on an accrual basis and 2003 is 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
2012	\$328,223,990	\$88,954,140	\$1,191,937,514	\$2,194,040	\$8,776,160
2011	325,353,210	90,162,820	1,187,188,657	2,128,700	8,514,800
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

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

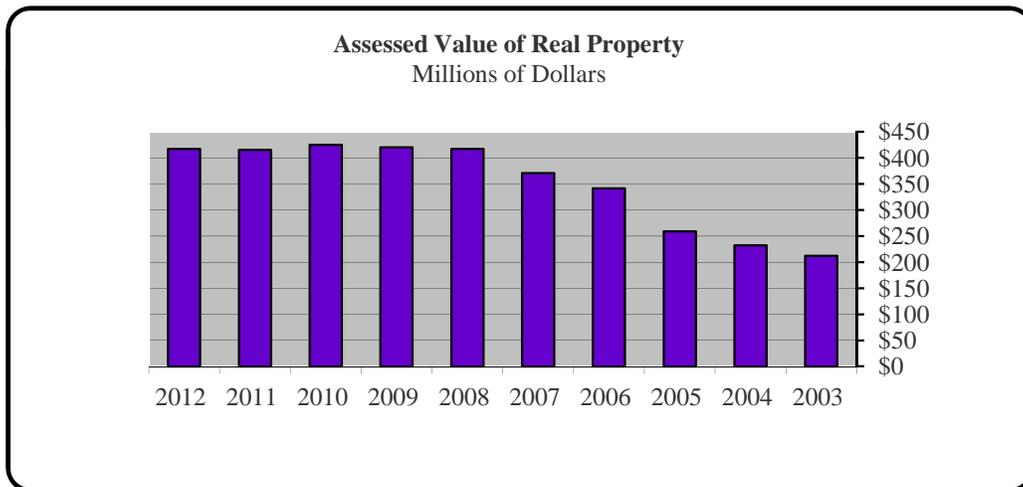
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General 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 General Business		Total			Weighted Average Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	
\$0	\$0	\$419,372,170	\$1,200,713,674	35%	\$6.25
0	0	417,644,730	1,195,703,457	35%	\$6.23
160,660	1,606,600	427,661,100	1,225,361,251	35%	\$6.08
301,040	4,816,640	422,759,940	1,213,933,154	35%	\$6.02
366,870	2,934,960	419,693,430	1,203,066,697	35%	\$6.34
2,416,455	12,887,760	375,216,335	1,080,085,554	35%	\$6.40
3,365,560	13,462,240	347,554,280	999,606,160	35%	\$6.41
5,428,246	21,712,984	267,246,456	772,702,155	35%	\$6.85
6,955,219	27,820,876	241,820,859	701,897,562	34%	\$6.99
7,622,063	30,488,252	221,902,643	645,351,623	34%	\$7.04



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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Unvoted Millage					
Operating	2.300000	2.300000	2.300000	2.300000	2.300000
Voted Millage - by levy					
2000 Police					
Residential/Agricultural Real	3.930394	3.921990	3.735578	3.729792	3.724974
Commercial/Industrial/Public Utility/Mineral Real	3.993935	3.946811	3.907448	3.910638	3.654629
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	6.230394	6.221990	6.035578	6.029792	6.024974
Commercial/Industrial/Public Utility/Mineral Real	6.293935	6.246811	6.207448	6.210638	5.954629
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	7.935674	7.933207	7.833735	6.752542	6.759145
Commercial/Industrial/Public Utility/Mineral Real	7.834249	7.832841	7.774519	6.569894	6.388102
General Business/Public Utility Personal	8.550000	8.550000	8.550000	7.550000	7.550000
Violet Township					
Residential/Agricultural Real	7.691960	7.680260	7.366401	7.364177	7.174830
Commercial/Industrial/Public Utility/Mineral Real	6.972694	6.827467	6.555080	6.466813	6.115701
General Business/Public Utility Personal	12.350000	12.350000	12.350000	12.350000	12.150000
Pickerington Local School District					
Residential/Agricultural Real	47.688395	42.555875	40.828533	40.400605	40.924329
Commercial/Industrial/Public Utility/Mineral Real	46.719990	41.097131	40.291587	39.210458	38.406104
General Business/Public Utility Personal	85.900000	80.820000	80.250000	79.850000	80.350000
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>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>
3.860104	3.898059	3.945072	4.403982	4.587781
4.679109	4.809866	4.488682	4.885271	4.862022
<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>
6.160104	6.198059	6.245072	6.703982	6.887781
6.979109	7.109866	6.788682	7.185271	7.162022
<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>
7.061557	7.077422	5.268250	4.936474	4.956371
7.097903	7.144626	5.425848	5.044684	5.023202
7.550000	7.550000	7.550000	7.050000	7.050000
7.578948	7.610399	7.675531	8.407761	8.546459
7.538961	7.736581	7.415380	7.952246	7.942057
12.150000	12.150000	12.150000	12.150000	12.150000
40.400316	36.794741	37.401946	40.212664	32.687411
41.717053	38.656987	38.292281	40.203231	31.665967
80.750000	77.050000	77.500000	78.000000	70.100000
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
2012 and 2003 (1)

