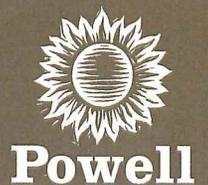




City of Powell, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year ending December 31, 2015





Dave Yost • Auditor of State

Members of Council
City of Powell
47 Hall Street
Powell, Ohio 43065

We have reviewed the Independent Auditor's Report of the City of Powell, Delaware County, prepared by Julian & Grube, Inc., for the audit period January 1, 2015 through December 31, 2015. 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 Powell is responsible for compliance with these laws and regulations.

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

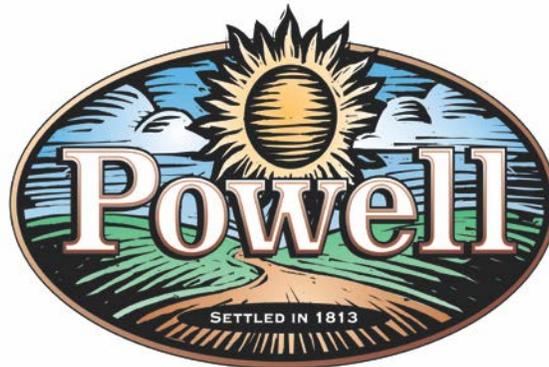
Dave Yost
Auditor of State

June 2, 2016

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City of Powell, Ohio
Comprehensive Annual Financial Report

For the Fiscal Year Ended December 31, 2015



Prepared by the City of Powell Finance Department

Debra K. Miller, CGMA, CPA, MAccy
Finance Director

Jessica N. Marquez, CPA, MAFM
Assistant Finance Director

Nancy Stanfill
Finance Specialist



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**CITY OF POWELL, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015**

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**CITY OF POWELL, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Debt Capacity

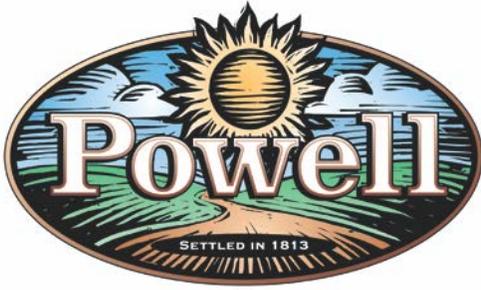
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City of Powell
47 Hall Street
Powell, Ohio
43065-8357

www.cityofpowell.us
614.885.5380 tel
614.885.5339 fax

April 11, 2016

To: Members of City Council and Citizens of the
City of Powell

The Comprehensive Annual Financial Report (CAFR) of the City of Powell, Ohio (City), for fiscal year ended December 31, 2015, is submitted herewith. The report has a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted government auditing standards (GAGAS) by Julian & Grube, Inc. 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. The MD&A provides a narrative introduction, overview and analysis of the basic financial statements and complements this letter of transmittal and should be read in conjunction with it.

The City's Finance Department is responsible for management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed its 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 respects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the City's financial activity have been included.

Profile of the City

The City of Powell was incorporated in February 1947 and is located in central Ohio in the state's fastest-growing county. The City, currently encompassing five and a half square miles, is located on the rolling highlands between the Scioto and Olentangy river valleys, approximately 18 miles north of

downtown Columbus, which is the capital of Ohio. The City is empowered by State Statute to extend its corporate limits by annexation, which it utilized in 2015 at the request of several property owners.

The City is a home-rule, municipal corporation under the laws of the State of Ohio. The City is empowered to levy property tax and income tax within its boundaries. The City operates under a Council-City Manager form of government. Policy-making and legislative authority are vested in the City Council, consisting of the Mayor and six other members, all elected on a nonpartisan basis. City Council members serve four-year overlapping terms. The City Council appoints a City Manager who serves at the pleasure of the Council. The City Manager is the chief executive officer of the City and is charged with the responsibility of conserving the peace and enforcing all laws, ordinances and terms of the Charter.

The City provides numerous services to its citizens, including police protection; the construction and maintenance of highways, streets and other infrastructure; and recreational and cultural activities. The sanitation services are provided by an independent hauler with the City contracting for the citizens. Fire protection services are provided by Liberty and Concord Townships, a separate government entity that overlaps the City boundaries. Sanitary sewer services are provided by the county while electric service is provided by a for-profit corporation and water by a private company.

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 purchase orders, and through the use of the City's automated financial system. The City Council is required to hold public hearings on the proposed budget and to adopt the budget by no later than December 31, the close of the City's fiscal year. The appropriated budget is prepared by fund, department or function (i.e. police), and category or object (i.e. personnel services). The City Council may pass supplemental appropriations at any time by ordinance. The City Manager may transfer resources within a category; however, transfers between categories, departments or funds need special approval from the City Council.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local economy The City of Powell is a residential suburb community with only a small portion utilized for commercial or retail activity. Therefore, the City is not reliant on its own commercial base but on the larger, more diversified regional base in the Columbus metropolitan area, which includes Delaware and Franklin counties, for its residents' workplaces. Delaware County's and Franklin County's unemployment rates of 3.8 percent and 4.4 percent, respectively, are lower than both the state's average unemployment rate of 5.6 percent and the national average of 5.2 percent in 2015. This trend has continued for the last two decades.

The United States appears to have stabilized the housing market crisis while it still slowly recovers from the effects of the crisis. According to *HousingPredictor.com*, "The Ohio housing market has seen an increase of 1.7 percent in the past year...it will continue to rise by 2.6 percent from May 2015 to May 2016." Home values are also on the rise throughout the state as a result of the stabilizing economy.

According to *AreaDevelopment.com* Ohio ranked ninth in 2015 as the "Top States for Doing Business." Ohio placed second in the infrastructure/global access category for water outlook and

highway accessibility. Ohio also placed high in the labor climate for a Non-right to work state as well as availability of skilled workers.

In 2015, Delaware County was named the Healthiest County in Ohio by *County Health Rankings & Roadmaps*, and they rank in the top 10 in the country for demographic of 25-38 year-olds making over \$125,000 per year, according to *Columbus 2020*.

The Columbus metropolitan-area is the headquarters for many major corporations including Nationwide Mutual Insurance Company, Limited Brands, American Electric Power Company Inc., Bob Evans Farms, Inc., Huntington Bancshares, Inc., Big Lots, Inc., Abercrombie & Fitch Co., Cardinal Health, Inc., Abbott Nutrition and Battelle Memorial Institute. The area also has branches of many major corporations including JP Morgan Chase & Co., Honda Motor Co., Ltd., Wendy's/Arby's Group, Inc., the United States Government, Worthington Industries and McGraw-Hill.

In 2015, Powell was named as the second best place in Ohio to live by *WalletHub. Business Insider* named Powell as number nine in the top fifty "Best Suburbs in America" in 2014. Powell was listed as number 20 in the best places to live - top-earning towns' category by *CNN Money* in 2013. In December 2011, a survey conducted by *The Business Journals on Numbers* ranked the City of Powell fifth among 955 Midwestern communities for quality of life, placing Powell atop four other Central Ohio communities.

The City of Powell's 'Planning and Zoning Commission' was busy working with new and expanding developments including:

- Reviewing a zoning map amendment and Final Development plan for Len Pivar at Arlington Homes for a development located off of Powell Road and Beech Ridge Drive.
- Reviewing a Final Development plan for Elite Land Title LLC, located on Lincoln Street in the Downtown Business District.
- Reviewing a Final Development plan for a two building office development on 1.05 acres on Lincoln Street in the Downtown Business District.
- Reviewing a Final Development plan for Spectrum Retirement Communities, LLC at Attucks Drive & Liberty Crossing Drive for an assisted living and memory care facility on 4.37 acres.
- Reviewing a Final Development plan for an active adult residential community and 5 acres of commercial development on roughly 39 acres of land at Sawmill Parkway and Seldom Seen Road.

Additionally, in the fall of 2015, the Development Department along with outside professionals and a group of residents completed the City's comprehensive plan. The previous plan had not been updated in over 20 years, this new plan offers a vision for the future of Powell and areas to consider with regards to many different areas, including, annexations, development and traffic. The comprehensive plan can be found on the City's website: www.cityofpowell.us/comprehensive-plan/.

The City formed the Powell Community Improvement Corporation (Powell CIC) in 2010 to assist in the promotion and advancement of the City economic development. Since it was created it has assisted in bringing in multiple businesses to Powell including: Giant Eagle and the Market at Liberty Crossing through a job creation contract and annexation; and TekOrange Limited, AFK Partners LLC, and Stump-Bardash through relocation contracts. The Powell CIC also has been working on their Business Incubator which opened in mid-2011. The Business Incubator is currently being used by Howard Hanna while they work on a new location within the city limits of Powell.

During 2015, Powell City Council accepted the annexations of the 7.226 acres for Spectrum II Retirement Communities, 43.88 acres for the development of Powell Grand, and active older adult community as well as 113.59 acres for Verona which will be developed into a residential subdivision.

Long-term financial planning Providing high-quality municipal services to a community such as Powell, which has a small commercial and office tax base, creates challenges which is why the City Council and staff work continuously on the long-term financial health of the City's budget. The City continues to seek out alternative means to assist in the City's funding mechanisms. Effective January 1, 2006, the City approved a Downtown Tax Increment Financing District to assist in funding capital infrastructure improvements for approximately thirty years. Effective January 1, 2012, the City approved a Sawmill Parkway Commercial Corridor Tax Increment Financing District to also assist in funding capital improvements for approximately thirty years. In November 2012, the City asked the voters to extend a property tax levy for ten-years that was expiring in 2013. The property tax levy will be used for a variety of capital improvements including the extension and connection of Murphy Parkway to Liberty Road, construction began on this project at the end of 2015.

The City maintains a general fund reserve, distinct and separate from its fund balance, to have funds available in case of loss of a revenue stream, unforeseen hazards (disasters) and/ or emergencies. The target amount for the general fund reserve is approximately 17 percent of the current year's general fund personnel and operating expenditures.

The City also maintains a twenty-seventh pay reserve, distinct and separate from its fund balance, to have funds available to pay every eleven to fourteen years when a "twenty-seventh" payday occurs. The City puts aside an amount each year to pay for this unusual occurrence. The City experienced a twenty-seventh payday in calendar year 2014 and it is projected to next occur in calendar year 2025.

In 2015, the City also began a compensated absences reserve, distinct and separate from its fund balance, to have funds available to pay vacation and sick leave payouts upon an employee's retirement from the City. The City employee population has many people nearing the age and eligibility for retirement and this is one way that the City can avoid seeing a large decrease in fund balance as a result of the potential payouts in the next several years.

To ensure that debt capacity is available during emergencies and disasters, the City has limited its debt capacity through its debt policy to 90% of the statutory limit. The City also uses specific revenue sources that are dedicated to the repayment of a particular debt, which gives the City the ability to withstand the collection volatility of general and undesignated revenues sources.

One of the most important activities undertaken each year by the City is the budget process. The quality of the decisions made in the budget process conveys the City's long-range plans and policies for current and future services and programs. The City Council and staff strongly believe in the importance of the budget process that it compiles a budget document based on the GFOA budget award program criteria and submits the budget to the GFOA award program.

Relevant financial policies The City of Powell works yearly to review and modify its financial and financial-related policies. Policies that were adopted or amended during 2015 include: Fiscal Responsibility and Management Policy, Debt Management Policy, Cell Phone Policy, Personnel manual, and the City's Income Tax Code.

The City's union contracts are for a three-year period which were re-negotiated in 2014 and do not expire until 2017.

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

Major initiatives In 2013, the City issued \$4.1 million of the approved \$7.1 million in bonds paid for by a voted property tax. These bonds will pay for capital improvements such as the Murphy Parkway extension/connection; bike path connections; various storm sewer and park feature repairs; street repairs; and engineering of a new park called Seldom Seen. These projects were started during 2014 and are anticipated to be completed in the coming years. The remaining \$3 million of authorized debt was issued as notes in February, 2016.

The City continued working with its residents in maintaining its well-maintained appearance and infrastructure through its mandatory sidewalk repair program, and the annual street maintenance program.

The Development and Finance Committee continued working on the planning and engineering of several projects in the Downtown area that will be funded with the Downtown TIF funds which are targeted to begin after the Murphy Parkway extension/connection is completed.

During 2015, the IT committee engaged an outside firm to conduct an IT audit of the City's system, policies and procedures. The overall outcome of the audit was favorable, and based upon recommendations received by the auditors, the City will implement some new policies and procedures as well as integrate IT training into the annual trainings required for employees. No critical areas were noted during that audit.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded its ninth Certificate of Achievement for Excellence in Financial Reporting to the City of Powell for its comprehensive annual report for the fiscal year ended December 31, 2014.

In order to be awarded a Certificate of Achievement, a government unit 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 will be submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated efforts of the finance department staff. We wish to express our appreciation to members of other City departments who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their support in maintaining the highest standards of professionalism in the management of the City of Powell's finances.

Respectfully submitted,

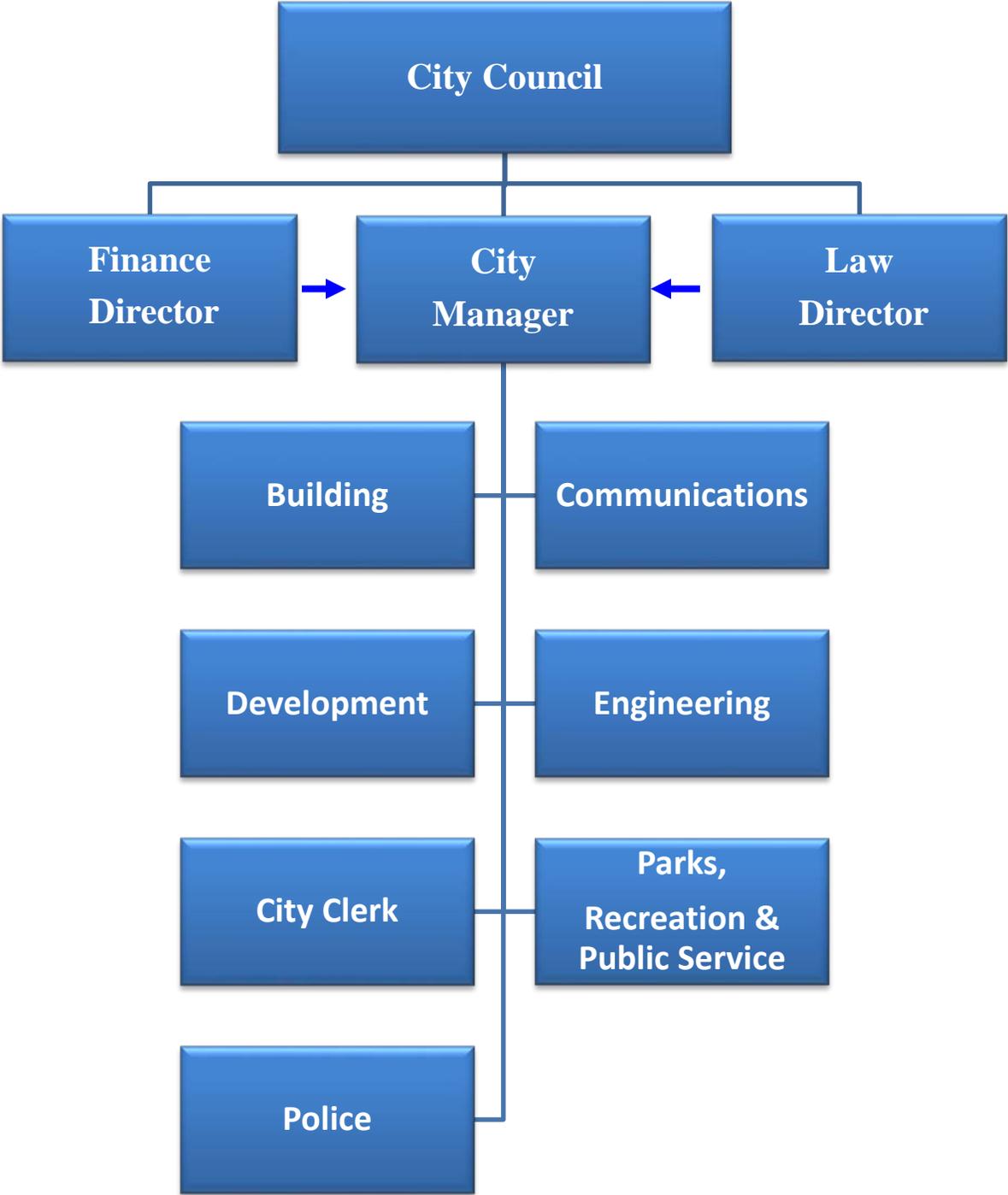


Debra K. Miller
Finance Director
City of Powell



Steve Lutz
City Manager
City of Powell

**CITY OF POWELL, OHIO
ORGANIZATIONAL CHART
DECEMBER 31, 2015**



**CITY OF POWELL, OHIO
BOARDS, COMMISSIONS AND APPOINTMENTS CHART
DECEMBER 31, 2015**



Note: The City of Powell is a member of the Regional Income Tax Agency's (RITA) Council of Governments, the Central Ohio Risk Management Association (CORMA), and the Central Ohio Healthcare Consortium (COHCC). The City Manager and Finance Director represent the City on these boards.

**CITY OF POWELL, OHIO
LIST OF CITY OFFICIALS
DECEMBER 31, 2015**

City Council

Mayor	(term expires 12/31/17)	Jim Hrivnak
Vice Mayor	(term expires 12/31/17)	Brian Lorenz
Council Member	(term expires 12/31/15)	Jon Bennehoof
Council Member	(term expires 12/31/17)	Frank Bertone
Council Member	(term expires 12/31/15)	Richard Cline
Council Member	(term expires 12/31/17)	Tom Counts
Council Member	(term expires 12/31/15)	Mike Crites

City Manager

City Manager	Stephen Lutz
--------------	--------------

Administration

Finance Director	Debra K. Miller
Chief Building Official	Doug Wenzel
City Engineer	Christopher Huber
Council/Planning & Zoning Clerk	Karen Mitchell
Development Director	David Betz
Parks, Recreation & Public Service Director	Jeffrey Snyder
Police Chief	Gary Vest



Government Finance Officers Association

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

Presented to

**City of Powell
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO



Julian & Grube, Inc.

Serving Ohio Local Governments

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

Independent Auditor's Report

City of Powell
Delaware County
47 Hall Street
Powell, Ohio 43065

To the Members of Council and Mayor:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Powell, Delaware County, Ohio, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City of Powell's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Independent Auditor's Report
City of Powell

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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Powell, Delaware County, Ohio, as of December 31, 2015, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 16 to the financial statements, during the year ended December 31, 2015, the City of Powell adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and also *GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No 68*. 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*, required budgetary comparison schedules, and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

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

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

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling the statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Independent Auditor's Report
City of Powell

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 11, 2016, on our consideration of the City of Powell's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Powell's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
April 11, 2016



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City of Powell, Ohio
Management's Discussion and Analysis
(Unaudited)

As management of the City of Powell (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Powell for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at the front of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$21,123,398 (net position).
- The City had a restatement of beginning Net Position as a result of the implementation of GASB Statement No. 68, outlined in Note 16. The net effect of the restatement was a decrease to the beginning net position of \$4,285,369, making the Net Position, January 1, 2015, \$19,750,477.
- The City's total net position increased from the restated beginning Net Position by \$1,372,921 or 7.0%.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$14,155,944, an increase of \$536,619. Approximately, 43.8% of this total amount, \$6,200,593, is available for spending at the City's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$6,827,192 or 102.5% of the total general fund expenditures.
- The City's total long-term net debt decreased by \$2,220,000 (7.5%) from the prior year amount, due to the payments being made against existing debt, and no new debt being issued.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. The statements are organized so the reader can understand the City's financial position. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad view of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Non-financial factors can include changes in the City's property tax base and the condition of the City's capital assets (buildings, streets, etc). These factors must be considered when assessing the overall health of the City.