Name of Taxpayer	2012	
	Assessed Value	Percent of Real Property Assessed Value
Pickerington Apartments LLC	\$6,232,070	1.49%
Lakes Edge LLC	5,057,920	1.21%
Regency Centers LP	4,654,980	1.12%
B & G Realty Inc.	4,116,030	0.99%
Pickerington Square	4,102,440	0.98%
Pickerington Plaza Limited Part	3,687,890	0.88%
AERC Turnberry Inc.	3,683,990	0.88%
Pickerington Assisted Living	2,406,760	0.58%
Noble Free Standing Group LTD	2,382,300	0.57%
Turnberry Station LLC	1,925,010	0.46%
Totals	<u>\$38,249,390</u>	<u>9.16%</u>
Total Assessed Valuation	<u>\$417,178,130</u>	

Name of Taxpayer	2003	
	Assessed Value	Percent of Real Property Assessed Value
AERC Turnberry Inc.	\$5,421,160	2.56%
Lakes Edge Partnership	3,926,830	1.85%
Regency Centers LP	3,288,630	1.55%
Pickerington Square LP	2,907,010	1.37%
Rockford Homes Inc.	2,282,450	1.08%
Hill Road Plaza LLC	2,029,430	0.96%
DDR Continental LP	1,979,410	0.93%
Centex Homes	1,953,670	0.92%
Diley Road Associates LLC	1,899,260	0.90%
BGM Development Corp	1,795,530	0.85%
Totals	<u>\$27,483,380</u>	<u>12.97%</u>
Total Assessed Valuation	<u>\$211,976,580</u>	

(1) The amounts presented represent the assessed values upon which 2012 and 2003 collections were based.

Source: Fairfield County, Ohio; County Auditor

City of Pickerington, Ohio

Principal Taxpayers

Public Utilities Tax

2012 and 2003 (1)

Name of Taxpayer	2012	
	Assessed Value	Percent of Public Utility Assessed Value
Columbia Gas of Ohio Inc.	\$873,570	39.81%
South Central Power Co.	536,770	24.46%
Columbus Southern Power Company	526,070	23.98%
Total	<u>\$1,936,410</u>	<u>88.25%</u>
Total Assessed Valuation	<u>\$2,194,040</u>	

Name of Taxpayer	2003	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Bell Telephone Company	\$826,750	35.88%
South Central Power Co.	455,110	19.75%
Total	<u>\$1,281,860</u>	<u>55.63%</u>
Total Assessed Valuation	<u>\$2,304,000</u>	

(1) The amounts presented represent the assessed values upon which 2012 and 2003 collections were based.

Source: Fairfield County, Ohio; County Auditor

City of Pickerington, Ohio
Principal Taxpayers
Tangible Personal Property Tax
2010 and 2003 (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	\$160,520	99.91%
Total Assessed Valuation	\$160,660	

Name of Taxpayer	2003	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Kroger Co.	\$670,110	8.79%
Barnes & Noble Booksellers, Inc.	443,400	5.82%
Bed, Bath & Beyond Inc.	429,810	5.64%
Penn Traffic	363,190	4.76%
Sears & Roebuck	335,140	4.40%
Hook Superx Inc.	261,580	3.43%
Culligan Dealer Corp	233,090	3.06%
Marcus Cinema of Ohio LLC	192,160	2.52%
Corna Kokosing Construction	179,740	2.36%
Dayarama Inc.	173,170	2.27%
Total	\$3,281,390	43.05%
Total Assessed Valuation	\$7,622,063	

(1) The amounts presented represent the assessed values upon which 2010 and 2003 collections were based. 2010 was the final year of collection for tangible personal property taxes.

Source: Fairfield County, Ohio; County Auditor

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

	2012	2011	2010	2009	2008
<u>Real and Public Utility Property</u>					
Current Tax Levy	\$2,611,468	\$2,596,780	\$2,498,285	\$2,546,399	\$2,347,367
Current Tax Collections	2,544,501	2,527,996	2,366,863	2,426,968	2,242,048
Percent of Current Collections to Levy	97.44%	97.35%	94.74%	95.31%	95.51%
Delinquent Tax Collections (2)	39,601	164,598	91,961	69,636	67,304
Total Tax Collections	2,584,102	2,692,594	2,458,824	2,496,604	2,309,352
Ratio of Total Collections to Levy	98.95%	103.69%	98.42%	98.04%	98.38%
Outstanding Delinquent Taxes	152,358	158,337	249,895	209,255	168,310
Ratio of Outstanding Delinquent Taxes to Tax Levy	5.83%	6.10%	10.00%	8.22%	7.17%
<u>Tangible Personal Property</u>					
Current Tax Levy	\$0	\$0	\$1,256	\$2,308	\$22,147
Current Tax Collections	0	0	0	2,308	18,345
Percent of Current Collections to Levy	0.00%	0.00%	0.00%	100.00%	82.83%
Delinquent Tax Collections (2)	0	0	0	2,370	499
Total Tax Collections	0	0	0	4,678	18,844
Ratio of Total Collections to Levy	0.00%	0.00%	0.00%	202.69%	85.09%
Outstanding Delinquent Taxes	0	0	2,593	2,130	9,707
Ratio of Outstanding Delinquent Taxes to Tax Levy	0.00%	0.00%	206.45%	92.29%	43.83%

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.