City of Powell, Ohio
Management's Discussion and Analysis
(Unaudited)

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows for future fiscal periods (i.e., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees or charges (business-type activities). The governmental activities of the City include general government, public service, public safety, community development, and parks and recreation.

The government-wide financial statements can be found on pages **17-19** of this report.

Fund financial statements. 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.

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 the *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements or provide a detailed short-term view of the City's general government operations and the basic services being provided.

Because the focus of governmental funds is narrower than that of 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, readers may better understand the long-term impact of the City's near-term financing 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 of Powell maintains 20 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Street Construction and Maintenance Fund, Debt Service Fund, Voted Capital Improvements Fund, Downtown Public TIF Fund and the Sawmill Corridor TIF Fund all of which are considered major funds. The Special Projects fund is combined into the General Fund for financial reporting, and data from the other 14 governmental funds are combined into a single, aggregated presentation.

Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* in the supplemental section of this report.

Proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City does not have any proprietary funds at this time.

City of Powell, Ohio
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(Unaudited)

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains 8 individual fiduciary funds. Information is presented separately in the fiduciary funds combining statement of fiduciary assets and liabilities and in the combining statement of changes in assets and liabilities for the Unclaimed Funds, Flexible Benefits Fund, Health Reimbursement Account Fund, Board of Building Standards Fund, Development (Engineering) Inspections Fund, Plumbing Inspection Fund, Escrowed Deposits Fund and Fingerprint Processing Fees Fund. The basic fiduciary fund financial statement can be found on page **27** of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages **28-71** of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City. Required supplementary information can be found on pages **72-81** of this report.

The combining statements referred to earlier containing nonmajor governmental funds are presented immediately following the other supplemental information. Combining and individual fund statements and schedules can be found on pages **87-114** of this report.

Government-wide Financial Analysis

The following table provides a summary of the City's net position for 2015 and 2014 (restated).

City of Powell		
Net Position		
	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
		<u>Restated</u>
Current and other assets	\$ 19,217,799	\$ 18,179,762
Capital Assets	37,586,522	38,745,420
Total assets	<u>\$ 56,804,321</u>	<u>\$ 56,925,182</u>
Deferred outflows of resources	<u>\$ 1,553,361</u>	<u>\$ 1,022,701</u>
Long-term liabilities outstanding	\$ 34,192,738	\$ 35,544,439
Other liabilities	849,779	605,119
Total liabilities	<u>\$ 35,042,517</u>	<u>\$ 36,149,558</u>
Deferred inflows of resources	<u>\$ 2,191,767</u>	<u>\$ 2,047,848</u>
Net Position:		
Net investment in capital assets	\$ 26,816,136	\$ 27,337,901
Restricted	4,153,617	3,156,308
Unrestricted	(9,846,355)	(10,743,732)
Total net position	<u>\$ 21,123,398</u>	<u>\$ 19,750,477</u>

City of Powell, Ohio
Management's Discussion and Analysis
(Unaudited)

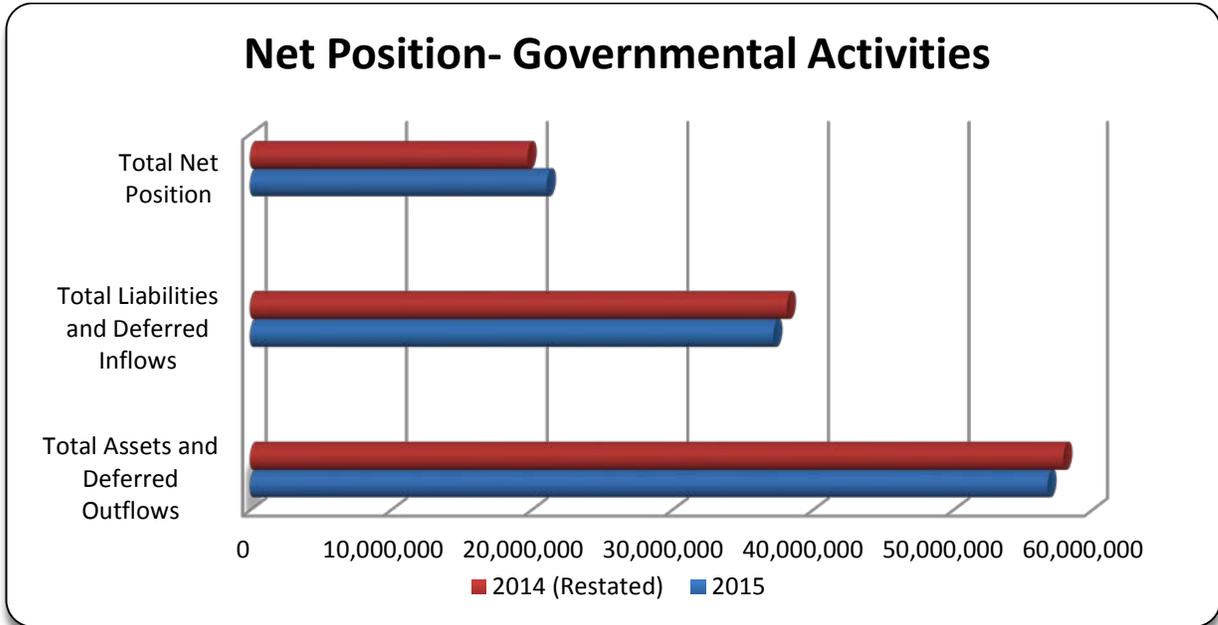
As mentioned previously, net position may serve over time as a useful indicator of a City's financial position. The City's net position is \$21,123,398 at the close of the most recent year.

The City's net position is divided into three parts: net investment in capital assets, restricted and unrestricted. The largest portion of the City's net position (127.0%) reflects its investment in capital assets (i.e. land, buildings, improvements other than buildings, machinery and equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding plus any significant unspent bond proceeds. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities. Any debt not related to acquiring those assets and that is still outstanding is reflected with unrestricted net position.

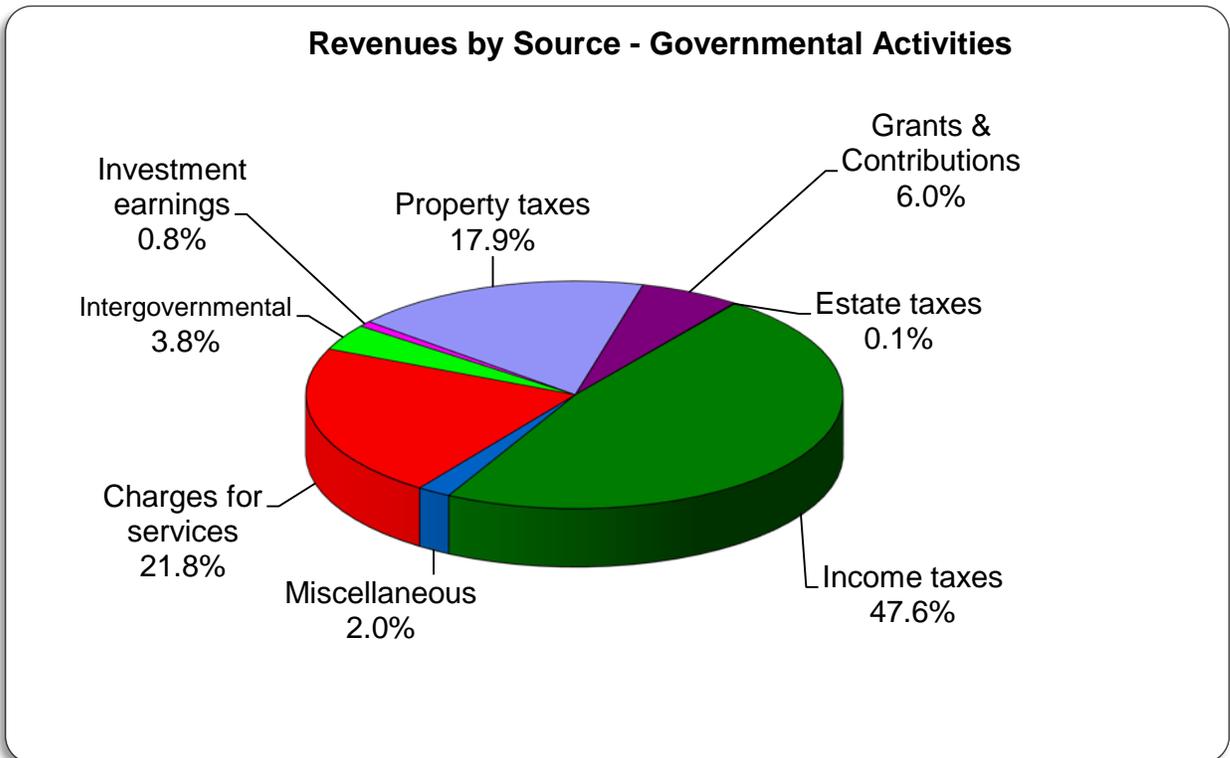
An additional portion of the City's net position (19.7%) represents resources that are subject to restrictions on how they may be used. The remaining portion or balance of unrestricted net position is (\$9,846,355) (-46.7%) which reflects unrestricted resources, including the net pension liability that resulted from the implementation of GASB Statement No. 68, less any debt not related to acquiring capital assets which usually is available to meet the City's on-going obligations to citizens and creditors. The City has issued infrastructure debt that was used to purchase capital assets that are reported by other legal entities. More information about this infrastructure debt can be found in Notes 8 and 12.

At the end of the current fiscal year, the City is able to report a positive balance.

- ❑ The decrease in total assets of \$120,861 (0.2%) was due primarily to the depreciation of capital assets.
- ❑ The decrease in total liabilities of \$1,107,041 (3.1%) was due primarily to the payment and refinancing of existing long-term debt.
- ❑ Net position increased from the restated amount by \$1,372,921 (7.0%)

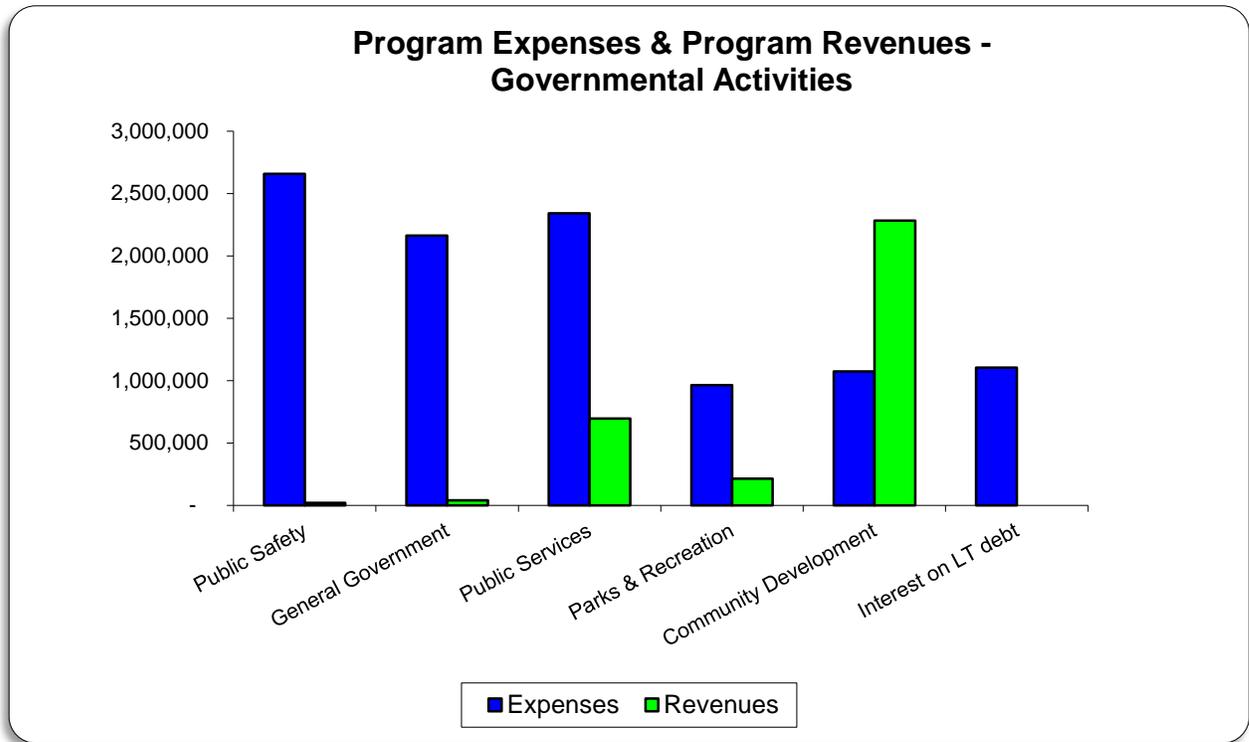


Governmental activities. The following charts illustrate 2015 revenues by source, program expenses and program revenues, and the change in net position for Governmental Activities. Income tax, property tax and charges for services account for 87.3% of the revenues received by the City.



City of Powell, Ohio
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Program expenses for community development, public safety, and public service account for 59.0% of the program expenses in 2015. Program revenues account for 27.9% of the total revenue received by the City.



Governmental activities total revenues increased \$35,124 (0.3%) due to the combination of increased income taxes and decreased capital grants and contributions. Program expenses decreased \$75,095 (0.7%) due to a combination of a large decrease in public service expenses and increases in most other areas, also see the chart below for the analysis of the changes related to the implementation of GASB 68.

The information necessary to restate the 2014 beginning balance and the 2014 pension expense amounts for the effects of the initial implementation of GASB Statement No. 68 is not available. For this reason, we have also presented the January 1, 2014 Net Position as, Not Available. Therefore, 2014 functional expenses still include pension expense of \$472,442 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$507,328. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	<u>Governmental Activities</u>
Total 2015 program expenses under GASB 68	\$10,302,082
Pension expense under GASB 68	(507,328)
2015 contractually required contribution	510,215
Adjusted 2015 program expenses	10,304,969
Total 2014 program expenses under GASB 27	10,377,177
Decrease in program expenses not related to pension	(\$72,208)

City of Powell, Ohio
Management's Discussion and Analysis
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City of Powell Activities		
	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u> (Restated)
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 2,547,357	\$ 2,569,822
Operating grants & contributions	642,545	630,784
Capital grants & contributions	59,202	675,012
<i>General Revenues:</i>		
Income taxes	5,561,386	4,904,132
Property taxes	2,095,337	2,060,181
Intergovernmental (unrestricted)	433,728	425,952
Estate taxes	7,814	-
Investment earnings	92,655	85,236
Other miscellaneous revenues	234,979	288,760
Total revenues	<u>11,675,003</u>	<u>11,639,879</u>
Expenses:		
Public safety	2,657,872	2,507,080
General government	2,162,996	1,972,267
Public services	2,341,430	2,853,698
Parks and recreation	964,346	983,404
Community development	1,072,634	1,030,777
Interest on long-term debt	1,102,804	1,029,951
Total expenses	<u>10,302,082</u>	<u>10,377,177</u>
Increase (decrease) in net position	1,372,921	1,262,702
Net position----January 1 st	19,750,477	N/A
Net position----December 31 st	<u>\$ 21,123,398</u>	<u>\$ 19,750,477</u>

During 2015, the City adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

Under the new standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

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

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

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

In accordance with GASB 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows. This implementation also had the effect of restating net position at December 31, 2014, from \$24,035,846 to \$19,750,477 for governmental activities.

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting.

Financial Analysis of 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 assessing the City's financing requirements. In particular, *unassigned fund balances* may serve as a useful measure of a City's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$14,155,944, an increase of \$536,619 (4.0%) over the prior year.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$6,827,192, while total fund balance was \$8,130,541.

City of Powell, Ohio
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The City's general fund increased its fund balance by \$378,847. The key factors in this increase are as follows:

- ❑ A substantial increase in income tax collections over the prior fiscal year.
- ❑ Higher interest income along with one-time estate tax revenue.
- ❑ Offset expenditure increase of \$225,126 (3.5%) by revenues increasing \$501,419 (7.5%).

The City's street construction and maintenance fund increased its fund balance by \$490,955, during the fiscal year. The increase is due to the majority of the street maintenance program was paid from bond funds, thus allowing the fund balance to accumulate for future years when other funding mechanisms are not available.

The City's debt service fund increased its fund balance by \$75,077, during the fiscal year. The increase is largely due to the planning and management of the 2013 bond issuance to result in a shorter repayment schedule while keeping the residents' taxes level, as well as a bond refunding that occurred in December, resulting in some residual cash.

The City's voted capital improvements fund decreased its fund balance by \$766,316, during the current fiscal year. This decrease is due to continuing work on some of the capital improvement projects that are being funded by the bond issuance that occurred in 2013.

The City's Downtown Public TIF Fund increased its fund balance by \$278,830, during the current fiscal year. This increase is due to collections continuing to come in and no significant projects occurring during 2015.

The City's Sawmill Corridor TIF Fund decreased its fund balance by \$73,109, during the current fiscal year. This decrease is due to a partial repayment of the advance that was made in 2014 to fund some significant capital improvements.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental activities as of December 31, 2015, amounts to \$37,586,522 net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and construction in progress. The total decrease in the City's investment in capital assets for the current fiscal year was \$1,158,898 (3.0%).

Construction-in-progress infrastructure projects included: Murphy Parkway engineering, Downtown turn-lanes, two traffic signals and the Park at Seldom Seen planning and engineering.

Additional information on the City's capital assets can be found in note 5 on pages **48-49** of this report.

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$27,530,000. This debt is backed by the full faith and credit of the City. The City does not have any revenue bonds.

During the current fiscal year, the City's total bonded debt decreased by \$2,220,000 or 7.5%, which was the result of the City making their annual debt payments and reducing principal in the refinancing of the 2006 and 2008 bonds.

City of Powell, Ohio
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(Unaudited)

The City is within all of its legal debt limitations. The Ohio Revised Code provides that the net debt (as defined in the Ohio Revised Code) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of the property. The statutory limitations on debt are measured by the ratio of net debt to tax valuation and expressed in terms of a percentage. The current debt limitation for the City is \$52,583,007 which is greater than the City's outstanding general obligation debt.

The last few years, the City's debt ratings have changed multiple times. In 2013, the Standard and Poor's rating was increased to "AAA" for general obligation debt. The Standard and Poor's rating had last changed in 2008 when it increased to "AA+". The City has an "Aa1" rating from Moody's for general obligation debt. The Moody's rating had last changed in 2011 when it increased from an "Aa2". All ratings remained unchanged with the refunding issue that occurred in December, 2015.

Additional information on the City's long-term debt can be found in note 8 on pages **50-55** of this report.

General Fund Budgetary Highlights

Ordinance #2014-59 appropriated \$7,408,429 for the original 2015 general fund budget which included \$75,000 for contingencies and \$30,000 for adding to the General Fund Reserve. This amount does not include \$428,272 in prior-year encumbrances that were carried over. The total original budget is \$7,836,701. The budget had multiple amendments that increased the budget by \$97,878; this increase was mostly caused by the need for a temporary worker in the Building department, additional personnel services costs associated to the retirement of the City Clerk and higher than anticipated overtime in the Police Department; additionally, there were some increases as a result of some higher dollar CORMA insurance claims that occurred throughout the year. The budget also was decreased by \$109,184 due to the lapse of prior year encumbrances. The total revised budget is \$7,825,395.

The final budget and the actual results for the general fund varied favorably by \$1,222,666 before adding to the City's General Fund Reserve. This favorable variance is due to significant favorable variations in income taxes and licenses and permits, with small favorable variances in nearly all other revenue areas, and favorable variances in all of the expense categories.