2007	2006	2005	2004	2003
\$2,389,961	\$2,238,955	\$1,955,905	\$1,733,271	\$1,621,759
2,243,689	2,126,477	1,877,786	1,708,689	1,573,532
93.88%	94.98%	96.01%	98.58%	97.03%
75,769	58,773	57,748	32,977	35,440
2,319,458	2,185,250	1,935,534	1,741,666	1,608,972
97.05%	97.60%	98.96%	100.48%	99.21%
146,272	142,872	99,101	50,817	46,080
6.12%	6.38%	5.07%	2.93%	2.84%
\$37,284	\$52,415	\$50,242	\$50,707	\$50,722
34,016	45,326	39,951	40,855	39,820
91.23%	86.48%	79.52%	80.57%	78.51%
326	966	218	86	712
34,341	46,292	40,169	40,941	40,532
92.11%	88.32%	79.95%	80.74%	79.91%
8,858	14,114	9,226	8,631	3,627
23.76%	26.93%	18.36%	17.02%	7.15%

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

Year	Governmental Activities					
	General Obligation Bonds (3)	Revenue Anticipation Notes (7)	Bond Anticipation Notes (7)	State Infrastructure Bank Loan (5)	Ohio Municipal Bond Financing Program Loan (4)	Capital Leases (6) & (7)
2012 (2)	\$7,075,716	\$0	\$0	\$4,875,204	\$0	\$98,240
2011	1,187,077	2,089,750	2,295,000	5,480,929	0	2,998,858
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

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) The City implemented Governmental Accounting Standards Board Statement No. 63 in 2012.
- (3) 2004 was the first year general obligation bonds payable from property taxes were issued.
- (4) During 2005, the City 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 \$7,737,113 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.
- (7) During 2012, the City retired all outstanding revenue anticipation notes, bond anticipation notes, and the police facility capital lease with proceeds from the issuance of general obligation bonds.

Business-Type Activities

General Obligation Bonds (7)	Bond Anticipation Notes (7)	Revenue Note	OWDA Loan	Issue Two Notes	Capital Leases	Total Debt	Percentage of Personal Income (1)	Per Capita (1)
\$5,006,375	\$0	\$0	\$12,087,014	\$0	\$12,173	\$29,154,722	5.07%	\$1,584
2,960,645	3,989,000	0	12,565,368	0	25,152	33,591,779	6.20%	1,837
3,160,584	5,682,000	0	11,530,965	0	31,678	35,856,573	6.80%	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

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 (3)</u>	<u>General Obligation Bonded Debt to Assessed Value</u>	<u>General Obligation Bonded Debt Per Capita</u>
2012	18,408	\$1,200,713,674	\$12,082,091	1.01%	\$656.35
2011	18,291	1,195,703,457	4,147,722	0.35%	226.76
2010	17,780	1,225,361,251	4,413,558	0.36%	248.23
2009	14,621	1,213,933,154	4,820,101	0.40%	329.67
2008	14,476	1,203,066,697	5,216,644	0.43%	360.37
2007	14,526	1,080,085,554	5,588,187	0.52%	384.70
2006	13,573	999,606,160	5,954,730	0.60%	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

(1) Population estimates from Mid Ohio Regional Planning Commission for years 2002-2009, the US Census Bureau for 2010 and 2011, and the 2012 US Census Population Estimates for 2012.

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

(3) The City implemented Governmental Accounting Standards Board Statement No. 63 in 2012.

Source: City financial records

City of Pickerington, Ohio
 Computation of Direct and Overlapping Governmental Activities Debt
 December 31, 2012

<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	\$7,075,716	100%	\$7,075,716
State Infrastructure Bank Loan	4,875,204	100%	4,875,204
Capital Leases	98,240	100%	98,240
Total Direct Debt	<u>12,049,160</u>		<u>12,049,160</u>
<u>Overlapping Debt</u>			
Fairfield County	16,175,752	12.72%	2,057,556
Violet Township	2,510,000	42.08%	1,056,208
Pickerington Local School District	<u>138,981,305</u>	37.67%	<u>52,354,258</u>
Total Overlapping Debt	<u>157,667,057</u>		<u>55,468,021</u>
Total Direct and Overlapping Debt	<u><u>\$169,716,217</u></u>		<u><u>\$67,517,181</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 Nine Years (3)

Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Issue Two (4)	OWDA		Total		Coverage
				Debt Service	Debt Service		Debt Service		
				Principal	Principal	Interest	Principal	Interest	
2012	\$2,417,945	\$1,548,311	\$869,634	\$0	\$133,088	\$56,088	\$133,088	\$56,088	4.60
2011 (5)	0	0	0	0	0	0	0	0	0.00
2010	0	0	0	0	0	0	0	0	0.00
2009	1,855,965	1,343,124	512,841	6,299	0	0	6,299	0	81.42
2008	1,711,350	1,349,980	361,370	12,604	0	0	12,604	0	28.67
2007	1,885,694	1,262,435	623,259	12,604	0	0	12,604	0	49.45
2006	1,522,382	1,236,880	285,502	12,604	0	0	12,604	0	22.65
2005	1,457,005	1,269,927	187,078	12,604	0	0	12,604	0	14.84
2004	845,815	1,185,879	(340,064)	12,604	0	0	12,604	0	(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

(5) In 2011, the City issued \$1,493,755 in OWDA loans. Principal and interest payments were not due until January 2012.