Economic Factors and Next Year's Budgets and Rates

- ❑ The unemployment rate for Delaware County is currently 3.8%, which is an increase from a rate of 3.1% a year ago, but still one of the lowest rates in the last decade. This compares favorably to the state's average unemployment rate of 5.6% and the national average rate of 5.2%.
- ❑ The personal income per capita for Powell area is \$126,752. This compares favorably to the state's personal income per capita of \$42,236 and the national average rate of \$46,049.
- ❑ The State of Ohio legislation has passed a state-wide revision of the municipal income tax laws based on the concept of uniformity, which will go into effect over the next several years. Parts of the law went into effect for tax year 2015 with the many more coming into play for tax year 2016.
- ❑ For the last seven years, the City hasn't had any significant capital improvements. However, with the passage of the 2012 levy, which enabled the city to issue debt in 2013.

City of Powell, Ohio
Management's Discussion and Analysis
(Unaudited)

The planning and construction of those capital improvements began in 2014 and will be completed in the next few years.

- The City usually projects a decrease in development related revenues such as residential and commercial building permits as the availability of open land is consumed. However, the City has annexed some large parcels that are in the process of being developed which will increase our development related revenues in the short-term.

All of these factors were considered in preparing the City's Budget for the 2016 fiscal year and projecting for the 2017, 2018 and 2019 fiscal years.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 47 Hall Street, Powell, Ohio, 43065-8357. This report is also available on the City's website at www.cityofpowell.us.



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City of Powell, Ohio
Statement of Net Position
December 31, 2015

	<u>Primary Government</u>	<u>Component Unit</u>
	Governmental Activities	City of Powell Community Improvement Corporation
Assets:		
Cash, cash equivalents and investments	\$ 14,350,133	\$ -
Cash, cash equivalents in segregated accounts	-	82,568
Receivables (net of allowances)	4,745,611	35,815
Prepaid Items	86,088	-
Inventories	35,967	-
Donated assets held for resale	-	708
Capital assets:		
Land	4,023,159	-
Construction in progress	927,461	-
Other capital assets, net of accumulated depreciation	<u>32,635,902</u>	<u>-</u>
Total assets	<u>56,804,321</u>	<u>119,091</u>
Deferred Outflows of Resources:		
Deferred amount on refunding	811,199	-
Pension	<u>742,162</u>	<u>-</u>
Total deferred outflows of resources	<u>1,553,361</u>	<u>-</u>
Liabilities:		
Accounts payable	57,911	35,815
Accrued wages and benefits	49,042	-
Due to other governments	34,225	-
Contracts payable	630,727	-
Retainage payable	11,342	-
Accrued interest payable	66,532	-
Refundable deposits	-	2,500
Long-term liabilities:		
Due within one year		
Accrued vacation and sick leave	151,634	-
Bonds payable	2,155,000	-
Due in more than one year		
Accrued vacation and sick leave	263,216	-
Bonds payable	26,626,943	-
Net pension liability	<u>4,995,945</u>	<u>-</u>
Total liabilities	<u>35,042,517</u>	<u>38,315</u>
Deferred Inflows of Resources:		
Property and other local taxes	2,163,068	-
Pension	<u>28,699</u>	<u>-</u>
Total deferred inflows of resources	<u>2,191,767</u>	<u>-</u>
Net Position:		
Net investment in capital assets	26,816,136	-
Restricted for:		
Street maintenance	2,006,703	-
Debt service	155,322	-
Capital projects	1,768,626	-
Parks and recreation	171,352	-
Public safety	51,614	-
Unrestricted	<u>(9,846,355)</u>	<u>80,776</u>
Total net position	<u>\$ 21,123,398</u>	<u>\$ 80,776</u>

See accompanying notes to the basic financial statements.

City of Powell, Ohio
Statement of Activities
For the Year Ended December 31, 2015

	Program Revenues			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
Public safety	\$ 2,657,872	\$ 18,475	\$ -	\$ -
General government	2,162,996	15,255	25,673	-
Public services	2,341,430	18,848	616,872	59,202
Parks and recreation	964,346	213,593	-	-
Community development	1,072,634	2,281,186	-	-
Interest and fiscal charges	1,102,804	-	-	-
Total governmental activities	\$ 10,302,082	\$ 2,547,357	\$ 642,545	\$ 59,202
Component Unit				
City of Powell Community Improvement Corporation	\$ 36,941	\$ -	\$ 36,210	\$ -

General Revenues:
Property and other local taxes:
Income taxes
Property taxes
Unrestricted intergovernmental:
Estate taxes
Other intergovernmental
Unrestricted investment earnings
Miscellaneous
Total general revenues

Change in net position

Net position, beginning of year, restated
Net position, end of year

See accompanying notes to the basic financial statements.

Net (Expense)
Revenue and Changes
in Net Position

Primary Government	Component Unit
Governmental Activities	City of Powell Community Improvement Corporation
\$ (2,639,397)	\$ -
(2,122,068)	-
(1,646,508)	-
(750,753)	-
1,208,552	-
(1,102,804)	-
<u>(7,052,978)</u>	<u>-</u>
<u>-</u>	<u>(731)</u>
5,561,386	-
2,095,337	-
7,814	-
433,728	-
92,655	-
234,979	28,654
<u>8,425,899</u>	<u>28,654</u>
1,372,921	27,923
19,750,477	52,853
<u>\$ 21,123,398</u>	<u>\$ 80,776</u>

City of Powell, Ohio
Balance Sheet
Governmental Funds
December 31, 2015

	General Fund	Street Construction and Maintenance Fund	Debt Service Fund	Voted Capital Improvements Fund
Assets:				
Cash, cash equivalents and investments	\$ 7,117,542	\$ 1,659,181	\$ 348,477	\$ 2,833,076
Receivables (net of allowances)	2,591,809	290,819	1,364,906	1,315
Due from other funds	175,000	-	-	-
Prepaid Items	86,082	6	-	-
Inventories	-	35,967	-	-
Advanced to other funds	500,000	-	-	-
Total assets	<u>\$ 10,470,433</u>	<u>\$ 1,985,973</u>	<u>\$ 1,713,383</u>	<u>\$ 2,834,391</u>
Liabilities:				
Accounts payable	\$ 50,989	\$ 6,900	\$ -	\$ -
Accrued wages and benefits	48,831	-	-	-
Due to other governments	33,943	-	-	-
Due to other funds	-	-	-	-
Accrued vacation and sick leave	23,260	-	-	-
Contracts payable	-	28,723	-	599,074
Retainage payable	-	3,171	-	5,771
Advances from other funds	-	-	-	-
Total liabilities	<u>157,023</u>	<u>38,794</u>	<u>-</u>	<u>604,845</u>
Deferred Inflows of Resources:				
Property and other local taxes	538,677	-	1,167,766	-
Unavailable revenue	1,644,192	239,303	172,949	-
Total deferred inflows of resources	<u>2,182,869</u>	<u>239,303</u>	<u>1,340,715</u>	<u>-</u>
Fund Balances:				
Nonspendable:				
Prepays	86,082	6	-	-
Inventories	-	35,967	-	-
Advances	500,000	-	-	-
Restricted	-	1,671,903	372,668	2,229,546
Committed	73,173	-	-	-
Assigned	644,094	-	-	-
Unassigned	6,827,192	-	-	-
Total fund balances	<u>8,130,541</u>	<u>1,707,876</u>	<u>372,668</u>	<u>2,229,546</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,470,433</u>	<u>\$ 1,985,973</u>	<u>\$ 1,713,383</u>	<u>\$ 2,834,391</u>

See accompanying notes to the basic financial statements.

Downtown Public TIF Fund	Sawmill Corridor TIF Fund	Other Governmental Funds	Total Governmental Funds
\$ 1,460,844	\$ 50,801	\$ 880,212	\$ 14,350,133
305,906	169,045	21,811	4,745,611
-	-	-	175,000
-	-	-	86,088
-	-	-	35,967
-	-	-	500,000
<u>\$ 1,766,750</u>	<u>\$ 219,846</u>	<u>\$ 902,023</u>	<u>\$ 19,892,799</u>
\$ -	\$ -	\$ 22	\$ 57,911
-	-	211	49,042
-	-	282	34,225
-	175,000	-	175,000
-	-	-	23,260
-	-	2,930	630,727
-	2,400	-	11,342
-	500,000	-	500,000
<u>-</u>	<u>677,400</u>	<u>3,445</u>	<u>1,481,507</u>
287,580	169,045	-	2,163,068
18,326	-	17,510	2,092,280
<u>305,906</u>	<u>169,045</u>	<u>17,510</u>	<u>4,255,348</u>
-	-	-	86,088
-	-	-	35,967
-	-	-	500,000
1,460,844	-	548,393	6,283,354
-	-	332,675	405,848
-	-	-	644,094
-	(626,599)	-	6,200,593
<u>1,460,844</u>	<u>(626,599)</u>	<u>881,068</u>	<u>14,155,944</u>
<u>\$ 1,766,750</u>	<u>\$ 219,846</u>	<u>\$ 902,023</u>	<u>\$ 19,892,799</u>



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City of Powell, Ohio
 Reconciliation of the Balance Sheet to the Statement
 of Net Position - Governmental Funds
 December 31, 2015

Total Governmental Fund Balances \$ 14,155,944

Amounts reported for governmental activities in the statement of net position are different due to the following:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 37,586,522

Other long-term assets are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the funds.

Property taxes	16,335	
Income taxes	1,431,177	
Intergovernmental revenues	596,560	
Licenses and permits	27,165	
Charges for services	8,630	
Insurance claims	12,413	
		2,092,280

Long-Term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:

Interest Payable	(66,532)	
Accrued vacation and sick leave	(391,590)	
Unamortized deferred amount on refunding	811,199	
Bonds payable, net	(27,530,000)	
Premium on bonds, net	(1,251,943)	
		(28,428,866)

The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:

Deferred Outflows - Pension	742,162	
Deferred Inflows - Pension	(28,699)	
Net Pension Liability	(4,995,945)	
		(4,282,482)

Net Position of Governmental Activities \$ 21,123,398

See accompanying notes to the basic financial statements.

City of Powell, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	General Fund	Street Construction and Maintenance Fund	Debt Service Fund	Voted Capital Improvements Fund
Revenues:				
Taxes:				
Property	\$ 540,502	\$ -	\$ 1,171,244	\$ -
Income	5,462,810	-	-	-
Intergovernmental:				
Estate	7,814	-	-	-
Motor Fuel	-	367,809	-	-
Other Intergovernmental	272,547	202,828	156,369	-
Licenses and permits	775,761	-	-	-
Charges for services	44,558	-	-	-
Fines and forfeitures	4,065	-	-	-
Development charges	-	-	1,600,270	-
Investment earnings	79,120	6,080	-	5,933
Miscellaneous	28,229	6,160	-	-
Total revenues	<u>7,215,406</u>	<u>582,877</u>	<u>2,927,883</u>	<u>5,933</u>
Expenditures:				
Current:				
Public safety	2,505,182	-	-	-
General government	2,003,658	-	16,428	-
Public services	637,306	91,922	-	-
Parks and recreation	423,077	-	-	-
Community development	1,091,174	-	-	-
Debt service:				
Principal	-	-	2,000,000	-
Interest	-	-	1,043,781	-
Issuance costs	-	-	139,601	-
Capital outlay:				
Capital outlay	-	-	-	772,249
Total expenditures	<u>6,660,397</u>	<u>91,922</u>	<u>3,199,810</u>	<u>772,249</u>
Excess (deficiency) of revenues over (under) expenditures	555,009	490,955	(271,927)	(766,316)
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	17,244	-	-	-
Issuance of bonds	-	-	5,600,000	-
Premium on bonds	-	-	743,949	-
Insurance claims	24,094	-	-	-
Payment to refunded bond escrow agent	-	-	(6,199,445)	-
Transfers in	-	-	202,500	-
Transfers out	(217,500)	-	-	-
Total other financing sources (uses)	<u>(176,162)</u>	<u>-</u>	<u>347,004</u>	<u>-</u>
Net change in fund balances	378,847	490,955	75,077	(766,316)
Fund balance at beginning of year	7,751,694	1,216,921	297,591	2,995,862
Fund balance at end of year	<u>\$ 8,130,541</u>	<u>\$ 1,707,876</u>	<u>\$ 372,668</u>	<u>\$ 2,229,546</u>

See accompanying notes to the basic financial statements.

Downtown Public TIF Fund	Sawmill Corridor TIF Fund	Other Governmental Funds	Total Governmental Funds
\$ 281,193	\$ 101,087	\$ -	\$ 2,094,026
-	-	-	5,462,810
-	-	-	7,814
-	-	29,822	397,631
19,661	-	11,864	663,269
-	-	-	775,761
-	-	212,868	257,426
-	-	1,145	5,210
-	-	58,365	1,658,635
-	-	1,522	92,655
-	-	5,870	40,259
<u>300,854</u>	<u>101,087</u>	<u>321,456</u>	<u>11,455,496</u>
-	-	5,382	2,510,564
3,841	-	-	2,023,927
-	1,124	5,640	735,992
-	-	167,138	590,215
-	-	-	1,091,174
-	-	-	2,000,000
-	-	-	1,043,781
-	-	-	139,601
<u>18,183</u>	<u>173,072</u>	<u>5,961</u>	<u>969,465</u>
<u>22,024</u>	<u>174,196</u>	<u>184,121</u>	<u>11,104,719</u>
278,830	(73,109)	137,335	350,777
-	-	-	17,244
-	-	-	5,600,000
-	-	-	743,949
-	-	-	24,094
-	-	-	(6,199,445)
-	-	15,000	217,500
-	-	-	(217,500)
<u>-</u>	<u>-</u>	<u>15,000</u>	<u>185,842</u>
278,830	(73,109)	152,335	536,619
<u>1,182,014</u>	<u>(553,490)</u>	<u>728,733</u>	<u>13,619,325</u>
<u>\$ 1,460,844</u>	<u>\$ (626,599)</u>	<u>\$ 881,068</u>	<u>\$ 14,155,944</u>

City of Powell, 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, 2015

Net Change in Fund Balances - Total Governmental Funds \$ 536,619

Amounts reported for governmental activities in the statement of activities are different due to the following:

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.

	Capital outlays	428,224	
	Depreciation expense	(1,562,431)	
	Net effect of capital assets sales and disposals	<u>(24,691)</u>	(1,158,898)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 118,967

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 510,215

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. (507,328)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

	Issuance of debt	(5,600,000)	
	Premium on issuance of debt	(743,949)	
	Repayment of debt	2,000,000	
	Payment to escrow agent	<u>6,199,445</u>	1,855,496

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.

	Accrued vacation and sick leave	(62,728)	
	Interest payable	20,450	
	Amortization of deferred amount on refunding	(50,951)	
	Amortization of premium	<u>111,079</u>	17,850

Change in Net Position of Governmental Activities \$ 1,372,921

See accompanying notes to the basic financial statements.

City of Powell, Ohio
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
December 31, 2015

	<u>Agency Funds</u>
Assets	
Cash and investments	\$ 817,128
Total assets	<u>\$ 817,128</u>
Liabilities	
Due to others	\$ 817,128
Total liabilities	<u>\$ 817,128</u>

See accompanying notes to the basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Powell (City) is a home-rule, municipal corporation under the laws of the State of Ohio. The City of Powell was established as a village in 1947 and was incorporated as a city in 2001. The City operates under a Council-Manager form of government and provides the following services: police protection, parks and recreation, street maintenance and repair as well as, staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers.

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government is the City of Powell and consists of all funds, departments, boards, and agencies that are not legally separate from the City.

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 may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. This description complies with the provisions of the Government Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*", as amended by (GASB) Statement No. 39, "*Determining Whether Certain Organizations Are Component Units*" and (GASB) Statement No. 61, "*The Financial Reporting Entity: Omnibus*".

In 2015, there was one component unit of the City, the Powell Community Improvement Corporation. The Powell Community Improvement Corporation (CIC) is governed by a 3-member board. For financial purposes, the CIC is reported as if it were part of the City's operations because its purpose is to assist the City in advancing, encouraging and promoting the industrial, commercial, distribution and research development within the City, and the City is able to significantly influence the programs or services performed or provided by the organization. While the CIC receives some revenues from rental income, the majority of their financial resources are provided by the City. The CIC is discretely presented with additional information in Note 13. Complete financial statements for the CIC may be obtained from the City's Finance department.

The City participates in two jointly governed organizations, the Liberty Community Infrastructure Financing Authority and the Powell Community Infrastructure Financing Authority. These organizations are presented in Notes 12A and 12B, respectively, to the basic financial statements.

The accompanying basic financial statements include all the organizations, activities and functions in which the City (the primary government) exercises financial accountability.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-wide and fund financial statements

Beginning January 1, 2003, the City changed its financial reporting to comply with GASB Statement No. 34, "*Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*" and beginning January 1, 2010, the City included GASB Statement No. 62, "*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*."

Basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The basic financial statements report information on all of the non-fiduciary activities of the primary government.

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.

In February 2015, the GASB issued Statement No. 72, "*Fair Value Measurement and Application*." This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. The City has not determined the effects, if any, GASB No. 72 will have on its financial statements.

In June 2015, the GASB issued Statement No. 73, "*Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*." The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. The requirements of this Statement that address accounting and financial reporting by employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68 are effective for financial statements for fiscal years beginning after June 15, 2016, and the requirements of this Statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for fiscal years beginning after June 15, 2015. The City has not determined the effects, if any, GASB No. 73 will have on its financial statements.

In June 2015, the GASB issued Statement No. 74, "*Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*." The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits of OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent*

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Multiple-Employer Plans. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*. This Statement is effective for financial statements for fiscal years beginning after June 15, 2016. The City has not determined the effects, if any, on its financial statements.

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.* The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. This Statement is effective for financial statements for fiscal years beginning after June 15, 2017. The City has not determined the effects, if any, on its financial statements.

In June 2015, the GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.* The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. The City has not determined the effects, if any, on its financial statements.

In August 2015, the GASB issued Statement No. 77, *Tax Abatement Disclosures.* Although many governments offer tax abatements and provide information to the public about them, they do not always provide the information necessary to assess how tax abatements affect their financial position and results of operations, including their ability to raise resources in the future. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. The City has not determined the effects, if any, on its financial statements.

In December 2015, the GASB issued Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans.* The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

pension plans and to state or local governmental employers whose employees are provided with such pensions. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. The City has not determined the effects, if any, on its financial statements.

In December 2015, the GASB issued Statement No. 79, "*Certain External Investment Pools and Pool Participants*." This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. The City has not determined the effects, if any, on its financial statements.

C. Measurement focus and basis of accounting

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The accounts of the City are organized on the basis of funds where each is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and deferred outflows of resources, liabilities and deferred inflows of resources, fund equity, revenues and expenditures (expenses), as appropriate. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The basis of accounting refers to when revenues and expenditures (expenses) are recognized in the accounts of the financial statements and relates to the timing of the measurement focus.

The government-wide financial statements are prepared using a flow of economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized only as they become susceptible to accrual or measurable and available. Because of differences in circumstances and because of the flexibility of this criteria, the timing of revenue recognition for a given revenue source may vary considerably among governments. The City considers all revenues reported in the

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

governmental funds to be available if the revenues are collected within thirty-one days after year-end. Expenditures are recorded when the related fund liability is incurred, for principal and interest on long-term debt, and claims and judgments, and compensated absences, which are recognized as expenditures when matured.

Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources. Current assets and deferred outflows of resources and current liabilities and deferred inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects 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 separate reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the fund financial statements for governmental 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. The City currently does not have trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for various fees charged by the City and remitted to other government agencies and for deposits held pending compliance with established requirements.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from income taxes is recognized in the year in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the year in which all 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 reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Amounts reported as program revenues include: charges to customers or applicants for goods, services, or privileges provided, operating grants and contributions, and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include taxes and all revenues that don't qualify as program revenue.

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there was an enforceable legal claim at December 31, 2015, but were levied to finance 2016 operations, have been recorded as deferred inflows of resources. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred inflows of

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

resources. On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred inflows of resources.

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 purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

The State of Ohio requires all governmental funds to have a legally adopted annual budget. The following are the City's major governmental funds:

General Fund - The General Fund accounts 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.

Special Revenue – Street Construction and Maintenance Fund – The Street Construction and Maintenance Fund accounts for ninety-two and one-half percent of the state gasoline tax and motor vehicle registration fees and its uses are restricted by the State of Ohio statute. Services related to the maintenance and reconstruction of City streets are allowed, as are those services related to clean, clear and repair streets, street lights and traffic signals.

Debt Service Fund – The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general obligation long-term debt principal, interest and related costs.

Capital Projects – Downtown TIF Public Improvements Fund – The Downtown TIF Fund accounts for the activity related to the public improvements and renovations in a designated section of downtown funded by tax increment financing.

Capital Projects – Sawmill Corridor Community Improvement TIF Fund – The Sawmill Corridor Community Improvement TIF Fund accounts for the activity related to capital improvements in a designated section of Sawmill Parkway funded by tax increment financing.

Capital Projects – Voted Capital Improvements Fund – The Voted Capital Improvements Fund accounts for the activity related to a bond issuance done to fund capital improvements that were voted on and approved by the residents in November of 2012 to replace an existing issue that expired in 2013.

Additionally, the City has the other following governmental funds:

Other special revenue governmental funds of the City account for grants and other resources whose use is restricted for a particular purpose as specified by City ordinance or federal and state statutes. The City has the following nonmajor special revenue funds: State Highway Improvement, Parks and Recreation Programming, Park and Recreation (Development), Enforcement and Education (D.U.I.), Board of Pharmacy,

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Law Enforcement, Veteran's Memorial, Powell's Golden Days (Festival), Law Enforcement Assistant Training, and the Police Canine Support Fund.

Other capital project governmental funds of the City account for financial resources used for acquisition or construction of major capital facilities. The City has the following nonmajor capital project funds: Village Development and Improvement, Murphy Parkway (Construction), and the Olentangy/Liberty Street Intersection.

The City has the following non-governmental or fiduciary funds:

Fiduciary funds of the City account for financial resources held for others. The City has the following nonmajor fiduciary funds: Unclaimed Funds, Flexible Benefit Plan, Health Reimbursement Account, Board of Building Standards, Development (Engineering) Inspections, Plumbing Inspection, Escrowed Deposits, and Fingerprint Processing.

D. Assets, liabilities, and net position and equity

1. Deposits and Investments

City funds are pooled and invested to improve cash management. The City's cash and cash equivalents are considered to be cash on hand and demand deposits. Individual fund integrity is maintained through City records.

The City is authorized by Ordinance to invest in notes, bonds or other obligations of the United States or of any agency or instrumentality thereof, including repurchase agreements secured by such obligations, as well as the State Treasury Asset Reserve of Ohio (STAROhio), STAR Plus and certificate of deposits. STAROhio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the Securities Exchange Commission (SEC) as an investment company, but does operate in a manner similar to Rule 2a-7 of the Investment Company Act of 1940. Interest earnings are allocated to City funds according to State statutes and City ordinances.

STAR Plus is a federally insured cash account powered by the Federally Insured Cash Account (FICA) program. STAR Plus enables political subdivisions to generate a competitive yield on cash deposits in a network of carefully-selected FDIC-insured banks via a single, convenient account. STAR Plus offers attractive yields with no market or credit risk, weekly liquidity and penalty free withdrawals. All deposits with STAR Plus have full FDIC insurance, with no term commitment on deposits. As of December 31, 2015 the Net Annual Percentage Yield (APY) for STAR Plus was .21%

Investments for the City are reported at fair value as in accordance with GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31st. The STAROhio reported value is the same as the fair value of the pool shares.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” for the current portion of the Interfund activity or “advances to/from other funds” for the non-current portion of the Interfund activity.

Property tax

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the City. Real property tax revenues received in 2015 represent the collection of 2014 taxes. Real property taxes received in 2015 were levied after October 1, 2014, on the assessed values as of January 1, 2014, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in 2015 represent the collection of 2014 taxes. Public utility real and tangible personal property taxes received in 2015 became a lien on December 31, 2014, were levied after October 1, 2014, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The Delaware County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City of Powell. The County Auditor periodically remits to the City its portion of the taxes collected.

Accrued property taxes receivable represents real property and public utility property taxes which were measurable as of December 31, 2015, and for which there was an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2015 operations.

Collectible delinquent real property taxes have been recorded as a receivable and revenue on the full accrual basis. On the modified accrual basis, the entire receivable is deferred.

The full tax rate for all City operations for the year ended December 31, 2015, was \$3.80 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2015 property tax receipts were based are as follows:

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Category	Amount
Real Property	
Agricultural/Residential	\$451,105,520
Commercial/Industrial	49,676,000
Public Utility Property	
Real	9,020
Total Assessed Value	\$500,790,540

Income tax

The City levies and collects an income tax of .75 percent based on all income earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of .25 percent of the tax paid to another municipality, not to exceed the amount paid to other municipalities. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. All income tax revenue is credited to the General Fund.

The Regional Income Tax Agency (R.I.T.A.) provides services to collect income tax for over 250 municipalities in Ohio, including the City of Powell. Each member municipality appoints its own delegate to the Regional Council of Governments which oversees R.I.T.A. There are over 900 municipalities in Ohio.

3. Inventory

Inventory is presented at cost on a first-in, first-out (FIFO) basis. The costs of government fund-types inventories are recorded as expenditures when consumed rather than when purchased. Inventory consists of salt used on roadways during winter.

4. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2015, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

5. Capital Assets

All of the City's capital assets are general capital assets generally resulting from expenditures in the governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net position but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The City maintains a capitalization threshold of five thousand dollars (\$5,000). Improvements are capitalized. The

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

All capital assets, except for land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives 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	Estimated Lives
Land Improvements	20-60 years
Buildings	50 years
Equipment	5-10 years
Vehicles	3-10 years
Streets	15-45 years
Storm Sewers	50 years

6. Capital Contributions

Capital contributions arise from outside contributions of capital assets.

7. 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 the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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 City policies or by union contracts. The City records a liability for accumulated unused sick leave for all employees with ten or more 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 fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

8. Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities on the government-wide financial statements. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest rate method. Bonds payable are reported net of the applicable unamortized bond premium or discount. Net pension liability is also included in the long-term obligations and recalculated on an annual basis.

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. However, claims and judgments, compensated absences and net pension liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

9. Pensions

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

10. Interfund Transactions

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

11. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent 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 outflow of resources are reported on the government-wide statement of net position for pension and a deferred amount on refunding of bonds. The deferred outflows of resources related to pension are explained in Note 14.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In addition to liabilities, the statement of financial position will report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property and other local taxes, unavailable revenues and pension. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and 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, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position (See Note 14).

12. 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 management and are either unusual in nature or infrequent in occurrence. The City had no extraordinary or special items in 2015.

13. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles 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.

14. Fund Balance Restrictions

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is “bound to honor constraints on the specific purposes for which amounts in the fund can be spent” in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The five fund classifications are as follows:

Non-spendable – The non-spendable classification includes amounts that cannot be spent because they are not in a spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” includes items that are not expected to be converted to cash.

Restricted – 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 are imposed by law through constitutional provisions.

Committed – The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the City Council.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (resolution) 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 use in satisfying those contractual requirements.

Assigned – Amounts in the assigned 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 and has an intended use established by City Council. In the General Fund assigned amounts represent intended uses established by City Council (i.e., carryover encumbrances and future General Fund appropriations).

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report the deficit fund balance resulting from overspending for specific purposes for which amounts have been restricted, committed, or assigned.

The City first applies restricted resources when an expenditure is 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 can be used.

15. Net Position

Net position represents the difference between asset and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for recreation, various police department grants, and special events including the Powell Festival. The City's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available. As of December 31, 2015, net position restricted by enabling legislation was \$0, as defined by GASB Statement No. 46, *Net Assets Restricted by Enabling Legislation*.

E. Budget Process

All funds, except agency funds, are required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations ordinance is City Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by City Council. For all funds, council appropriations are made to the fund, department, and category level (object – personal services) for each fund.

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

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

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Cash and Cash Equivalents

State statutes classify monies held by the City into three categories: active, inactive and interim.

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

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

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City's policy is that any financial institution located within the State of Ohio is an institution which is eligible to become a public depository for active deposits. All deposits, except for deposits held by fiscal and escrow agents or trustees,

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

are collateralized with eligible securities in amounts equal to at least 105% of the total amount of all public moneys on deposit with the institutions.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Finance Director by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. Such collateral, as permitted by Chapter 135 of the ORC is held with the qualified trustee approved by the Finance Director.

At December 31, 2015, the carrying value of the City's cash deposits was \$4,703,875, of which \$1,136,626 was non-negotiable certificates of deposit. Cash balances per the banks were \$4,847,874. \$2,412,729 of the City's deposits was insured by Federal depository insurance, which includes \$1,019,673 held in a STAR Plus account. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, as of December 31, 2015, \$2,435,145 of the City's bank balance was exposed to custodial risk as follows:

Uninsured and collateral held by the pledging financial institutions agents not in the City's name	\$2,435,145
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Interest revenue credited to the General Fund during 2015 was \$79,120, which includes \$41,281 assigned from other funds not entitled to earn interest per Ohio statute.

B. Investment Policies

The City follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. At December 31, 2015 fair value was \$107,091 below the City's net cost for its investments. At December 31, 2014 fair value was \$117,575 below the City's net cost. Fair value is determined by quoted market prices and acceptable other pricing methodologies.

The City pools its cash, except for that held by trustees, and fiscal and escrow agents, for maximum investing efficiency. Interest earnings are allocated to City funds according to State statutes and City ordinances. In management's opinion, all statutory requirements were met in distributing earnings of the pool to various funds.

City Council Resolution 2014-24 provides the City with its authorized investment instruments, which do not include derivatives. The City does invest in STAROhio, an investment pool managed by the State Treasurer's office that allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the Securities Exchange Commission (SEC) as an investment company, but does operate in a manner similar to Rule 2a-7 of the Investment Company Act of 1940. Since, 1995 STAROhio has Standard and Poor's highest rating of AAAM. Investments in STAROhio are valued at STAROhio's share price that is the price the investment could be sold for on December 31, 2015. The annualized yield at December 31st was 0.30% with an overnight yield of 0.30%. Management of STAROhio states that its policy also prohibits investing in derivatives and/or engaging in the use of reverse repurchase agreements. Average days to maturity of the STAROhio portfolio at December 31, 2015 were 49.4 days.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

The City also invests in STAR Plus, a federally insured cash account powered by the Federally Insured Cash Account (FICA) program. STAR Plus enables political subdivisions to generate a competitive yield on cash deposits in a network of carefully-selected FDIC-insured banks via a single, convenient account. STAR Plus offers attractive yields with no market or credit risk, weekly liquidity and penalty free withdrawals. All deposits with STAR Plus have full FDIC insurance, with no term commitment on deposits. As of December 31, 2015 the Net Annual Percentage Yield (APY) for STAR Plus was .21%

The City is prohibited from using reverse repurchase agreements and does not leverage its investment portfolio in any manner. The City purchases their investments through financial institutions. Each financial institution must acknowledge in writing, their comprehension and receipt of the City policies. 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 Finance Director or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

The City's investment policy and practices have consistently protected the portfolio from unnecessary credit risk (safety) and market risks (liquidity) while providing a competitive yield. Average days to maturity of the City's investments at December 31, 2015 were 672.48 days or 1.87 years. The StarOhio balances which is excluded from the aforementioned average days to maturity calculation, has an average days to maturity of 49.4 days.

Investments permitted by City policy are:

1. United States Treasury bills, notes, bonds, 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 (excluding investments in stripped principal or interest obligations);
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 Association, Government Home Loan Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Interim deposits in authorized depositories provided these deposits are properly insured or collateralized. These interim deposits include but are not limited to: certificates of deposit, CDARS®, and savings accounts.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

4. Bonds and other obligations of this state; or other subdivisions of the state (such as municipalities and school districts) that are rated at the time of purchase in the double-A category or higher as established by one of the nationally recognized standard rating services.

Both the Finance Director and Assistant Finance Director have attended the required training offered by the Treasurer of State's office to allow for investments in this category.

5. No-load money market mutual funds consisting exclusively of obligations described 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; and
6. The Ohio subdivision's funds, include but are not limited to, STAR Ohio and STAR Plus.
7. The City may also invest up to 40% of interim moneys in the following:
 - a. Commercial paper notes issued by an entity that has assets exceeding \$500 million and:
 - (a) Are rated at the time of purchase by at least two nationally recognized standard rating services.
 - (b) The aggregate value of notes does not exceed 10% of the aggregate value of the outstanding commercial paper of the issuing corporations.
 - (c) The notes mature not later than 270 days after purchase.
 - (d) The investment in commercial paper notes of a single issuer shall not exceed in the aggregate five percent of interim monies available for investment at the time of purchase.

- b. Bankers acceptance of banks that are insured by the Federal Deposit Insurance Corporation (FDIC) and:

- (a) The obligations are eligible for purchase by the Federal Reserve System.
 - (b) The obligations mature not later than 180 days after purchase.

Both the Finance Director and Assistant Finance Director have attended the required training offered by the Auditor of State's office to allow for investments in this category. The type and amount of additional training shall be approved by the Auditor of the State of Ohio and may be conducted by or provided by the supervision of the Auditor of the State of Ohio.

8. Written repurchase agreements with eligible financial institutions and dealers not to exceed 30 days with the market value of the collateral securities exceeding the principal of 2% (subject to daily mark-to-market). All securities purchased pursuant to this section shall be delivered into the custody of the Finance Director or City Council.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

C. Investments

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy generally limits investment portfolio maturities to five years or less.

Concentration Credit Risk. As a means of limiting its exposure to losses arising from an issuer or other party not fulfilling its obligation, the City's investment policy has included portfolio diversifications limits by instrument and financial institution.

At year-end, the City had the following investments and maturities as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>			
		<u>12 months or less</u>	<u>13 to 24 months</u>	<u>25 to 36 months</u>	<u>37 to 60 months</u>
State of Ohio Bonds	\$ 1,293,283	\$ 1,293,283	\$ -	\$ -	\$ -
Federal Home Loan Mtg.	994,200	-	500,150	-	494,050
Federal National Mtg Assoc.	1,000,070	-	500,145	499,925	-
Federal Farm CR Bks	700,007	-	-	-	700,007
Ohio Subdivisions	676,713	501,815	-	-	174,898
Negotiable CDs	3,723,661	1,597,129	817,518	497,607	811,407
Money Market Mutual Funds	1,661,126	1,661,126	-	-	-
StarOhio	414,326	414,326	-	-	-
Total investments	<u>\$ 10,463,386</u>	<u>\$ 5,467,679</u>	<u>\$ 1,817,813</u>	<u>\$ 997,532</u>	<u>\$ 2,180,362</u>

Credit Risk. The City's investments in U.S. government securities can include: U.S. Treasury Bills, Notes, and Bonds. Federal agency securities can include: Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corp. (FHLMC), Federal Home Loan Bank (FHLB), Student Loan Marketing Association (SLMA), Government National Mortgage Association (GNMA), and Tennessee Valley Authority (TVA). The investments in FHLMC, FFCB and FNMA above were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Service, respectively. Moody's has rated the Ohio State Building Authority investment, Ohio State infrastructure investments and the Ohio State Cultural & Sports Cap Fac Bonds with an Aa2 while Standard and Poor's has rated it AA. The Ohio State Common SCHS and Ohio State GO Bonds are rated Aa1 by Moody's and AA+ by Standard and Poor's. The Ohio subdivision bonds for the City of Cincinnati were rated AA3 by Moody's and A+ by Standard and Poor's; the Village of Obetz Bonds are not rated. STAROhio has Standard and Poor's rating of AAAM. The Money Market Mutual Funds are unrated.

In management's opinion, all of the City's cash deposits and investments comply with State statutes, City ordinances and resolutions, and applicable bond indentures.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

D. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments to the Statement of Net Position as of December 31, 2015.

Investments (summarized above)	\$10,463,386
Certificate of deposits	1,136,626
Carry amount of the City's deposits	<u>3,567,249</u>
Total	<u>\$ 15,167,261</u>
Cash and Investments:	
Governmental Activities -	\$ 14,350,133
Governmental funds	
Agency funds	<u>817,128</u>
Total	<u>\$ 15,167,261</u>

NOTE 3 – RECEIVABLES

Receivables as of year-end for the City consisted of accounts; accrued interest; intergovernmental receivables arising from grants, entitlements, and shared revenues; municipal income taxes; other local taxes; and property taxes. All receivables are considered collectible in full within one year, except for assessments for sidewalks, which are due over the next five years.

	GOVERNMENTAL MAJOR FUNDS						Nonmajor	
	General	Street Const.	Debt Service	Voted Cap. Imp.	Downtown TIF	Sawmill TIF	Governmental Funds	Governmental Total
Receivables:								
Interest	\$ 40,385	\$ 5,004	\$ -	\$ 1,315	\$ -	\$ -	\$ 899	\$ 47,603
Taxes	2,314,242	-	1,202,366	-	288,726	169,045	-	3,974,379
Intergovernmental	175,000	285,815	162,540	-	17,180	-	20,912	661,447
Other	62,182	-	-	-	-	-	-	62,182
Total receivables	<u>\$ 2,591,809</u>	<u>\$ 290,819</u>	<u>\$ 1,364,906</u>	<u>\$ 1,315</u>	<u>\$ 305,906</u>	<u>\$ 169,045</u>	<u>\$ 21,811</u>	<u>\$ 4,745,611</u>

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has nonexchange revenue transactions where a receivable has been recorded because property taxes were levied, but the resources cannot be used until a future period. This item has been

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 3 – RECEIVABLES (continued)

reported as deferred inflow on the government-wide statement of net position. On the modified accrual basis of accounting, the City has recorded certain receivables where the related revenue is unavailable. Deferred inflows have been reported on the governmental fund balance sheet for the following:

	GOVERNMENTAL MAJOR FUNDS						Nonmajor	Governmental
	<u>General</u>	<u>Street Const.</u>	<u>Debt Service</u>	<u>Voted Cap. Imp.</u>	<u>Downtown TIF</u>	<u>Sawmill TIF</u>	<u>Funds</u>	<u>Total</u>
Deferred Inflows:								
Property & Other Local								
Taxes	\$ 538,677	\$ -	\$ 1,167,766	\$ -	\$ 287,580	\$ 169,045	\$ -	\$ 2,163,068
Other (Unavailable Portion)	1,644,192	239,303	172,949	-	18,326	-	17,510	2,092,280
Total deferred inflows	<u>\$ 2,182,869</u>	<u>\$ 239,303</u>	<u>\$ 1,340,715</u>	<u>\$ -</u>	<u>\$ 305,906</u>	<u>\$ 169,045</u>	<u>\$ 17,510</u>	<u>\$ 4,255,348</u>

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City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 4- FUND BALANCE

Fund balance is classified as non-spendable, 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 governmental funds.