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

Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Sewer OWDA Debt Service		Coverage
				Principal	Interest	
2012	\$3,454,126	\$1,947,285	\$1,506,841	\$425,366	\$325,049	2.01
2011	3,464,112	1,736,827	1,727,285	510,394	433,953	1.83
2010	3,327,414	1,466,376	1,861,038	61,373	32,173	19.89
2009	2,831,561	1,495,676	1,335,885	58,280	35,266	14.28
2008	2,327,131	1,571,812	755,319	55,345	38,201	8.07
2007	1,872,509	1,256,262	616,247	52,561	40,985	6.59
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

	2012	2011	2010	2009
Total Assessed Property Value	<u>\$419,372,170</u>	<u>\$417,644,730</u>	<u>\$427,661,100</u>	<u>\$422,759,940</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>44,034,078</u>	<u>43,852,697</u>	<u>44,904,416</u>	<u>44,389,794</u>
Debt Outstanding:				
General Obligation Bonds Payable	\$11,760,000	\$4,110,000	\$4,535,000	\$4,965,000
Notes Payable	0	8,373,750	10,720,500	10,966,250
Loans Payable (1)	4,875,204	5,480,929	5,997,677	6,283,561
Issue Two Notes Payable	0	0	0	0
OWDA Loans Payable	<u>12,087,014</u>	<u>12,565,368</u>	<u>11,530,965</u>	<u>7,596,594</u>
Total Gross Indebtedness Outstanding	28,722,218	30,530,047	32,784,142	29,811,405
Less: Debt Exempt from Limitation				
General Obligation Bonds Payable	(4,915,000)	(2,935,000)	(3,295,000)	(3,665,000)
Notes Payable	0	(3,989,000)	(5,682,000)	(4,864,000)
Issue Two Notes Payable	0	0	0	0
OWDA Loans Payable	(12,087,014)	(12,565,368)	(11,530,965)	(7,596,594)
Amount Available in Debt Service Fund for General Obligations	<u>(347,654)</u>	<u>(44,039)</u>	<u>(18,122)</u>	<u>(68,407)</u>
Total Net Debt Applicable to Debt Limit	<u>11,372,550</u>	<u>10,996,640</u>	<u>12,258,055</u>	<u>13,617,404</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$32,661,528</u>	<u>\$32,856,057</u>	<u>\$32,646,361</u>	<u>\$30,772,390</u>
Legal Debt Margin as a Percentage of the Debt Limit	74.17%	74.92%	72.70%	69.32%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$23,065,469</u>	<u>\$22,970,460</u>	<u>\$23,521,361</u>	<u>\$23,251,797</u>
Total Gross Indebtedness	28,722,218	30,530,047	32,784,142	29,811,405
Less:				
General Obligation Bonds Payable	(4,915,000)	(2,935,000)	(3,295,000)	(3,665,000)
Notes Payable	0	(3,989,000)	(5,682,000)	(4,864,000)
Issue Two Notes Payable	0	0	0	0
OWDA Loans Payable	(12,087,014)	(12,565,368)	(11,530,965)	(7,596,594)
for General Obligations	<u>(347,654)</u>	<u>(44,039)</u>	<u>(18,122)</u>	<u>(68,407)</u>
Net Debt Within 5 ½ % Limitations	<u>11,372,550</u>	<u>10,996,640</u>	<u>12,258,055</u>	<u>13,617,404</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$11,692,919</u>	<u>\$11,973,820</u>	<u>\$11,263,306</u>	<u>\$9,634,393</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	50.69%	52.13%	47.89%	41.44%

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

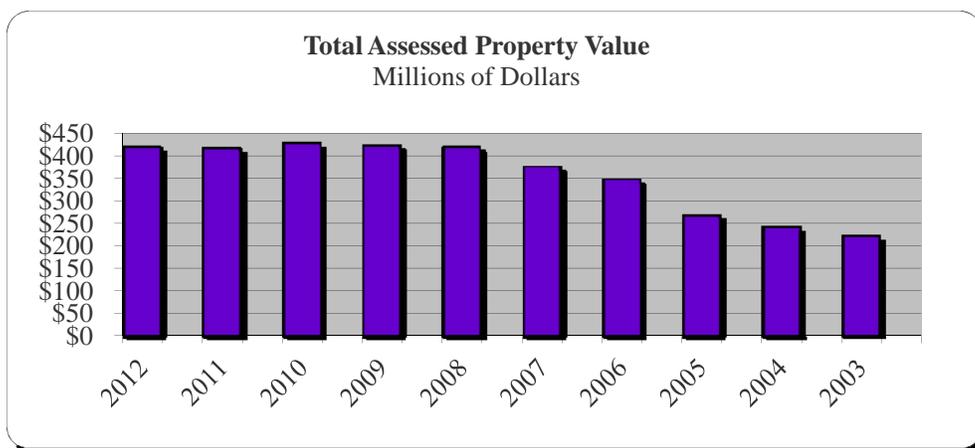
Sources: Fairfield County, Ohio; County Auditor, and City financial records.