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

Fund Balance	General	Street Const.	Debt Service	Voted Capital Improvement	Downtown TIF	Sawmill TIF	Other Governmental Funds	Total Governmental Funds
Nonspendable for:								
Prepaid items	\$ 86,082	\$ 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 86,088
Inventories	-	35,967	-	-	-	-	-	35,967
Advances	500,000	-	-	-	-	-	-	500,000
Total Nonspendable	586,082	35,973	-	-	-	-	-	622,055
Restricted for:								
Debt Service	-	-	372,668	-	-	-	-	372,668
Capital Outlays	-	-	-	2,229,546	1,460,844	-	26,600	3,716,990
Street Maintenance	-	1,671,903	-	-	-	-	298,827	1,970,730
Parks and recreation	-	-	-	-	-	-	171,352	171,352
Public Safety	-	-	-	-	-	-	51,614	51,614
Other	-	-	-	-	-	-	-	-
Total Restricted	-	1,671,903	372,668	2,229,546	1,460,844	-	548,393	6,283,354
Committed for:								
CORMA	32,662	-	-	-	-	-	-	32,662
27th Payroll	14,051	-	-	-	-	-	-	14,051
Compensated Absences	26,460	-	-	-	-	-	-	26,460
Parks and recreation	-	-	-	-	-	-	86,065	86,065
Capital Outlays	-	-	-	-	-	-	246,610	246,610
Total Committed	73,173	-	-	-	-	-	332,675	405,848
Assigned for:								
Capital Outlays	-	-	-	-	-	-	-	-
Unpaid Obligations	253,675	-	-	-	-	-	-	253,675
Future Appropriations	390,419	-	-	-	-	-	-	390,419
Total Assigned	644,094	-	-	-	-	-	-	644,094
Unassigned	6,827,192	-	-	-	-	(626,599)	-	6,200,593
Total Fund Balance	\$8,130,541	\$1,707,876	\$372,668	\$ 2,229,546	\$1,460,844	\$(626,599)	\$ 881,068	\$14,155,944

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015, was as follows:

	Balance 12/31/2014	Additions	Reductions	Transfer	Balance 12/31/2015
Governmental Activities:					
Nondepreciable Capital Assets					
Land	\$ 4,023,159	\$ -	\$ -	\$ -	\$ 4,023,159
Construction in Progress	747,260	180,201	-	-	927,461
Total Nondepreciable Capital Assets	<u>4,770,419</u>	<u>180,201</u>	<u>-</u>	<u>-</u>	<u>4,950,620</u>
Depreciable Capital Assets					
Land Improvements:					
Land Improvements	8,825,998	-	-	-	8,825,998
Bike Paths	1,484,228	-	-	-	1,484,228
Buildings	6,334,190	-	-	-	6,334,190
Equipment	730,737	45,704	(153,646)	-	622,795
Vehicles	1,223,422	143,117	(82,673)	-	1,283,866
Streets	20,178,717	59,202	-	-	20,237,919
Storm Sewer	15,675,521	-	-	-	15,675,521
Total Depreciable Capital Assets	<u>54,452,813</u>	<u>248,023</u>	<u>(236,319)</u>	<u>-</u>	<u>54,464,517</u>
Less Accumulated Depreciation for:					
Land Improvements:					
Land Improvements	(4,094,727)	(453,587)	-	-	(4,548,314)
Bike Paths	(368,582)	(24,736)	-	-	(393,318)
Buildings	(1,271,875)	(126,682)	-	-	(1,398,557)
Equipment	(540,823)	(46,205)	128,955	-	(458,073)
Vehicles	(761,132)	(146,944)	82,673	-	(825,403)
Streets	(8,626,012)	(450,766)	-	-	(9,076,778)
Storm Sewer	(4,814,661)	(313,511)	-	-	(5,128,172)
Total Accumulated Depreciation	<u>(20,477,812)</u>	<u>(1,562,431)</u>	<u>211,628</u>	<u>-</u>	<u>(21,828,615)</u>
Total Depreciable Capital Assets, Net	<u>33,975,001</u>	<u>(1,314,408)</u>	<u>(24,691)</u>	<u>-</u>	<u>32,635,902</u>
Governmental Activities Capital Assets, Net	<u>\$ 38,745,420</u>	<u>\$ (1,134,207)</u>	<u>\$ (24,691)</u>	<u>\$ -</u>	<u>\$ 37,586,522</u>

The City accepted contributions of capital assets for governmental activities with a fair value of \$59,202 during 2015.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 5 – CAPITAL ASSETS (continued)

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Public Safety	\$145,168
General Government	144,469
Public Services	885,936
Parks and Recreation	384,808
Community Development	2,050
Total Depreciation Expense - Governmental Activities	\$1,562,431

NOTE 6 – INTERFUND TRANSACTIONS

During 2015, the General Fund made transfers to the Debt Service Fund in the amount of \$202,500, to move funds to debt service funds as debt payments came due and to the Parks and Recreation Programming fund in the amount of \$15,000 to assist with funding the pre-planning of the 2016 Powell Festival.

In 2014, the General Fund advanced \$850,000 to the Sawmill Corridor TIF Fund which will be paid back over the course of several years as the funds begin to be generated from the TIF area. During 2015, \$175,000 was repaid to the General Fund, leaving a remaining balance as of December 31, 2015 of \$675,000. The City anticipates repayment of \$175,000 during 2016.

NOTE 7 – CONTRACTUAL COMMITMENTS

At December 31, 2015, the City had contractual commitments as follows:

Company	Contract Amount	Amount Remaining on Contract
Strawser Paving Co., Inc	\$2,004,387	\$2,004,387
Strawser Paving Co., Inc	\$727,665	\$727,665
EMH&T Inc.	\$175,000	\$171,969
Burgess & Niple, Ltd.	\$44,000	\$44,000
EMH&T Inc.	\$286,594	\$34,424

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by all funds on a budgetary basis of accounting. On the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities. Outstanding encumbrances, net of related payables, in the governmental funds at December 31, 2015 were as follows:

	General Fund	Street Const.	Voted Capital Imp. Fund	Downtown TIF	Sawmill TIF Fund	Other Governmental Funds	Total
Encumbrances, net of related payables	<u>\$ 247,884</u>	<u>\$73,862</u>	<u>\$2,127,745</u>	<u>\$123,100</u>	<u>\$5,881</u>	<u>\$116,692</u>	<u>\$2,695,164</u>

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 8 – LONG TERM LIABILITIES

Bonds payable in the Statement of Net Position are comprised of the following:

Bonds payable outstanding at December 31, 2015	\$ 27,530,000
Unamortized premium on bonds	<u>1,251,943</u>
Total	<u>\$ 28,781,943</u>

A. General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City issues general obligation bonds and notes to provide funds for acquisition and construction of major capital equipment, infrastructure and facilities.

All general obligation bonds are supported by the full faith and credit of the City of Powell and are payable from unvoted property tax revenues to the extent that other resources are not available to meet annual principal and interest expenditures.

Police Facility Construction 2006

In 2006, the City issued \$2,750,000 in capital improvement and construction bonds. The bond issue summary is as follows:

- ◆ \$2,750,000 of bonds, dated April 25, 2006 and maturing December 1, 2025, were issued for the purpose of constructing, improving, furnishing and equipping a police facility with related facilities and site improvements and acquiring the necessary real estate.
- ◆ In 2015, the City advance refunded \$1,480,000 of the remaining \$1,615,000 that was outstanding on these bonds. The City will continue to pay the remaining portion of the original bond as scheduled, through 2016.

Golf Village 2008

In 2008, the City issued \$6,900,000 in general obligation bonds to retire an outstanding bond anticipation note issued to purchase certain assets (none will be owned by the City of Powell) from the Liberty Community Infrastructure Financing Authority. The Bond issuance cost incurred and related premium on the issuance were \$91,700 and \$122,796, respectively. The bond issue summary is as follows:

- ◆ \$6,900,000 of bonds, dated April 24, 2008 and maturing December 1, 2030 were issued for the purpose of acquiring streets, utility lines, drainage facilities and other public infrastructure improvements.
- ◆ In 2015, the City advance refunded \$4,340,000 of the remaining \$5,145,000 that was outstanding on these bonds. The City will continue to pay the remaining portion of the original bond as scheduled, through 2018.

Refunding Issue 2010

In 2010, the City issued \$3,155,000 in general obligation bonds to retire two outstanding general obligation bonds issued in 1997 and 1999. The Bond issuance cost incurred and related premium on the issuance were \$ 73,946 and \$179,225, respectively. The bond issue summary is as follows:

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 8 – LONG TERM LIABILITIES (continued)

- ◆ \$3,155,000 of bonds, dated June 1, 2010 and maturing December 1, 2020 were issued for the purpose of currently refunding (a) a portion of the City's Various Purpose General Obligation Bonds, Series 1997-A, dated July 1, 1997; and (b) a portion of the City's Road Improvement Bonds, Series 1999, dated February 1, 1999.

Refunding Issue 2011

In 2011, the City issued \$9,015,000 in general obligation bonds, to advance refund outstanding general obligation Golf Village bonds issued in 2002. The Bond, a portion of the issuance cost incurred and related premium on the issuance were \$144,996 and \$398,033, respectively. The bond issue summary is as follows:

- ◆ \$9,015,000 of bonds, with serial bonds dated December 1, 2012 and maturing December 1, 2023; and term bonds dated December 1, 2026, 2029 and 2032; were issued for the purpose of advance refunding a portion of the Golf Village Various Purpose Refunding Bonds, Series 2002, dated October 15, 2002.

The Bonds maturing after December 1, 2021 are subject to redemption at the option of the City, either in whole, or in part, in such order of maturity as the City shall determine, on any date on or after December 1, 2021, at a redemption price equal to 100 percent of the principal amount redeemed plus, accrued interest to the date fixed for redemption.

The Bonds maturing on December 1, 2026, 2029 and 2032 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount redeemed plus interest accrued to the redemption date on December 1 for the specified years.

Infrastructure Acquisition Bonds 2012

In 2012, the City issued \$9,915,000 in limited-tax general obligation bonds for the purpose of (i) financing \$6,785,000 public infrastructure improvements for LCIFA, and (ii) \$3,130,000 public infrastructure improvements for PCIFA. These capital assets are reported by these legally separate entities, thus; this debt is accounted for in the unrestricted net position component calculation of the City's net position in the "Statement of Net Position."

Issuance Costs and the related discount were \$194,825 and \$79,617, respectively. The Bond issue summary is as follows:

- ◆ \$9,915,000 of bonds with serial bonds dated December 1, 2013 through December 1, 2022; and term bonds dated December 1, 2024, 2027, 2030, 2032, 2034 and 2036; were issued for the purpose of (i) acquiring various public infrastructure improvements from the PCIFA, and (ii) acquiring various public infrastructure improvements from the LCIFA.

The Bonds maturing after December 1, 2021 are subject to redemption at the option of the City, either in whole, or in part, in such order of maturity as the City shall determine, or any date on or after June 1, 2022, at a

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 8 – LONG TERM LIABILITIES (continued)

redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

The Bonds maturing on December 1, 2024, 2027, 2030, 2032, 2034, and 2036 are subject to mandatory sinking fund redemption prior to stated maturity.

The City has designated these Bonds as “qualified tax exempt obligations” within the meaning of Section 265 (b)(3) of the Ohio Revised Code.

Municipal Facilities Construction and Improvement Bonds 2013

In 2013, the City issued \$4,100,000 in voted general obligation bonds for the purpose of constructing, improving, and repairing City infrastructure, bike paths and parks. The Bond issuance cost incurred and related premium on the issuance were \$90,144 and \$279,631, respectively. The bond issue summary is as follows:

- ◆ \$4,100,000 in bonds, dated October 3, 2013 maturing December 1, 2020 were issued for the purpose of constructing, improving, and repairing streets, roads, sewer and other related infrastructure improvements; constructing, improving, and repairing municipal parks, bike paths, and other park-related infrastructure; constructing, improving, and repairing the City’s Public Service Facility, with related site improvements and appurtenances thereto; and constructing and improving general municipal improvements.

Refunding Issue 2015

In 2015, the City issued \$5,600,000 in general obligation bonds for the purpose of advance refunding portions of the following outstanding issues: (1) \$2,750,000 Police Facility Improvement and Construction Bonds, dated May 18, 2006, and (2) \$6,900,000 LCIFA Golf Village Various Purpose Bonds, dated April, 24, 2008. Issuance costs and the related premium on the issuance were \$139,600 and \$743,949, respectively. The refunding of these issues will save the City at least \$548,903 over the remaining life of the bonds. The bond issue summary is as follows:

- ◆ \$5,600,000 of bonds maturing from December 1, 2016 through December 1, 2029, inclusive. The Bonds maturing after December 1, 2025 are subject to redemption at the option of the City, either in whole or in part, in such order of maturity as the City shall determine, on any date on or after December 1, 2025, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

The City has designated the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 8 – LONG TERM LIABILITIES (continued)

B. Compensated Absences

The criterion for determining vacation and sick leave benefits is derived from negotiated agreements and State laws.

City employees earn vacation at varying rates depending on length of service. Current policy credits vacation leave on the employee's anniversary date. Employees are paid for 100 percent of accumulated unused vacation leave upon termination.

Sick leave is earned at a rate of four and six-tenths hours for every eighty hours worked. Full-time employees with more than ten years of public service under the applicable retirement system, who retire from the City, are entitled to receive one-fourth of the value of their accumulated unused sick leave up to a maximum payment of two hundred sixty hours.

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. These funds include the General Fund and the Parks and Recreation Programming special revenue fund. As of December 31, 2015, the compensated absences payable is \$414,850. The short-term liability, or \$151,634 which is due within one year, is the estimated cost to the City for 2016 sick and vacation usage.

C. Changes in Long-term Liabilities

The following is a summary of the City's future annual debt service requirements for general obligation bonds:

<u>Year</u>	<u>General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$2,155,000	\$927,770
2017	1,895,000	854,921
2018	1,750,000	792,221
2019	1,685,000	742,171
2020	1,630,000	703,821
2021-2025	5,860,000	2,902,921
2026-2030	6,415,000	1,798,244
2031-2035	5,195,000	652,963
2036	945,000	32,130
	\$27,530,000	\$9,407,162

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 8 – LONG TERM LIABILITIES (continued)

The City's long-term obligations activity for the year ended December 31, 2015 was as follows:

<u>General Obligation Bonds</u>	<u>Balance 12/31/14</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/15</u>	<u>Due Within One Year</u>
Police Facility 2006 Interest Rate: 4 – 4.3% (Original Amount \$2,750,000)	\$1,745,000	\$0	\$1,610,000	\$135,000	\$135,000
Golf Village 2008 Interest Rate: 3 – 4.2% (Original Amount \$6,900,000)	5,395,000	0	4,590,000	805,000	260,000
Refinanced 1997A & 1999 Interest Rate: 2.00% (Original Amount \$3,155,000)	1,430,000	0	365,000	1,065,000	370,000
Refinanced Golf Village 2002 Interest Rate: 2 -- 5.0% (Original Amount \$9,015,000)	8,345,000	0	300,000	8,045,000	325,000
Powell CIFA Notes 2012 Interest Rate: 1.90 -- 2.05% (Original Amount \$3,130,000)	2,935,000	0	105,000	2,830,000	105,000
Liberty CIFA Developer Bonds 2012 Interest Rate: 1.90 -- 2.05% (Original Amount \$6,785,000)	6,495,000	0	150,000	6,345,000	140,000
Municipal Facilities Const/Imp Bonds 2013 Interest Rate: 2.00—5.00% (Original Amount \$4,100,000)	3,405,000	0	700,000	2,705,000	710,000
Refinanced 2006 Police Facility Bonds Interest Rate: 2.00—4.00% (Original Amount \$1,425,000)	0	1,425,000	0	1,425,000	80,000
Refinanced Golf Village 2008 Interest Rate: 2.00—4.00% (Original Amount \$4,175,000)	0	4,175,000	0	4,175,000	30,000
Total General Obligation Bonds	29,750,000	5,600,000	7,820,000	27,530,000	2,155,000
<u>Other Long-Term Obligations</u>					
Compensated Absences Payable	328,862	202,441	116,453	414,850	151,634
Net Pension Liability					
OPERS	1,566,237	261,817	226,897	1,601,157	0
OP&FP	3,191,575	477,458	274,245	3,394,788	0
Total Net Pension Liability	4,757,812	739,275	501,142	4,995,945	0
Total Other Long-Term Obligations	5,086,674	941,716	617,595	5,410,795	151,634
Total Long-Term Obligations	\$34,836,674	\$6,541,716	\$8,437,595	\$32,940,795	\$2,306,634

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 8 – LONG TERM LIABILITIES (continued)

D. Operating Leases

The City leases a postage machine and occasionally other equipment under noncancelable operating leases. Total costs for such leases were \$1,608 for the year ended December 31, 2015. The future minimum lease payments for these leases are as follows:

<u>Year ending</u>	<u>Amount</u>
December 31, 2016	1,320
December 31, 2017	1,320
December 31, 2018	<u>1,210</u>
Total	<u>\$3,850</u>

E. Conduit Debt

The City has not been a party of conduit debt.

NOTE 9 – 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. Effective February 1, 2010, the City joined the Central Ohio Risk Management Association (CORMA) self-insurance pool. The plan year begins October 1 and runs through September 30 each year.

The Association purchases specific excess insurance for amounts and limits above their internal risk level coverage. CORMA was formed pursuant to Ohio Revised Code (ORC) Section 2744.081. Members consist of cities of Upper Arlington, Westerville, Pickerington, Dublin, Grove City, Groveport, Canal Winchester and Powell. This Board establishes its own budget, hires and fires personnel and determines annual rates for its members. Membership in CORMA enables the City to take advantage of any economies to be realized from an insurance pool with other cities and also provides the City with more control over claims than what is normally available with traditional insurance coverage.

CORMA is managed by the Board of Trustees which is comprised of two representatives from each member city. Wichert Insurance, a third-party administrator, provides claims services while all lines of coverage are reinsured with multiple A-rated carriers. The additional information on CORMA can be attained at: 1200 Graham Road, Cuyahoga Falls, Ohio 44224.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 9 – RISK MANAGEMENT (continued)

Type of Coverage	Coverage	Deductible
General Liability		
Occurrence	\$1,000,000	\$0
Aggregate	2,000,000	0
Pool Retention	100,000	0
Public Official or Employment Practices Liability		
Occurrence	1,000,000	0
Aggregate	1,000,000	0
Pool Retention	100,000	0
Umbrella		
Limit	15,000,000	0
Aggregate	20,000,000	0
Pool Retention	615,600	0
Law Enforcement Liability		
Occurrence	1,000,000	0
Aggregate	1,000,000	0
Pool Retention	100,000	0
Automobile Liability		
Occurrence	1,000,000	0
Pool Retention	100,000	0
Property		
Per statement of values		Various
Pool	430,228,288	
City	14,817,780	
Pool Retention	25,000	

Other smaller types of coverage include: equipment, electronic/media equipment, crime, cyber crime, boiler and machinery and terrorism. No insurance settlement has exceeded insurance coverage during the past 5 years, with either the previous or the current provider.

Changes in the balances of claims liabilities during the two most recent fiscal years are as follows:

	2015	2014
	General Liability	General Liability
Unpaid claims – January 1	\$ 0	\$ 0
Incurred claims	37,506	4,896
Payment of claims	20,981	4,896
Unpaid claims – December 31	\$ 16,525	\$ 0

NOTE 10 – CONTINGENT LIABILITIES

A. Litigation

On March 25, 2016, the United States District Court for the Southern District of Ohio ruled in favor of the plaintiff on its due process claim that the Charter Amendment approved by the voters of the City of Powell on November 4, 2014 contains an unlawful delegation of

NOTE 10 – CONTINGENT LIABILITIES (continued)

legislative power and on its state constitutional claim. The Court determined that the plaintiff is entitled to permanent injunctive relief and invalidated the Charter Amendment in its entirety. Damages at this time remain unknown, however the plaintiff is seeking compensatory and punitive damages. Further, the plaintiff will be entitled to legal fees which are likely to be substantial, however are not determinable at this time.

In addition, the City is a defendant in lawsuits pertaining to matters, which are incidental to performing routine government functions. City management is in the opinion that ultimate settlements of such claims will not result in a material adverse effect on the City's financial position as of December 31, 2015.

B. Federal and State Grants

For the period January 1, 2015 to December 31, 2015, the City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. 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 disallowances, if any, would be immaterial.

NOTE 11 - INSURANCE POOLS

Workers' Compensation Group Rating- The City is a participant in the Ohio Municipal League (OML) Workers' Compensation Group Rating Program (Program), an insurance purchasing pool for workers' compensation. The Program is intended to (1) manage workers' compensation costs to potentially achieve a lower workers' compensation rate for participants, (2) foster safer working environments, and (3) foster cost-effective claims management skills in the area of workers' compensation.

The Program term is September 1 through August 31. The term is automatically renewed for each subsequent year unless the participant provides written notice to the Group Administrator of its intent to non-renew at least sixty (60) days prior to the renewal date. Each participant also agrees that OAPT has the right to remove any participant or rescind the Program invitation for any group rating year by providing written notice to the participant. The Ohio Bureau of Workers' Compensation group rating year is January 1 to December 31 as it relates to payroll reporting and premium payment.

The OML was established to serve the interests of Ohio municipal government. The OML represents the collective interest of Ohio cities and villages before the Ohio General Assembly and the state elected and administrative offices. The Workers' Compensation Group Rating Pool was established in 1991 as the result of a state law change, this program offers members of the League who qualify for and join the pool an opportunity to reduce their annual workers comp premiums. In addition the members receive assistance with claims administration from the plan administrator. The OML Group Rating Program is administered by Comp Management, Inc., the leading third party administration (TPA) in Ohio.

Central Ohio Health Care Consortium- On January 1, 2013, the City joined the Central Ohio Health Care Consortium (COHCC), a risk-sharing pool, which provides employee health care benefits for all full-time employees who wish to participate in the employer sponsored health plan. The COHCC consists of ten political subdivisions, including; Obetz, Canal Winchester, Granville, New Albany, Gahanna, Grove City, Worthington, Washington Courthouse, Madison Township and Powell. These entities pool risk for basic medical, hospital, surgical and

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 11 - INSURANCE POOLS (continued)

prescription drug coverage. The City pays monthly contributions to the COHCC, which are used to cover claims and administrative costs, purchase excess loss insurance for the COHCC and establish adequate reserves. Each members' contribution rate is established based on the number of employees enrolled in the plan and the prior loss experience of the respective member group. In total, the members' contributions represent 110 percent of the projected consortium costs to allow for adequate funding to establish and maintain an excess reserve for future operational needs.

The COHCC entered into an agreement with an independent plan supervisor to oversee the day to day operations of the COHCC, such as administration and approval of submitted claims, the payment of operating expenses incurred by the COHCC and preparation of a monthly activity report which is presented to the Board. The COHCC has also entered into an agreement for individual and aggregate excess loss coverage with a commercial insurance carrier. The individual excess loss coverage has been structured to indemnify the COHCC for medical claims paid for an individual in excess of \$200,000 with an unlimited individual lifetime maximum. In the event that the losses of the COHCC in any year exceeds amounts paid to the COHCC, together with all stop-loss, reinsurance and other coverage then in effect, then the payment of all uncovered losses shall revert to and be the sole obligation of the political subdivision against which the claim was made. No such loss has occurred in the past five years. In the event that an entity should withdraw from the plan, the withdrawing member is required to either reimburse the COHCC for claims paid on its behalf or the member must pay the claims directly.

The funds held by the COHCC are maintained in a bank trust account established for the sole purpose and benefit of the COHCC operations. Financial information for the COHCC can be obtained from Ms. Debra Miller, Treasurer of the COHCC, 47 Hall Street, Powell, Ohio 43065.

NOTE 12 - JOINTLY GOVERNED ORGANIZATIONS

A. Liberty Community Infrastructure Financing Authority

The Liberty Community Infrastructure Financing Authority, Delaware County, Ohio (Financing Authority) is a jointly governed organization created according to Chapter 349 of the Ohio Revised Code. The Financing Authority was established to encourage the orderly development of a well planned, diversified, and economically sound community; to encourage initiative and participation of private enterprise in this undertaking; and to encourage cooperation between the developer and the financing authority to carry out the new community development program.

The Financing Authority is governed by a seven member Board of Trustees consisting of seven members elected by the residents of the community. All Trustees are empowered to vote on all matters within the authority of the Board of Trustees.

Financial information can be obtained from the Liberty Community Infrastructure Financing Authority, in care of: Parms & Company, LLC, and 585 South Front Street, Suite 220, Columbus, Ohio 43215.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 12 - JOINTLY GOVERNED ORGANIZATIONS (continued)

B. Powell Community Infrastructure Financing Authority

The Powell Community Infrastructure Financing Authority, Delaware County, Ohio (Financing Authority) is a jointly governed organization created according to Chapter 349 of the Ohio Revised Code. The Financing Authority was established to encourage the orderly development of a well planned, diversified, and economically sound community; to encourage initiative and participation of private enterprise in this undertaking; and to encourage cooperation between the developer and the financing authority to carry out the new community development program.

The Financing Authority is governed by a seven member Board of Trustees consisting of seven members elected by the residents of the community. All Trustees are empowered to vote on all matters within the authority of the Board of Trustees. Financial information can be obtained from the Powell Community Infrastructure Financing Authority, in care of: Parms & Company, LLC, and 585 South Front Street, Suite 220, Columbus, Ohio 43215.

NOTE 13 – COMPONENT UNIT

As described in Note 1, the City reports the Powell Community Improvement Corporation (CIC) as a discreetly presented component unit because its purpose is to assist the City in advancing, encouraging and promoting the industrial, commercial, distribution and research development within the City, and because the City is able to significantly influence the programs or services performed or provided by the organization. Also, while the CIC receives some rental income, the City provides much of the CIC's financial support.

A. Authority

The Powell Community Improvement Corporation (CIC) was created by the City of Powell pursuant Ordinance 2010-19 adopted on May 5, 2010 and incorporated as a corporation not-for-profit under the provisions of Chapters 1702 and 1724 of the Ohio Revised Code. The CIC was formed to advance, encourage and promote the industrial, commercial, distribution and research development of the City. The CIC has been designated an Agent for the City for economic development.

B. Significant Accounting Policies and Disclosures for the CIC

The financial statements of the CIC have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

At December 31, 2015, the carrying amount of the CIC's cash was \$82,568. Cash balances per the bank were \$82,568. All of the CIC's deposits were insured by Federal depository insurance.

The CIC is exempt from federal income tax under Section 501 (c) (6) of the Internal Revenue Code. The CIC applied for Section 501 (c) (4) status in 2013 and is awaiting the results.

NOTE 13 – COMPONENT UNIT (continued)

As of year end, December 31, 2015, the CIC received revenues from various sources. The majority being contributions from the City of Powell and other sources including rents and other miscellaneous revenues.

NOTE 14 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 – DEFINED BENEFIT PENSION PLANS (continued)

pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

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

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

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

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

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 – DEFINED BENEFIT PENSION PLANS (continued)

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

	State and Local
2015 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
 2015 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
Total Employer	14.0 %
 Employee	 10.0 %

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

The City's contractually required contribution was \$222,161 for 2015. This entire amount was paid in 2015, and there was no intergovernmental payable reported for 2015.

Plan Description – Ohio Police & Fire Pension Fund (OPF)

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

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

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

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

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 – DEFINED BENEFIT PENSION PLANS (continued)

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

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

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

	Police
2015 Statutory Maximum Contribution Rates	
Employer	19.50 %
Employee:	
January 1, 2015 through July 1, 2015	11.50 %
July 2, 2015 through December 31, 2015	12.25 %
 2015 Actual Contribution Rates	
Employer:	
Pension	19.00 %
Post-employment Health Care Benefits	0.50
Total Employer	19.50 %
Employee:	
January 1, 2015 through July 1, 2015	11.50 %
July 2, 2015 through December 31, 2015	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$288,054 for 2015. This entire amount was paid in 2015, and there was no intergovernmental payable reported for 2015.

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

The net pension liability for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 – DEFINED BENEFIT PENSION PLANS (continued)

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$1,601,156	\$3,394,789	\$4,995,945
Proportion of the Net Pension Liability	0.013290%	0.0655312%	
Pension Expense	\$176,182	\$331,146	\$507,328

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$85,635	\$146,312	\$231,947
City contributions subsequent to the measurement date	<u>222,161</u>	<u>288,054</u>	<u>510,215</u>
Total Deferred Outflows of Resources	<u>\$307,796</u>	<u>\$434,366</u>	<u>\$742,162</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	<u>\$28,699</u>	<u>\$0</u>	<u>\$28,699</u>

\$510,215 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2016	\$8,352	\$36,578	\$44,930
2017	8,352	36,578	44,930
2018	19,171	36,578	55,749
2019	21,344	36,578	57,922
2020	(64)	0	(64)
Thereafter	<u>(219)</u>	<u>0</u>	<u>(219)</u>
Total	<u>\$56,936</u>	<u>\$146,312</u>	<u>\$203,248</u>

Actuarial Assumptions - OPERS

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

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 – DEFINED BENEFIT PENSION PLANS (continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

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

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

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 – DEFINED BENEFIT PENSION PLANS (continued)

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
Total	100.00 %	5.28 %

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

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

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
City's proportionate share of the net pension liability	\$2,948,918	\$1,601,157	\$465,921

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2014 is based on the results of an actuarial valuation date of January 1, 2014, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2014, are presented below:

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 – DEFINED BENEFIT PENSION PLANS (continued)

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2014 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	- %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	<u>8.00</u>	7.03
Total	<u>120.00 %</u>	

* levered 2x

OPF's Board of Trustees has incorporated the "risk parity" concept into OPF's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 14 – DEFINED BENEFIT PENSION PLANS (continued)

notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

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

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

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$4,695,507	\$3,394,789	\$2,293,477

NOTE 15 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System

- (1) **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 two cost-sharing multiple-employer defined benefit post-employment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2014 CAFR for details.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 15- POSTEMPLOYMENT BENEFITS (continued)

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

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

- (2) **Funding Policy.** The Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, state and local employer contributed at a rate of 14.00 percent of earnable salary and public safety and law enforcement employers contributed at 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of the employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0 percent during calendar year 2015. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0 percent for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5 percent.

The rates stated in the paragraph above are the statutorily required contribution rates for OPERS. The City of Powell contributions to OPERS for the years ending December 31, 2015 was \$36,825 (.1428 of actual contributions for the period January 1 through December 31, 2015) and was allocated to the health care plan. The City's prior year contributions to OPERS that were allocated to the health care plan for the years ending December 31, 2014 and 2013 were \$35,518 (.1428 for the period of January 1 through December 31, 2014) and \$15,893 (.0714 for the period of January 1 through December 31, 2013), respectively.

B. Ohio Police and Fire Pension Fund

- (1) **Plan Description.** The City of Powell contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare 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.

City of Powell, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

NOTE 15- POSTEMPLOYMENT BENEFITS (continued)

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

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

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.

- (2) **Funding Policy.** The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was .50 percent of covered payroll from January 1, 2015 through December 31, 2015. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City of Powell's contributions to OP&F for the years ending December 31, 2015, 2014 and 2013 were \$294,900, \$280,737, and \$266,697, respectively, of which \$6,193 (.021 of contributions from January 1, 2015 through December 31, 2015); \$7,299 (.026 of contributions from January 1, 2014 through December 31, 2014); and \$51,367 (.241 of contributions from January 1, 2013 through May 31, 2013 and .146 for the period of June 1, 2013 through December 31, 2013), respectively, was allocated to the healthcare plan.

City of Powell, Ohio
Required Supplementary Information
Schedule of City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan

Last Two Years (1)

	<u>2014</u>	<u>2013</u>
City's Proportion of the Net Pension Liability	0.013290%	0.013290%
City's Proportionate Share of the Net Pension Liability	\$ 1,601,156	\$ 1,566,236
City's Covered-Employee Payroll	\$ 1,651,650	\$ 1,712,231
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	96.94%	91.47%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date, which is the prior year-end.

City of Powell, Ohio
Required Supplementary Information
Schedule of City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund

Last Two Years (1)

	<u>2014</u>	<u>2013</u>
City's Proportion of the Net Pension Liability	0.0655312%	0.0655312%
City's Proportionate Share of the Net Pension Liability	\$ 3,394,789	\$ 3,191,575
City's Covered-Employee Payroll	\$ 1,443,389	\$ 1,678,395
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	235.20%	190.16%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date, which is the prior year-end.

City of Powell, Ohio
Required Supplementary Information
Schedule of City Contributions
Ohio Public Employees Retirement System - Traditional Plan

Last Three Years (1)

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 222,161	\$ 198,198	\$ 222,590
Contributions in relation to the contractually required contribution	<u>\$ 222,161</u>	<u>\$ 198,198</u>	<u>\$ 222,590</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 1,851,345	\$ 1,651,650	\$ 1,712,231
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available.

City of Powell, Ohio
Required Supplementary Information
Schedule of City Contributions
Ohio Police and Fire Pension Fund

Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$ 288,054	\$ 274,244	\$ 266,697	\$ 261,400
Contributions in relation to the contractually required contribution	<u>\$ 288,054</u>	<u>\$ 274,244</u>	<u>\$ 266,697</u>	<u>\$ 261,400</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 1,516,075	\$ 1,443,389	\$ 1,678,395	\$ 2,050,196
Contributions as a percentage of covered-employee payroll	19.00%	19.00%	15.89%	12.75%

2011	2010	2009	2008	2007	2006
\$ 267,186	\$ 251,626	\$ 239,621	\$ 214,304	\$ 208,363	\$ 200,057
\$ 267,186	\$ 251,626	\$ 239,621	\$ 214,304	\$ 208,363	\$ 200,057
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,095,576	\$ 1,973,537	\$ 1,879,380	\$ 1,680,816	\$ 1,634,220	\$ 1,702,613
12.75%	12.75%	12.75%	12.75%	12.75%	11.75%

City of Powell, Ohio
Budgetary Comparison Schedule
General Fund
Required Supplementary Information
For the Year Ended December 31, 2015

Revenues:	Original Budget	Final Budget	Actual	Variance
Income tax	\$ 5,036,264	\$ 5,036,264	\$ 5,462,192	\$ 425,928
Property tax	531,119	531,119	537,612	6,493
Intergovernmental	255,772	255,772	272,546	16,774
Estate tax	-	-	7,814	7,814
Licenses and permits	625,325	625,325	775,119	149,794
Charges for services	38,300	38,300	43,588	5,288
Fines and forfeits	5,300	5,300	3,937	(1,363)
Investment earnings	77,500	77,500	88,656	11,156
Miscellaneous	68,500	68,500	65,455	(3,045)
Total revenues	6,638,080	6,638,080	7,256,919	618,839
Expenditures:				
Current:				
Public safety	2,470,461	2,501,630	2,452,649	48,981
General government	2,327,413	2,310,999	2,072,642	238,357
Public services	743,046	723,375	600,937	122,438
Parks and recreation	526,462	510,121	426,858	83,263
Community development	1,210,965	1,212,651	1,127,713	84,938
Capital outlay	355,854	349,119	322,927	26,192
Total expenditures	7,634,201	7,607,895	7,003,726	604,169
Excess (deficiency) of revenues over expenditures	(996,121)	(969,815)	253,193	1,223,008
Other Financing Sources (Uses):				
Operating transfers-in	342	342	-	(342)
Operating transfers-out	(202,500)	(217,500)	(217,500)	-
Advances repaid	175,000	175,000	175,000	-
Advances out	-	-	-	-
Total other financing sources (uses)	(27,158)	(42,158)	(42,500)	(342)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(1,023,279)	(1,011,973)	210,693	1,222,666
Fund balances at beginning of the year	6,272,640	6,272,640	6,272,640	-
Prior year encumbrances appropriated	319,088	319,088	319,088	-
Lapsed encumbrances	109,184	109,184	109,184	-
Fund balances at end of year	\$ 5,677,633	\$ 5,688,939	\$ 6,911,605	\$ 1,222,666

Adjustments necessary to convert the results of operations at end of year on the budget basis to the modified accrual basis (GAAP) are as follows:

Excess of revenues and other financing sources over expenditures and other uses per the Budgetary Comparison Schedule	\$ 210,693
(Increases) decreases from revenues:	
Received in cash during year but already accrued as receivables (GAAP) at December 31, 2014	(394,146)
Accrued as receivables at December 31, 2015 but not recognized in budget	408,940
(Increases) decreases from expenditures:	
Accrued as liabilities at December 31, 2014 recognized as expenditures (GAAP) but not in budget	115,400
Accrued as liabilities at December 31, 2015	(70,941)
Fair value adjustment for investments	(14,969)
Encumbrances outstanding - Budget basis	298,870
Advances	(175,000)
Net change in fund balance per the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 378,847

City of Powell, Ohio
Budgetary Comparison Schedule
Street Construction and Maintenance Fund
For the Year Ended December 31, 2015

Revenues:	Original Budget	Final Budget	Actual	Variance
Intergovernmental				
Motor fuel tax	\$ 514,888	\$ 514,888	\$ 571,631	\$ 56,743
Investment earnings	5,500	5,500	8,746	3,246
Miscellaneous	-	-	6,160	6,160
Total revenues	520,388	520,388	586,537	66,149
Expenditures:				
Current:				
Public services	127,156	189,290	182,559	6,731
Total expenditures	127,156	189,290	182,559	6,731
Excess (deficiency) of revenues over expenditures	393,232	331,098	403,978	72,880
Other Financing Sources (Uses):				
Operating transfers-in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and and other uses	393,232	331,098	403,978	72,880
Fund balances at beginning of the year	1,136,908	1,136,908	1,136,908	-
Prior year encumbrances appropriated	35	35	35	-
Lapsed encumbrances	17,121	17,121	17,121	-
Fund balances at end of year	\$ 1,547,296	\$ 1,485,162	\$ 1,558,042	\$ 72,880

Adjustments necessary to convert the results of operations at end of year on the budget basis to the modified accrual basis (GAAP) are as follows:

Excess of revenues and other financing sources over expenditures and other uses per the Budgetary Comparison Schedule	\$ 403,978
(Increases) decreases from revenues:	
Received in cash during year but already accrued as receivables (GAAP) at December 31, 2014	(50,631)
Accrued as receivables at December 31, 2015 but not recognized in budget	51,516
(Increases) decreases from expenditures:	
Accrued as liabilities at December 31, 2014 recognized as expenditures (GAAP) but not in budget	(19,198)
Accrued as liabilities at December 31, 2015	(2,821)
Encumbrances outstanding - Budget basis	112,656
Fair value adjustment for investments	(4,545)
Net change in fund balance per the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 490,955

City of Powell, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2015

Budgetary Information

All governmental fund types are subject to annual expenditures budgets. The City Council follows procedures outlined below in establishing the expenditure budget data reported in the Annual Budget adopted for 2015.

In November, the City Manager and the Finance Director submit to City Council an estimate of the expenditures necessary to conduct the affairs of the City for the fiscal year commencing the following January 1. Budget estimates are distributed throughout the City including newspapers and are available to be picked up at the City offices. Public hearings are held to obtain taxpayers comments.

Subsequent to January 1, and after publication of the proposed budget ordinance, the budget is legally enacted through passage of the ordinance. The budget specifies expenditure amounts by category (object) for each activity within each fund. The approved budget is posted on the City's website.