2008	2007	2006	2005	2004	2003
<u>\$419,693,430</u>	<u>\$375,216,335</u>	<u>\$347,554,280</u>	<u>\$267,246,456</u>	<u>\$241,820,859</u>	<u>\$221,902,643</u>
44,067,810	39,397,715	36,493,199	28,060,878	25,391,190	23,299,778
\$5,385,000	\$5,780,000	\$6,170,000	\$6,550,000	\$6,920,000	\$5,680,000
11,801,000	12,664,250	12,950,500	12,321,744	13,161,744	13,670,244
6,070,951	4,459,206	3,645,680	2,547,880	169,000	0
6,299	18,903	31,507	44,111	56,715	69,319
974,369	783,965	836,526	886,446	933,859	978,894
24,237,619	23,706,324	23,634,213	22,350,181	21,241,318	20,398,457
(4,030,000)	(4,375,000)	(4,715,000)	(5,045,000)	(5,370,000)	(5,680,000)
(5,150,000)	(5,762,500)	(5,525,000)	(5,532,244)	(6,277,244)	(6,817,244)
(6,299)	(18,903)	(31,507)	(44,111)	(56,715)	(69,319)
(974,369)	(783,965)	(836,526)	(886,446)	(933,859)	(978,894)
(64,721)	(99,649)	(118,724)	(59,008)	(71,926)	(86,626)
14,012,230	12,666,307	12,407,456	10,783,372	8,531,574	6,766,374
<u>\$30,055,580</u>	<u>\$26,731,408</u>	<u>\$24,085,743</u>	<u>\$17,277,506</u>	<u>\$16,859,616</u>	<u>\$16,533,404</u>
68.20%	67.85%	66.00%	61.57%	66.40%	70.96%
<u>\$23,083,139</u>	<u>\$20,636,898</u>	<u>\$19,115,485</u>	<u>\$14,698,555</u>	<u>\$13,300,147</u>	<u>\$12,204,645</u>
24,237,619	23,706,324	23,634,213	22,350,181	21,241,318	20,398,457
(4,030,000)	(4,375,000)	(4,715,000)	(5,045,000)	(5,370,000)	(5,680,000)
(5,150,000)	(5,762,500)	(5,525,000)	(5,532,244)	(6,277,244)	(6,817,244)
(6,299)	(18,903)	(31,507)	(44,111)	(56,715)	(69,319)
(974,369)	(783,965)	(836,526)	(886,446)	(933,859)	(978,894)
(64,721)	(99,649)	(118,724)	(59,008)	(71,926)	(86,626)
14,012,230	12,666,307	12,407,456	10,783,372	8,531,574	6,766,374
<u>\$9,070,909</u>	<u>\$7,970,591</u>	<u>\$6,708,029</u>	<u>\$3,915,183</u>	<u>\$4,768,573</u>	<u>\$5,438,271</u>
39.30%	38.62%	35.09%	26.64%	35.85%	44.56%

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)
2012	18,408	\$574,826,616	\$31,227	\$80,783	32.9
2011	18,291	542,072,076	29,636	75,985	34
2010	17,780	526,928,080	29,636	75,985	34
2009	14,621	377,792,019	25,839	63,664	32.7
2008	14,476	374,045,364	25,839	63,664	32.7
2007	14,526	375,337,314	25,839	63,664	32.7
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

- (1) Population estimates from Mid Ohio Regional Planning Commission for years 2002-2009, the U.S. Census Bureau for 2010 and 2011, and the 2012 U.S. Census Population Estimates for 2012.
- (2) Source: 2010 U.S. Census and 2012 U.S. Census Estimates
- (3) Source: Ohio Department of Education.
- (4) Source: Ohio Bureau of Employment Services. The unemployment rate for the City is not available; therefore, the County rate was used.
- (5) Source: Fairfield County, Ohio; County Auditor
- (6) Computation of per capita personal income multiplied by population



Educational Attainment: Bachelor's Degree or Higher (2)	School Enrollment (3)	Fairfield County Unemployment Rate (4)	Average Sales Price of Residential Property (5)	Total Assessed Property Value (5)
41.2%	10,285	5.8%	\$238,425	\$419,372,170
41.0	10,326	7.7	190,985	417,644,730
41.0	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



City of Pickerington, Ohio
Principal Employers
2012 and 2004

2012

Employer	Nature of Business	Employees	Percentage of Total City Employment
Pickerington Local School District	School System	1,144	12.80%
Tamarkin Co Inc.	Supermarket	296	3.31%
Kohl's Department Stores	Retail	278	3.11%
Kroger Company, Inc.	Supermarket	262	2.93%
Cracker Barrel Restaurant	Restaurant	252	2.82%
Kindred Nursing Center	Health Care Facility	154	1.72%
Wendy's	Restaurant	148	1.66%
City of Pickerington	Government	147	1.65%
Steak N' Shake	Restaurant	117	1.31%
McDonalds	Restaurant	116	1.30%
Total		2,914	32.61%
Total Employment within the City		8,935	

2004 (1)

Employer	Nature of Business	Employees
Pickerington Local School District	School System	1,005
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		2,206
Total Employment within the City		n/a

n/a - Information not available

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

Source: City Income Tax Department and US Census.

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

Function/Program	2012	2011	2010	2009	2008
General Government					
Council	7.00	7.00	7.00	7.00	7.00
Mayor	1.00	1.00	1.00	1.00	1.00
Clerk of Courts	1.00	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00	1.00
Finance Director	1.00	1.00	1.00	1.00	1.00
Personnel Director	1.00	1.00	1.00	1.00	1.00
Income Tax	4.50	4.00	3.00	3.00	4.00
Municipal Records	2.00	2.00	1.00	1.00	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	2.50	3.00	3.00	3.00	3.00
City Engineer	1.00	1.00	1.00	1.00	0.00
Staff Engineer	1.00	1.00	1.00	1.00	0.00
Engineer Inspectors	2.00	2.00	2.00	2.00	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	21.00	19.00	20.00	19.00	20.00
Police Detectives	3.00	3.00	3.00	2.00	3.00
Police Dispatchers/Office	8.50	10.50	9.50	11.50	10.00
Leisure Time Activities					
Parks & Recreation Director	1.00	1.00	1.00	1.00	1.00
Recreation	1.00	0.50	2.00	2.00	2.00
Parks	2.00	2.00	2.00	3.00	3.00
Community Development					
Building	2.00	3.00	3.00	3.00	7.00
Economic Development	3.00	2.50	3.00	3.00	4.00
Transportation					
Equipment Maintenance	0.00	0.00	0.00	0.00	1.00
Street Maintenance & Repair	5.00	5.00	5.00	5.00	5.00
Basic Utility Services					
Service Director	1.00	1.00	1.00	1.00	1.00
Secretary/ Administrative	4.00	3.00	3.00	3.00	2.00
Water	4.00	4.00	5.00	4.00	4.00
Sewer	4.00	5.00	5.00	5.00	5.00
Utilities Maintenance	3.00	3.00	3.00	3.00	3.00
Totals:	<u>93.50</u>	<u>93.50</u>	<u>94.50</u>	<u>94.50</u>	<u>97.50</u>

Source: City financial records

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

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
7.00	7.00	7.00	7.00	7.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
1.00	3.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00
4.00	4.00	4.00	4.00	4.00
1.50	1.50	1.00	1.00	1.00
2.00	2.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
3.00	3.00	3.00	4.00	3.50
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
20.00	19.00	19.00	18.00	16.00
3.00	3.00	3.00	3.00	2.00
10.00	10.00	10.00	10.00	10.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	1.50	3.00
3.00	3.00	3.00	3.00	3.00
7.00	7.00	7.50	7.00	7.00
4.00	4.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00
6.00	6.00	6.00	6.00	7.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
5.00	6.00	6.00	6.50	6.50
5.00	3.00	3.50	3.50	3.50
3.00	3.00	3.00	3.00	4.00
<u>99.50</u>	<u>99.50</u>	<u>97.00</u>	<u>96.50</u>	<u>96.50</u>

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

Function/Program	2012	2011	2010	2009
General Government				
<i>Council and Clerk</i>				
Number of Ordinances Passed	77	82	102	93
Number of Resolutions Passed	49	27	22	30
<i>Finance Department</i>				
Number of checks/ vouchers issued	4,612	7,527	7,710	7,765
Number of P.O.'s issued	3,028	2,899	2,703	2,609
Interest earnings for fiscal year (1)	\$43,491	\$50,736	\$92,091	\$150,287
General Fund Receipts (1)	\$7,880,393	\$8,531,965	\$7,714,298	\$7,251,584
General Fund Expenditures (1)	\$8,588,715	\$7,780,851	\$7,448,350	\$3,376,774
General Fund Cash Balances	\$3,084,553	\$3,536,083	\$3,145,938	\$2,854,677
<i>Income Tax Department</i>				
Forms Prepared/ Mailed				
Number of Tax Returns (6)	10,035	10,145	9,921	9,643
Withholding Forms (6)	2,362	2,189	1,921	1,865
Estimate Statements	2,914	2,720	2,800	3,071
Federal 1099-G	2,153	1,988	1,959	2,336
Collections				
Tax (2)	\$5,029,644	\$5,117,727	\$4,643,326	\$4,527,504
Refunds	\$249,591	\$226,016	\$205,136	\$213,084
<i>Utilities Billing</i>				
Shut-off notices processed	3,739	4,188	3,916	3,761
Work Orders Processed	1,714	1,313	1,466	1,211
New Accounts Added	88	75	82	95
Utility Bills Mailed	65,907	65,186	64,483	63,554
<i>Building Department Indicators</i>				
Construction Permits Issued				
New Residential	98	52	66	70
Commercial	144	169	93	100
Minor	284	230	273	200
Inspection Statistics				
Residential	2,175	1,376	1,881	1,749
Commercial	680	861	417	709
Contractor Registration Statistics				
Registrations	374	328	337	253

(1) Cash basis of accounting.

(2) 2004 through 2012 are on an accrual basis and 2003 is 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) Beginning for the 2009 Tax Returns, tax notices for the electronic form was sent out in lieu of actual forms.

2008	2007	2006	2005	2004	2003
96	104	197	118	95	108
18	21	77	24	31	29
8,318	8,169	7,491	7,430	7,471	7,309
2,866	2,701	2,355	2,257	2,574	2,426
\$189,661	\$280,207	\$264,867	\$139,101	\$79,318	\$99,268
\$7,445,994	\$6,523,944	\$6,682,503	\$6,028,505	\$5,576,178	\$5,932,133
\$3,532,008	\$3,769,106	\$3,732,306	\$3,870,200	\$3,469,838	\$3,599,791
\$2,282,464	\$1,455,533	\$2,195,013	\$1,500,247	\$1,245,071	\$1,454,925
9,680	9,705	9,212	8,913	7,850	6,561
1,835	1,824	1,948	1,747	1,747	1,633
2,979	2,690	2,755	2,527	2,361	2,082
2,286	2,129	1,900	1,710	1,550	1,505
\$4,671,505	\$4,156,569	\$4,010,850	\$3,648,635	\$3,372,437	\$3,105,152
\$235,826	\$190,544	\$177,072	\$140,660	\$124,553	\$99,743
3,118	2,083	1,848	3,634	2,021	2,708
2,045	1,452	1,884	2,375	1,921	2,701
75	130	175	140	270	236
62,877	60,951	58,805	56,229	52,924	49,227
50	130	234	287	120	603
98	102	142	124	219	274
93	124	135	151	158	169
1,603	3,338	5,346	5,377	6,851	8,258
732	912	1,632	1,506	2,567	650
337	337	396	324	260	383

(continued)