No transfer of appropriations can be made without City Council action, with the exception of certain transfers within a department's appropriation and within the same fund. Expenditures cannot legally exceed appropriations at the object level which is: personal services, operating expenditures and capital outlay. During 2015 various transfer of appropriations and supplemental appropriations were made in the following amounts:

General Fund	\$ 97,878
Street Construction and Maintenance Fund	\$ 79,255
Debt Service Fund	\$ 6,365,000
Voted Capital Improvements	\$ (6,650)
Downtown TIF Public & Housing Fund	\$ 81,500
Sawmill Corridor Commercial TIF Fund	\$ 0
Nonmajor Special Revenue Funds	\$ 45,710
Nonmajor Capital Project Funds	\$ 0

Unencumbered appropriations lapse at year-end and additional appropriations are made for any encumbrances carried forward. The City's budgetary process is based upon accounting for certain transactions on a basis other than accounting principles generally accepted in the United States of America (GAAP). Encumbrance accounting is employed in governmental funds. Encumbrances (e.g. purchase orders, contracts) outstanding at year-end are reported as part of the assigned fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Budgetary Control

The budgets presented in the required supplementary information are shown in a condensed version of the actual budget. The legal level of budgetary control is at the department level (function - police) and category level (object - personal services) which is shown in the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual statements in the Other Supplementary Information section.

City of Powell, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2015

General Fund Budgetary Highlights

The difference between the original appropriated budget and the final amended budget was a decrease of \$11,306 summarized as follows:

- \$428,272 was the carry forward of prior year (2014) encumbrances that was added to the original appropriated budget. \$109,184 of the carry forward of prior year (2014) encumbrances lapsed during the fiscal year.
- \$97,878 in supplemental appropriations was due to requests for increases in operating expenditures in the building department due to higher than expected revenue and the need for a temporary worker to fill in during a leave of absence. Additionally, there were increases in personnel expenditures in the Council/Clerk department and the Police department due to a retirement and additional overtime, respectively; there were also additions to the CORMA operating expenses as a result of higher dollar insurance claims occurring this year. Finally, there was an increase in transfers to the Parks and Recreation Programming fund because the City has once again taken over the Powell Festival beginning in 2016, but needed funds to begin planning in 2015.

Special Revenue Funds: Street Construction and Maintenance Fund

The difference between the original appropriated budget and the final amended budget was an increase of \$62,134 summarized as follows:

- \$17,156 was the carry forward of the prior year (2014) encumbrances that was added to the original appropriated budget. \$17,121 of the carry forward of prior year (2014) encumbrances lapsed during the fiscal year.
- \$79,255 in supplemental appropriations was due to electing to add on a couple of bid alternatives to the street maintenance program in 2015. The majority of the street maintenance program was paid from the Voted Capital Improvements Fund, only the alternates were paid from this fund.

MAJOR FUNDS

These funds are characterized as “major funds”, as defined by GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. The criteria in GASB Statement No. 34 for characterizing a fund as “major” is as follows”

- a) The general fund is **always** a major fund.
- b) Total assets, liabilities, revenues or expenditures (excluding extraordinary items) of a fund are at least 10% of the corresponding total for all funds of that fund type **and**
- c) Total assets, liabilities, revenues or expenditures of a fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.
- d) Internal service funds and fiduciary funds are excluded from major fund testing.

General Fund

The general fund is the chief operating fund of the City. The general fund is used to account for all financial activities except those that have been required to be accounted for in another fund. The general fund is the first of the five governmental fund types.

The City has the following administrative departments operating in the general fund: police; parks maintenance; development; building; engineering; public service; administration; council; public information; finance; lands and building maintenance; information technology; and other charges. The City for financial reporting purposes combines the General Fund Reserve, Central Ohio Risk Management Association Fund (CORMA), and the 27th Payroll Reserve fund with the general fund.

Special Revenue Funds

A special revenue fund is a fund used to account for the proceeds of a specific revenue source (other than major capital projects) that are restricted to expenditures for a specified purpose. Special revenue funds are the second of five governmental fund types.

Street Construction and Maintenance Fund

This fund is required by Ohio Revised Code Sections 4501.04 and 5735.27 to account for receipts from the licensing of motor vehicles and receipts from fuel taxes. The funds are used for the construction, repair and maintenance of the City’s streets. The City for financial reporting purposes combines the Street Construction and Maintenance Fund with the Municipal Motor Vehicle License Tax Fund. However, for internal budgeting/appropriation purposes the two funds are reflected separately.

Debt Service Funds

These funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Debt service funds are the third of five governmental fund types.

Combined Debt Service Funds

These funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The City for financial reporting purposes combines

City of Powell, Ohio
Description of All Funds

the individual debt service funds into one Debt Service Fund. However, for budgeting/appropriation purposes the funds are reflected separately.

Capital Projects Funds

A capital projects fund is used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds and trust funds. Capital projects funds are the fourth of five governmental fund types.

Voted Capital Improvement Fund

This fund was established to receive all funding for the capital improvement levy and pay the expenditures associated with the acquisition and construction of parks and other capital items throughout the City, as determined necessary by City Council.

Downtown TIF (Tax Increment Financing) Public & Housing Fund

This fund is used to account for designated real estate taxes to improve the downtown incentive area.

Sawmill Corridor Commercial Improvement TIF (Tax Increment Financing) Fund

This fund is used to account for designated real estate taxes to fund capital projects in the commercial incentive area.

Nonmajor Funds

Nonmajor funds are all the funds that did not qualify as a major fund as defined in GASB Statement No. 34.

Special Revenue Funds

State Highway Improvement Fund

This fund is required by Ohio Revised Code Sections 4501.04 and 5735.27 to account for receipts from licensing fee of motor vehicles and receipts from fuel taxes. These funds are used for the construction, repair and maintenance of the City's section of Highway 750 (or Powell Road).

Parks and Recreation Program Fund

The purpose of this fund is to create, design, sponsor and oversee recreational activities for the community. These are a fee-based activity.

Park and Recreation (Development) Fund

This fund is used to account for designated developer fees for the development of parks within the City.

City of Powell, Ohio
Description of All Funds

Enforcement and Education (D.U.I.) Fund

This fund receives court fees assessed in criminal and traffic cases. The uses of these fees are limited to detection and prevention of driving while impaired. (ORC Section 4511.99)

Board of Pharmacy Fund

This fund receives court fines assessed in drug related cases. The uses of these fines are limited to detection and prevention of drug offenses. (ORC Section 513.99)

Veteran's Memorial Fund

This fund was created to receive donations from a variety of sources in order to maintain and assist in construction of the Veteran's Memorial and the surrounding area.

Law Enforcement Fund

This fund was created to receive funds from Local, State, and Federal Agencies for the seizure of tangible property.

Powell's Golden Days (Festival) Fund

This fund is supported by annual donations to assist in the annual Powell Festival. All expenditures related to this festival are accounted for in this fund.

Law Enforcement Assistance Training Fund

This fund was created to receive funds from the State to assist in maintaining our officers' training.

Police Canine Support Fund

This fund is supported by donations from the community to fund the City's police canine unit. All expenditures related to the canine unit are accounted for in this fund.

Debt Service Funds

Debt Service does not have any nonmajor funds.

Capital Project Funds

Murphy Parkway (Construction) Fund

This fund is used to account for designated developer fees for the construction of Murphy Parkway and Liberty Road intersection.

Village Development and Improvement Fund

This fund is used to account for designated developer fees for the development of city.

City of Powell, Ohio
Description of All Funds

Olentangy/Liberty Street Intersection Fund

This fund is used to account for designated developer fees for the improvements to the Olentangy/Liberty Street intersection. This fund has been authorized but at year-end no activity had begun.

Fiduciary Funds

These funds are used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds. The City currently has agency funds which involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Unclaimed Funds Fund

The City places the funds of stale dated checks in this fund. The payee has up to five years to claim the funds before it reverts back to the City.

Flexible Benefit Plan Fund

The City accounts for employee deductions collected from their paychecks to pay for miscellaneous medical, dental and/or childcare tax-deductible expenses.

Health Reimbursement Account Fund

The City uses this fund to track the contributions and related expenses to employee Health Reimbursement Accounts for employees enrolled in this health plan option.

Board of Building Standards Fund

The City collects the 3% required State of Ohio fee on all commercial building projects. The deposits are remitted to the state on a monthly basis.

Development (Engineering) Inspections Fund

The City collects fees from developers to pay for the inspections of infrastructure improvements in subdivisions. These inspections are handled by other organizations and are remitted on a billed basis. Any remaining fees are refunded at the developer's request. If after one-year after the close of the project the funds there has been no refund request the balance becomes the property of the City.

Plumbing Inspection Fund

The City collects the fees for plumbing inspections in Liberty Township and is required to remit 20% to the Delaware General Health Department. The deposits are remitted to the Delaware General Health Department on a monthly basis.

Escrowed Deposits Fund

The City collects security deposits for the use of the Community Meeting Room and for the construction of decks. These are returned to the depositor at completion. The security deposits

City of Powell, Ohio
Description of All Funds

for the Community Meeting Room may become the property of the City if the room was left damaged or unclean.

Fingerprint Processing Fees Fund

The City collects fees for fingerprint processing. A portion of this fee is to cover the costs of processing with the Ohio Bureau of Criminal Investigation Office. The City is invoiced monthly for this service based on the number of background checks performed.

City of Powell, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Cash, cash equivalents and investments	\$ 604,072	\$ 276,140	\$ 880,212
Receivables (net of allowances)	21,811	-	21,811
Total assets	<u>\$ 625,883</u>	<u>\$ 276,140</u>	<u>\$ 902,023</u>
Liabilities:			
Accounts payable	\$ 22	\$ -	\$ 22
Accrued wages and benefits	211	-	211
Due to other governments	282	-	282
Contracts payable	-	2,930	2,930
Total liabilities	<u>515</u>	<u>2,930</u>	<u>3,445</u>
Deferred Inflows of Resources:			
Unavailable revenue	<u>17,510</u>	-	<u>17,510</u>
Total deferred inflows of resources	<u>17,510</u>	-	<u>17,510</u>
Fund Balances:			
Restricted	521,793	26,600	548,393
Committed	<u>86,065</u>	<u>246,610</u>	<u>332,675</u>
Total fund balances	<u>607,858</u>	<u>273,210</u>	<u>881,068</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 625,883</u>	<u>\$ 276,140</u>	<u>\$ 902,023</u>

City of Powell, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015

	State Highway Improvement	Parks and Recreation Program	Parks and Recreation Development	Enforcement and Education	Board of Pharmacy
Assets:					
Cash, cash equivalents and investments	\$ 294,551	\$ 86,580	\$ 165,616	\$ 8,631	\$ 5,106
Receivables (net of allowances)	21,786	-	-	25	-
Total assets	<u>\$ 316,337</u>	<u>\$ 86,580</u>	<u>\$ 165,616</u>	<u>\$ 8,656</u>	<u>\$ 5,106</u>
Liabilities:					
Accounts payable	\$ -	\$ 22	\$ -	\$ -	\$ -
Accrued wages and benefits	-	211	-	-	-
Due to other governments	-	282	-	-	-
Total liabilities	<u>-</u>	<u>515</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:					
Unavailable revenue	17,510	-	-	-	-
Total deferred inflows of resources	<u>17,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Restricted	298,827	-	165,616	8,656	5,106
Committed	-	86,065	-	-	-
Total fund balances	<u>298,827</u>	<u>86,065</u>	<u>165,616</u>	<u>8,656</u>	<u>5,106</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 316,337</u>	<u>\$ 86,580</u>	<u>\$ 165,616</u>	<u>\$ 8,656</u>	<u>\$ 5,106</u>

Veteran's Memorial	Law Enforcement	Powell Festival	Law Enforcement Assistance Training	Police Canine Support	Total Non-major Special Revenue Funds
\$ 5,736	\$ 21,391	\$ -	\$ 2,720	\$ 13,741	\$ 604,072
-	-	-	-	-	21,811
<u>\$ 5,736</u>	<u>\$ 21,391</u>	<u>\$ -</u>	<u>\$ 2,720</u>	<u>\$ 13,741</u>	<u>\$ 625,883</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22
-	-	-	-	-	211
-	-	-	-	-	282
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>515</u>
-	-	-	-	-	17,510
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,510</u>
5,736	21,391	-	2,720	13,741	521,793
-	-	-	-	-	86,065
<u>5,736</u>	<u>21,391</u>	<u>-</u>	<u>2,720</u>	<u>13,741</u>	<u>607,858</u>
<u>\$ 5,736</u>	<u>\$ 21,391</u>	<u>\$ -</u>	<u>\$ 2,720</u>	<u>\$ 13,741</u>	<u>\$ 625,883</u>

City of Powell, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2015

	Murphy Parkway Construction	Village Development	Olentangy/ Liberty	Total Non-major Capital Project Funds
Assets:				
Cash, cash equivalents and investments	\$ 93,932	\$ 155,608	\$ 26,600	\$ 276,140
Total assets	<u>\$ 93,932</u>	<u>\$ 155,608</u>	<u>\$ 26,600</u>	<u>\$ 276,140</u>
Liabilities:				
Contracts payable	\$ 2,930	\$ -	\$ -	\$ 2,930
Total liabilities	<u>\$ 2,930</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,930</u>
Deferred Inflows of Resources:				
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted	-	-	26,600	26,600
Committed	91,002	155,608	-	246,610
Total fund balances	<u>91,002</u>	<u>155,608</u>	<u>26,600</u>	<u>273,210</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 93,932</u>	<u>\$ 155,608</u>	<u>\$ 26,600</u>	<u>\$ 276,140</u>

City of Powell, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental:			
Motor Fuel	\$ 29,822	\$ -	\$ 29,822
Other Intergovernmental	11,864	-	11,864
Charges for services	212,868	-	212,868
Fines and forfeitures	1,145	-	1,145
Development charges	-	58,365	58,365
Investment earnings	1,522	-	1,522
Miscellaneous	5,870	-	5,870
Total revenues	<u>263,091</u>	<u>58,365</u>	<u>321,456</u>
Expenditures:			
Current:			
Public safety	5,382	-	5,382
Public services	5,640	-	5,640
Parks and recreation	167,138	-	167,138
Capital outlay:			
Capital outlay	-	5,961	5,961
Total expenditures	<u>178,160</u>	<u>5,961</u>	<u>184,121</u>
Excess (deficiency) of revenues over (under) expenditures	84,931	52,404	137,335
Other Financing Sources (Uses):			
Transfers in	15,000	-	15,000
Total other financing sources (uses)	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Net change in fund balances	99,931	52,404	152,335
Fund balance at beginning of year	507,927	220,806	728,733
Fund balance at end of year	<u>\$ 607,858</u>	<u>\$ 273,210</u>	<u>\$ 881,068</u>

City of Powell, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2015

	State Highway Improvement	Parks and Recreation Program	Parks and Recreation Development	Enforcement and Education	Board of Pharmacy
Revenues:					
Intergovernmental:					
Motor Fuel	\$ 29,822	\$ -	\$ -	\$ -	\$ -
Other Intergovernmental	11,864	-	-	-	-
Charges for services	-	164,996	47,172	-	-
Fines and forfeitures	-	-	-	120	50
Investment earnings	1,522	-	-	-	-
Miscellaneous	-	150	-	-	-
Total revenues	<u>43,208</u>	<u>165,146</u>	<u>47,172</u>	<u>120</u>	<u>50</u>
Expenditures:					
Current:					
Public safety	-	-	-	-	-
Public services	5,640	-	-	-	-
Parks and recreation	-	163,693	1,149	-	-
Total expenditures	<u>5,640</u>	<u>163,693</u>	<u>1,149</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	37,568	1,453	46,023	120	50
Other Financing Sources (Uses):					
Transfers in	-	15,000	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	37,568	16,453	46,023	120	50
Fund balance at beginning of year	261,259	69,612	119,593	8,536	5,056
Fund balance at end of year	<u>\$ 298,827</u>	<u>\$ 86,065</u>	<u>\$ 165,616</u>	<u>\$ 8,656</u>	<u>\$ 5,106</u>

<u>Veteran's Memorial</u>	<u>Law Enforcement</u>	<u>Powell Festival</u>	<u>Law Enforcement Assistance Training</u>	<u>Police Canine Support</u>	<u>Total Non-major Special Revenue Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,822
-	-	-	-	-	11,864
700	-	-	-	-	212,868
-	975	-	-	-	1,145
-	-	-	-	-	1,522
-	-	-	2,720	3,000	5,870
<u>700</u>	<u>975</u>	<u>-</u>	<u>2,720</u>	<u>3,000</u>	<u>263,091</u>
-	-	-	-	5,382	5,382
-	-	-	-	-	5,640
796	-	1,500	-	-	167,138
<u>796</u>	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>5,382</u>	<u>178,160</u>
(96)	975	(1,500)	2,720	(2,382)	84,931
-	-	-	-	-	15,000
-	-	-	-	-	15,000
(96)	975	(1,500)	2,720	(2,382)	99,931
5,832	20,416	1,500	-	16,123	507,927
<u>\$ 5,736</u>	<u>\$ 21,391</u>	<u>\$ -</u>	<u>\$ 2,720</u>	<u>\$ 13,741</u>	<u>\$ 607,858</u>

City of Powell, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2015

	Murphy Parkway Construction	Village Development	Olentangy/ Liberty	Total Non-major Capital Project Funds
Revenues:				
Development charges	\$ -	\$ 58,365	\$ -	\$ 58,365
Total revenues	<u>-</u>	<u>58,365</u>	<u>-</u>	<u>58,365</u>
Expenditures:				
Capital outlay:				
Capital outlay	5,961	-	-	5,961
Total expenditures	<u>5,961</u>	<u>-</u>	<u>-</u>	<u>5,961</u>
Net change in fund balances	(5,961)	58,365	-	52,404
Fund balance at beginning of year	96,963	97,243	26,600	220,806
Fund balance at end of year	<u>\$ 91,002</u>	<u>\$ 155,608</u>	<u>\$ 26,600</u>	<u>\$ 273,210</u>



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City of Powell, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (NON-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended December 31, 2015

Revenues:	Adopted Budget	Revised Budget	Actual	Variance
Income tax	\$ 5,036,264	\$ 5,036,264	\$ 5,462,192	\$ 425,928
Property tax	531,119	531,119	537,612	6,493
Intergovernmental	255,772	255,772	272,546	16,774
Estate tax	-	-	7,814	7,814
Licenses and permits	625,325	625,325	775,119	149,794
Charges for services	38,300	38,300	43,588	5,288
Fines and forfeits	5,300	5,300	3,937	(1,363)
Investment earnings	77,500	77,500	88,656	11,156
Miscellaneous	68,500	68,500	65,455	(3,045)
Total revenues	6,638,080	6,638,080	7,256,919	618,839
Expenditures:				
Current:				
Public Safety (Police)				
Personal services	2,259,120	2,309,120	2,284,973	24,147
Operating expenditures	211,341	192,510	167,676	24,834
Capital outlay	83,020	82,324	81,878	446
General Government (Administration)				
Personal services	239,707	257,707	249,058	8,649
Operating expenditures	27,097	43,423	42,856	567
General Government (Comm. Affairs)				
Personal services	93,150	95,850	93,794	2,056
Operating expenditures	38,552	38,450	34,963	3,487
Capital outlay	-	400	329	71
General Government (City Council)				
Personal services	179,138	193,516	183,668	9,848
Operating expenditures	34,374	32,981	30,908	2,073
Capital outlay	-	450	381	69
General Government (Finance)				
Personal services	318,508	330,408	326,158	4,250
Operating expenditures	332,624	330,904	302,705	28,199
Capital outlay	-	-	-	-
General Government (Technology)				
Operating expenditures	98,164	123,122	116,051	7,071
Capital outlay	120,297	117,601	115,706	1,895
General Government (Facility Maintenance)				
Operating expenditures	216,751	203,394	172,873	30,521
Capital outlay	43,965	41,344	22,691	18,653