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

Function/Program	2012	2011	2010	2009
Security of Persons & Property				
<i>Police</i>				
Total Calls for Services	37,792	38,011	31,344	37,243
Total Reports Taken	1,998	1,939	1,919	1,999
OMVI/DUI	50	35	48	41
Juvenile Traffic Citations	137	135	105	112
Adult Traffic Citations	2,564	2,706	2,420	2,319
Juvenile Education				
Enforcement Program	1	10	1	3
Serious Crime/ Incidents				
Accidents	483	432	468	491
Homicides	0	0	0	0
Fatal Accidents	0	1	1	0
Rapes	8	5	6	8
Auto Theft	12	11	5	15
Robbery	10	8	9	15
Burglary	43	52	42	52
Assaults	56	51	57	57
Suicides	1	1	0	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	94	148	88	216
Number of trees pruned	706	940	633	700
Number of trees removed	86	39	33	61
Recreation Activities (5)				
Basketball Leagues	0 teams	0 teams	5 teams	8 teams
Co-Rec Volleyball League	7 teams	9 teams	9 teams	11 teams
Softball Leagues	32 teams	35 teams	40 teams	41 teams
Community Development				
<i>Planning & Zoning Indicators</i>				
Comprehensive Sign Plans	8	19	14	13
Rezoning	3	2	3	4
Annexations	1	1	0	2
Certificates of Appropriateness	16	13	13	13
Lot Splits	3	1	4	3
Subdivision Plats	0	3	0	0
Planned Unit Developments	0	1	1	1
Complaints Received	259	272	305	930
Inspections Completed	252	238	398	888
Unresolved Issues	7	34	50	42
Streets and Equipment Maintenance				
Storm Sewers				
Inlets	17	17	9	14
Collapsed Lines	0	65	465	500
Ditches	0	0	270	300

(1) Cash basis of accounting.

(2) 2004 through 2011 are on an accrual basis and 2002 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) Beginning for the 2009 Tax Returns, tax notices for the electronic form was sent out in lieu of actual forms.

Source: City financial records

2008	2007	2006	2005	2004	2003
36,489	35,687	30,290	26,643	21,641	19,914
1,935	2,246	2,299	2,194	1,937	1,619
39	68	61	55	54	30
148	146	141	150	148	138
2,067	2,474	2,461	2,473	2,023	1,346
3	7	27	38	9	13
493	574	584	549	557	512
0	1	0	0	0	0
0	1	1	1	0	0
4	1	4	3	2	0
25	13	24	18	14	19
2	13	13	2	14	5
55	36	50	55	55	56
54	50	53	61	43	36
3	0	2	0	1	2
157.33	157.33	157.33	157.33	157.33	157.33
176	288	450	446	431	887
265	265	275	626	436	419
61	61	31	57	42	69
8 teams	6 teams	n/a	n/a	n/a	8 teams
11 teams	11 teams	n/a	n/a	n/a	6 teams
41 teams	41 teams	n/a	n/a	n/a	48 teams
17	25	25	16	11	9
1	3	6	5	2	2
0	0	0	1	0	0
15	22	24	30	21	23
7	9	4	0	5	4
0	1	2	3	0	0
1	0	2	1	0	0
792	627	272	83	87	166
731	532	680	178	164	332
61	55	38	2	5	3
12	15	36	48	27	149
600	1,475	250	0	0	0
250	900	600	420	42	0

(continued)

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

Function/Program	2012	2011	2010	2009
Streets and Equipment Maintenance (continued)				
Leaf Pick Up				
Loads	127	95	86	141
Days	98	44	40	43
Snow Removal				
Salt (tons)	558.00	2,616.00	2,514.33	1,170.00
Days (4)	n/a	n/a	n/a	n/a
Hours (4)	150	375	864	644
Sand/Chloride (gallons)	0.00	0.00	34.28	20
Signs				
Repair/Replace	99	89	58	63
New	22	17	25	13
Mosquito Fogging (hrs)	9.90	32.50	98	68
Street Maintenance				
Striped (miles)	2.00	0.44	0.59	18.44
Street Sweeping (cu. yd.) (3)	98	121	52	211
Berming (miles)	2.00	2.00	1.50	5.00
Crack Sealing (sq. yards or tons) (8)	87,621	143,890	1.90	3.05
Water Department				
Revenue Collected (1)	\$2,385,321	\$2,174,947	\$1,994,091	\$1,796,125
Water Processed (Million Gallons Per Day)				
Raw Water	721.16	576.69	557.00	549.90
Avg./Day	1.98	1.58	1.53	1.51
Water to System	508.51	477.90	503.10	501.71
Avg./Day	1.39	1.30	1.38	1.37
Chemical Usage (in 1000s)				
Chlorine	5,733	7,247	8,316	7,846
Avg./Day	15.71	19.85	22.79	21.49
Fluoride	20,656	16,798	17,382	16,699
Avg./Day	56.59	46.02	47.62	45.75
Phosphate	26,812	26,134	27,428	26,714
Avg./Day	73.45	71.60	75.15	73.18
Potassium	18,874	18,632	19,111	19,249
Avg./Day	51.71	51.04	52.36	52.74
Annual Water Pumpage (in 1000s)				
Raw Water	721,164	576,694	557,004	549,900
Treated Water	606,241	517,123	503,100	501,709
Plant Use	156,500	4,861	61,250	46,538
Sewer Department				
Revenue Collected (1)	\$3,423,016	\$3,463,565	\$3,260,014	\$2,735,204
Treated Water (total for year)	793.90	703.00	440.41	420.74
Average (Gallons Per Day)	2.170	1.920	1.210	1.152
Sludge Hauled (tons)	266.00	183.26	278.66	308.27
Aquatic Recreation Center (7)				
Revenue Collected (1)	\$191,108	\$185,440	\$201,701	\$267,661
Number of Passes Sold	624	585	636	684
Number of Patrons (9)	2,119	2,091	0	0

(1) Cash basis of accounting.

(2) 2004 through 2011 are on an accrual basis and 2002 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) Beginning for the 2009 Tax Returns, tax notices for the electronic form was sent out in lieu of actual

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

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

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

Source: City financial records

2008	2007	2006	2005	2004	2003
115	110	115	144	107	103
42	50	45	42	52	44
1,800.00	1,750.00	199.00	1,128.00	950.00	2,200.00
n/a	n/a	n/a	n/a	n/a	n/a
390	174	240	120	198	225
0	0	0	0	50	150
93	75	147	48	120	102
27	37	37	120	95	34
120	52	260	240	304	74
6.00	17.00	19.48	18.37	10.00	9.93
110	140	150	957	0	0
2.00	6.00	6.00	47.25	17.00	2.50
0.00	1.25	0.00	0.00	0.00	0.00
\$1,604,908	\$1,588,040	\$1,261,700	\$1,251,865	\$1,123,518	\$1,186,044
576.40	590.96	551.13	540.36	499.33	453.22
1.58	1.62	1.51	1.48	1.36	1.24
521.72	536.99	494.76	486.37	445.20	392.68
1.43	1.47	1.36	1.33	1.22	1.08
7.813	7.347	6.007	5.419	5.095	3.814
21.40	20.12	16.46	14.85	13.96	10.45
17,535	18,298	17,429	16,911	15,346	13,352
48.04	50.13	47.50	46.33	42.04	37.13
25,420	25,920	24,368	24,521	22,076	18,575
69.64	71.01	66.76	67.18	60.48	50.89
14,499	12,745	12,537	16,878	11,895	22,183
39.72	34.91	34.34	46.24	32.58	60.78
569,530	590,957	551,130	540,360	499,331	453,220
515,860	536,990	516,750	486,370	468,389	412,940
58,110	50,850	52,800	52,400	57,760	58,450
\$2,177,967	\$1,731,150	\$1,383,818	\$1,397,171	\$1,309,367	\$1,147,823
498.55	456.32	492.81	456.88	396.69	399.43
1.370	1.250	1.360	1.252	1.086	1.094
376.50	304.17	158.00	169.60	215.87	114.50
\$269,419	\$0	\$0	\$0	\$0	\$0
672	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	2012	2011	2010	2009
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	6	6	5
Police				
Stations	1	1	1	1
Square Footage of Building	20,531	20,531	20,531	20,531
Vehicles	17	20	18	18
Motorcycle	0	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	3
Disc Golf Course	1	1	1	0
Vehicles	4	4	5	8
Transportation				
Streets (miles)	59.62	59.62	59.62	59.62
Service Vehicles	16	15	17	15
Service Complex (3)				
Square Footage of Cold Storage Building	4,368	4,368	4,368	4,368
Sewer				
Sanitary Sewers (feet)	421,299	421,299	409,840	409,840
Square Footage of Building	800	800	800	800
Vehicles	3	3	3	3
Water				
Square Footage of Building	13,667	13,667	13,667	13,667
Water Lines (feet)	341,101	341,101	351,814	312,377
Vehicles	3	3	3	3
Stormwater				
Storm Sewers (feet)	218,072	217,687	217,687	214,807
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	3.89
Square Footage of Adult Swimming Pool	9,350	9,350	9,350	9,350
Square Footage of Youth Swimming Pool	250	250	250	250

(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.

2008	2007	2006	2005	2004	2003
9,280	9,280	7,744	7,744	7,744	7,744
2,547	2,547	2,547	2,547	2,547	2,547
5	5	5	5	5	5
1	1	1	1	1	1
20,531	20,531	20,531	20,531	20,531	20,531
17	16	15	15	15	11
1	1	1	1	1	1
5	5	5	5	5	5
5	5	1	1	1	1
1	1	1	0	0	0
4	4	4	4	4	4
3	4	4	4	4	4
0	0	0	0	0	0
8	8	8	8	8	8
59.62	58.23	58.23	57.29	56.81	56.81
15	15	15	15	13	12
4,368	0	0	0	0	0
409,840	397,807	397,807	378,864	359,788	218,032
800	800	800	800	800	800
2	2	2	2	2	2
13,667	13,667	13,667	13,667	13,667	13,667
312,377	307,498	307,498	303,178	303,178	268,971
2	2	2	2	2	2
210,987	204,969	204,969	198,898	198,898	173,546
1,658	1,658	1,658	1,658	1,658	1,658
3.89	0	0	0	0	0
9,350	0	0	0	0	0
250	0	0	0	0	0

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CITY OF PICKERINGTON
FAIRFIELD COUNTY
REGULAR AUDIT
JANUARY 1, 2012 – DECEMBER 31, 2012



**CITY OF PICKERINGTON
FAIRFIELD COUNTY**

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

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

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, (the City) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 18, 2013, wherein we noted the City adopted GASB Statement No.'s 63 and 65 and also restated governmental activities to properly account for payments in lieu of taxes.

Internal Control over Financial Reporting

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

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

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

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 Auditor's Report on Internal Control
Over Financial Reporting and on Compliance and Other Matters
Required By *Government Auditing Standards*

Compliance and Other Matters

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

However, we noted a matter not requiring inclusion in this report that we reported to the City's management in a separate letter dated June 18, 2013.

Purpose of this Report

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

Wilson, Shuman & Snow, Inc.

Newark, Ohio
June 18, 2013



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
AUGUST 13, 2013**