	Adopted Budget	Revised Budget	Actual	Variance
General Government (Other Charges)				
Operating expenditures	749,348	661,244	519,608	141,636
Public Services				
Personal services	496,780	491,080	443,125	47,955
Operating expenditures	246,266	232,295	157,812	74,483
Capital outlay	77,500	77,500	75,675	1,825
Parks and Recreation (Maintenance)				
Personal services	332,104	327,104	281,990	45,114
Operating expenditures	194,358	183,017	144,868	38,149
Capital outlay	31,072	29,500	26,267	3,233
Community Development (Building)				
Personal services	451,413	461,913	456,755	5,158
Operating expenditures	109,206	116,818	108,616	8,202
Capital outlay	-	-	-	-
Community Development (Development)				
Personal services	217,855	219,855	216,123	3,732
Operating expenditures	80,625	88,746	74,590	14,156
Capital outlay	-	-	-	-
Community Development (Engineering)				
Personal services	298,602	273,602	236,104	37,498
Operating expenditures	53,264	51,717	35,525	16,192
Capital outlay	-	-	-	-
Total expenditures	7,634,201	7,607,895	7,003,726	604,169
Operating transfers-in	342	342	-	(342)
Operating transfers-out	(202,500)	(217,500)	(217,500)	-
Advance repaid	175,000	175,000	175,000	-
Advance to capital projects funds	-	-	-	-
Total other financing sources (uses)	(27,158)	(42,158)	(42,500)	(342)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(1,023,279)	(1,011,973)	210,693	1,222,666
Fund balances at beginning of year	6,272,640	6,272,640	6,272,640	-
Prior year encumbrances appropriated	319,088	319,088	319,088	-
Lapsed encumbrances	109,184	109,184	109,184	-
	\$ 5,677,633	\$ 5,688,939	\$ 6,911,605	\$ 1,222,666

City of Powell, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (NON-GAAP Budgetary Basis)
Street Construction and Maintenance Fund
For the Fiscal Year Ended December 31, 2015

Revenues:	Adopted Budget	Revised Budget	Actual	Variance
Intergovernmental				
Motor fuel tax	\$ 514,888	\$ 514,888	\$ 571,631	\$ 56,743
Investment earnings	5,500	5,500	8,746	3,246
Miscellaneous	-	-	6,160	6,160
Total revenues	520,388	520,388	586,537	66,149
Expenditures:				
Current:				
Public Service				
Operating expenditures (Maintenance)	-	79,255	79,255	-
Operating expenditures (Snow/Ice Removal)	120,676	105,035	99,804	5,231
Operating expenditures (Traffic)	6,480	5,000	3,500	1,500
Total expenditures	127,156	189,290	182,559	6,731
Other Financing Sources (Uses):				
Operating transfers-in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	393,232	331,098	403,978	72,880
Fund balances at beginning of year	1,136,908	1,136,908	1,136,908	-
Prior year encumbrances appropriated	35	35	35	-
Lapsed encumbrances	17,121	17,121	17,121	-
Fund balances at end of year	\$1,547,296	\$1,485,162	\$1,558,042	\$ 72,880

City of Powell, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (NON-GAAP Budgetary Basis)
Debt Service Fund
For the Fiscal Year Ended December 31, 2015

Revenues:	Adopted Budget	Revised Budget	Actual	Variance
Property tax	\$ 1,150,765	\$ 1,150,765	\$ 1,164,958	\$ 14,193
Intergovernmental	162,894	162,894	156,369	(6,525)
Community development charges	1,600,270	1,600,270	1,600,270	-
Tap Fees	-	-	-	-
Total revenues	2,913,929	2,913,929	2,921,597	7,668
Expenditures:				
Current:				
Operating expenditures (Auditor's fees)	19,250	19,250	16,430	2,820
Bond principal	2,000,000	2,000,000	2,000,000	-
Bond interest	1,043,782	1,043,782	1,043,782	-
Cost of issuance	-	6,365,000	6,339,043	25,957
Total expenditures	3,063,032	9,428,032	9,399,255	28,777
Other Financing Sources (Uses):				
Refunding Bond Proceeds	-	6,365,000	6,343,951	(21,049)
Operating transfers-in	202,500	202,500	202,500	-
Total other financing sources (uses)	202,500	6,567,500	6,546,451	(21,049)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	53,397	53,397	68,793	15,396
Fund balances at beginning of year	279,684	279,684	279,684	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	-	-	-	-
Fund balances at end of year	\$ 333,081	\$ 333,081	\$ 348,477	\$ 15,396

City of Powell, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (NON-GAAP Budgetary Basis)
Voted Capital Improvements
For the Fiscal Year Ended December 31, 2015

<u>Revenues:</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Investment earnings	\$ -	\$ -	\$ (23,384)	\$ (23,384)
Total revenues	<u>-</u>	<u>-</u>	<u>(23,384)</u>	<u>(23,384)</u>
 <u>Expenditures:</u>				
Current:				
Operating Expenditures	-	-	-	-
Capital Outlay	3,244,911	3,185,819	3,174,374	11,445
Total expenditures	<u>3,244,911</u>	<u>3,185,819</u>	<u>3,174,374</u>	<u>11,445</u>
 <u>Other Financing Sources (Uses):</u>				
Bond Proceeds	-	-	-	-
Advance from General Fund	-	-	-	-
Transfer to Debt Service	-	-	-	-
Repay Advance to General Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other uses	 (3,244,911)	 (3,185,819)	 (3,197,758)	 (11,939)
Fund balances at beginning of year	2,787,920	2,787,920	2,787,920	-
Prior year encumbrances appropriated	406,516	406,516	406,516	-
Lapsed encumbrances	52,442	52,442	52,442	-
 Fund balances at end of year	 <u>\$ 1,967</u>	 <u>\$ 61,059</u>	 <u>\$ 49,120</u>	 <u>\$ (11,939)</u>

City of Powell, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (NON-GAAP Budgetary Basis)
Downtown Tax Increment Financing Public & Housing Fund
For the Fiscal Year Ended December 31, 2015

<u>Revenues:</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Property Tax	\$ 252,500	\$ 252,500	\$ 281,193	\$ 28,693
Intergovernmental	14,150	14,150	19,661	5,511
Total revenues	266,650	266,650	300,854	34,204
<u>Expenditures:</u>				
Current:				
Operating Expenditures	5,100	5,100	3,840	1,260
Capital Outlay	86,000	167,500	141,283	26,217
Total expenditures	91,100	172,600	145,123	27,477
<u>Other Financing Sources (Uses):</u>				
Advance from General Fund	-	-	-	-
Repay Advance to General Fund	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	175,550	94,050	155,731	61,681
Fund balances at beginning of year	1,182,014	1,182,014	1,182,014	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	-	-	-	-
Fund balances at end of year	\$ 1,357,564	\$ 1,276,064	\$ 1,337,745	\$ 61,681

City of Powell, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (NON-GAAP Budgetary Basis)
Sawmill Corridor Commercial TIF Fund
For the Fiscal Year Ended December 31, 2015

<u>Revenues:</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Property Tax	\$ 145,000	\$ 145,000	\$ 101,087	\$ (43,913)
Total revenues	145,000	145,000	101,087	(43,913)
<u>Expenditures:</u>				
Current:				
Operating Expenditures	5,000	5,000	1,125	3,875
Capital Outlay	308,226	305,797	305,797	-
Total expenditures	313,226	310,797	306,922	3,875
<u>Other Financing Sources (Uses):</u>				
Advance from General Fund	-	-	-	-
Repay Advance to General Fund	(175,000)	(175,000)	(175,000)	-
Total other financing sources (uses)	(175,000)	(175,000)	(175,000)	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(343,226)	(340,797)	(380,835)	(40,038)
Fund balances at beginning of year	115,128	115,128	115,128	-
Prior year encumbrances appropriated	305,797	305,797	305,797	-
Lapsed encumbrances	2,428	2,428	2,428	-
Fund balances at end of year	\$ 80,127	\$ 82,556	\$ 42,518	\$ (40,038)



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City of Powell, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (NON-GAAP Budgetary Basis)
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2015

	State Highway Improvement Fund			
	Adopted Budget	Revised Budget	Actual	Variance
Revenues:				
Property tax				-
Intergovernmental				-
Motor fuel tax	\$ 37,613	\$ 37,613	\$ 41,775	\$ 4,162
Investment earnings	1,200	1,200	1,817	617
Charges for services				-
Fines and forfeitures				-
Miscellaneous				-
Total revenues	38,813	38,813	43,592	4,779
Expenditures:				
Current:				
Personal service				
Operating expenditures				
Operating expenditures (Maintenance)				-
Operating expenditures (Snow/Ice)	5,000	5,000	-	5,000
Operating expenditures (Storm Sewers)	-	-	-	-
Operating expenditures (Traffic)	17,431	12,000	10,500	1,500
Capital outlay	40,000	-	-	-
Total expenditures	62,431	17,000	10,500	6,500
Other Financing Sources (Uses):				
Operating transfers-in				-
Operating transfers-out				-
Advance from General Fund				-
Repay Advance to General Fund				
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(23,618)	21,813	33,092	11,279
Fund balances at beginning of year	213,238	213,238	213,238	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	45,431	45,431	45,431	-
Fund balances at end of year	\$ 235,051	\$ 280,482	\$291,761	\$ 11,279

Parks and Recreation Program Fund				Park and Recreation (Development) Fund			
Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
			-				-
			-				-
			-				-
\$ 145,000	\$ 145,000	\$ 164,996	\$ 19,996	\$ 7,500	\$ 7,500	\$ 47,171	\$ 39,671
1,500	1,500	150	(1,350)				-
<u>146,500</u>	<u>146,500</u>	<u>165,146</u>	<u>18,646</u>	<u>7,500</u>	<u>7,500</u>	<u>47,171</u>	<u>39,671</u>
45,995	45,995	38,674	7,321				-
124,109	163,957	141,293	22,664				-
			-				-
			-				-
			-				-
			-				-
-	-		-	1,572	1,500	1,149	351
<u>170,104</u>	<u>209,952</u>	<u>179,967</u>	<u>29,985</u>	<u>1,572</u>	<u>1,500</u>	<u>1,149</u>	<u>351</u>
		15,000	15,000				-
			-				-
			-				-
<u>-</u>	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(23,604)	(63,452)	179	63,631	5,928	6,000	46,022	40,022
66,534	66,534	66,534	-	119,522	119,522	119,522	-
1,257	1,257	1,257	-	-	-	-	-
2,653	2,653	2,653	-	72	72	72	-
<u>\$ 46,840</u>	<u>\$ 6,992</u>	<u>\$ 70,623</u>	<u>\$ 63,631</u>	<u>\$125,522</u>	<u>\$ 125,594</u>	<u>\$ 165,616</u>	<u>\$ 40,022</u>

(continued)

City of Powell, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (NON-GAAP Budgetary Basis)
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2015

	Enforcement and Education (D.U.I.) Fund			
	Adopted Budget	Revised Budget	Actual	Variance
Revenues:				
Property tax				-
Intergovernmental				-
Motor fuel tax				-
Investment earnings				-
Charges for services				-
Fines and forfeitures	\$ 100	\$ 100	\$ 95	\$ (5)
Miscellaneous				-
Total revenues	<u>100</u>	<u>100</u>	<u>95</u>	<u>(5)</u>
Expenditures:				
Current:				
Personal service				-
Operating expenditures	5,000	5,000	-	5,000
Operating expenditures (Maintenance)				-
Operating expenditures (Snow/Ice)				-
Operating expenditures (Storm Sewers)				-
Operating expenditures (Traffic)				-
Capital outlay				-
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Other Financing Sources (Uses):				
Operating transfers-in				-
Operating transfers-out				-
Advance from General Fund				-
Repay Advance to General Fund				-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(4,900)	(4,900)	95	4,995
Fund balances at beginning of year	8,536	8,536	8,536	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	-	-	-	-
Fund balances at end of year	<u>\$ 3,636</u>	<u>\$ 3,636</u>	<u>\$ 8,631</u>	<u>\$ 4,995</u>

Board of Pharmacy Fund				Veteran's Memorial Fund			
Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
			-				-
			-				-
			-				-
\$ 100	\$ 100	\$ 50	\$ (50)	\$ 250	\$ 250	\$ 700	\$ 450
<u>100</u>	<u>100</u>	<u>50</u>	<u>(50)</u>	<u>250</u>	<u>250</u>	<u>700</u>	<u>450</u>
			-				-
3,000	3,000	-	3,000	121	1,621	1,372	249
			-				-
			-				-
			-				-
<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>121</u>	<u>1,621</u>	<u>1,372</u>	<u>249</u>
			-				-
			-				-
			-				-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
			-				-
(2,900)	(2,900)	50	2,950	129	(1,371)	(672)	699
5,056	5,056	5,056	-	5,811	5,811	5,811	-
-	-	-	-	21	21	21	-
-	-	-	-	-	-	-	-
<u>\$ 2,156</u>	<u>\$ 2,156</u>	<u>\$ 5,106</u>	<u>\$ 2,950</u>	<u>\$ 5,961</u>	<u>\$ 4,461</u>	<u>\$ 5,160</u>	<u>\$ 699</u>

(continued)

City of Powell, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (NON-GAAP Budgetary Basis)
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2015

	Law Enforcement Fund			
	Adopted Budget	Revised Budget	Actual	Variance
Revenues:				
Property tax				-
Intergovernmental				-
Motor fuel tax				-
Investment earnings				-
Charges for services				-
Fines and forfeitures	\$ 5,000	\$ 5,000	\$ 975	\$ (4,025)
Miscellaneous				-
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>975</u>	<u>(4,025)</u>
Expenditures:				
Current:				
Personal service				-
Operating expenditures	7,000	7,000	-	7,000
Operating expenditures (Maintenance)				-
Operating expenditures (Snow/Ice)				-
Operating expenditures (Storm Sewers)				-
Operating expenditures (Traffic)				-
Capital outlay	7,000	7,000	-	7,000
Total expenditures	<u>14,000</u>	<u>14,000</u>	<u>-</u>	<u>14,000</u>
Other Financing Sources (Uses):				
Operating transfers-in				-
Operating transfers-out				-
Advance from General Fund				-
Repay Advance to General Fund				-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(9,000)	(9,000)	975	9,975
Fund balances at beginning of year	20,418	20,418	20,418	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	-	-	-	-
Fund balances at end of year	<u>\$ 11,418</u>	<u>\$ 11,418</u>	<u>\$ 21,393</u>	<u>\$ 9,975</u>

Police Canine Support Fund				Powell's Golden Days (Festival) Fund			
Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
			-				-
			-				-
			-				-
			-				-
\$ 12,000	\$ 12,000	\$ 3,000	\$ (9,000)	\$ -	\$ -	\$ -	\$ -
12,000	12,000	3,000	(9,000)	-	-	-	-
			-				-
14,000	14,000	8,199	5,801	1,150	1,500	1,500	-
			-				-
			-				-
			-				-
14,000	14,000	8,199	5,801	1,150	1,500	1,500	-
			-				-
			-				-
			-				-
-	-	-	-	-	-	-	-
			-				-
(2,000)	(2,000)	(5,199)	(3,199)	(1,150)	(1,500)	(1,500)	-
16,123	16,123	16,123	-	1,500	1,500	1,500	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 14,123	\$ 14,123	\$ 10,924	\$ (3,199)	\$ 350	\$ -	\$ -	\$ -

(continued)

City of Powell, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (NON-GAAP Budgetary Basis)
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2015

	Law Enforcement Assistance (Training) Fund			
	Adopted Budget	Revised Budget	Actual	Variance
Revenues:				
Property tax				-
Intergovernmental				-
Motor fuel tax				-
Investment earnings				-
Charges for services				-
Fines and forfeitures				-
Miscellaneous	\$ -	\$ 1,360	\$ 2,720	\$ 1,360
Total revenues	<u>-</u>	<u>1,360</u>	<u>2,720</u>	<u>1,360</u>
Expenditures:				
Current:				
Personal service				-
Operating expenditures	-	1,360	-	1,360
Operating expenditures (Maintenance)				-
Operating expenditures (Snow/Ice)				-
Operating expenditures (Storm Sewers)				-
Operating expenditures (Traffic)				-
Capital outlay				-
Total expenditures	<u>-</u>	<u>1,360</u>	<u>-</u>	<u>1,360</u>
Other Financing Sources (Uses):				
Operating transfers-in				-
Operating transfers-out				-
Advance from General Fund				-
Repay Advance to General Fund				-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	-	-	2,720	2,720
Fund balances at beginning of year	-	-	-	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,720</u>	<u>\$ 2,720</u>

Total Nonmajor Special Revenue Funds			
Adopted Budget	Revised Budget	Actual	Variance
-	-	-	-
\$ 37,613	\$ 37,613	\$ 41,775	\$ 4,162
1,200	1,200	1,817	617
152,500	152,500	212,167	59,667
5,200	5,200	1,120	(4,080)
13,750	15,110	6,570	(8,540)
<u>210,263</u>	<u>211,623</u>	<u>263,449</u>	<u>51,826</u>
45,995	45,995	38,674	7,321
154,380	197,438	152,364	45,074
-	-	-	-
5,000	5,000	-	5,000
-	-	-	-
17,431	12,000	10,500	1,500
48,572	8,500	1,149	7,351
-	-	-	-
<u>271,378</u>	<u>268,933</u>	<u>202,687</u>	<u>66,246</u>
-	-	15,000	15,000
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>15,000</u>	<u>15,000</u>
(61,115)	(57,310)	75,762	133,072
456,738	456,738	456,738	-
1,278	1,278	1,278	-
48,156	48,156	48,156	-
<u>\$ 445,057</u>	<u>\$ 448,862</u>	<u>\$ 581,934</u>	<u>\$ 133,072</u>

City of Powell, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (NON-GAAP Budgetary Basis)
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2015

	Murphy Parkway Fund				Village Development Fund			
	Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
Revenues:								
Property tax				-				-
Intergovernmental				-				-
Motor fuel tax				-				-
Investment earnings				-				-
Charges for services				-	\$ -	\$ -	\$ 58,366	\$ 58,366
Fines and forfeitures				-				-
Miscellaneous				-				-
Total revenues	-	-	-	-	-	-	58,366	58,366
Expenditures:								
Current:								
Personal service				-				-
Operating expenditures				-				-
Operating expenditures (Maintenance)				-				-
Operating expenditures (Snow/Ice)				-				-
Operating expenditures (Storm Sewers)				-				-
Operating expenditures (Traffic)				-				-
Capital outlay	\$ 96,963	\$ 96,963	\$ 96,963	\$ -	50,236	1,500	1,500	-
Total expenditures	96,963	96,963	96,963	-	50,236	1,500	1,500	-
Other Financing Sources (Uses):								
Operating transfers-in				-				-
Operating transfers-out				-				-
Advance from General Fund				-				-
Repay Advance to General Fund				-				-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(96,963)	(96,963)	(96,963)	-	(50,236)	(1,500)	56,866	58,366
Fund balances at beginning of year	96,963	96,963	96,963	-	47,007	47,007	47,007	-
Prior year encumbrances appropriated	-	-	-	-	1,500	1,500	1,500	-
Lapsed encumbrances	-	-	-	-	48,736	48,736	48,736	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -	\$ 47,007	\$ 95,743	\$ 154,109	\$ 58,366

	Olentangy				Total Nonmajor Capital Project Funds			
	Liberty Intersection Fund							
	Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
Revenues:								
Property tax	-	-	-	-	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Motor fuel tax	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	58,366	58,366
Fines and forfeitures	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-	58,366	58,366
Expenditures:								
Current:								
Personal service	-	-	-	-	-	-	-	-
Operating expenditures	-	-	-	-	-	-	-	-
Operating expenditures (Maintenance)	-	-	-	-	-	-	-	-
Operating expenditures (Snow/Ice)	-	-	-	-	-	-	-	-
Operating expenditures (Storm Sewers)	-	-	-	-	-	-	-	-
Operating expenditures (Traffic)	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	147,199	98,463	98,463	-
Total expenditures	-	-	-	-	147,199	98,463	98,463	-
Other Financing Sources (Uses):								
Operating transfers-in	-	-	-	-	-	-	-	-
Operating transfers-out	-	-	-	-	-	-	-	-
Advance from General Fund	-	-	-	-	-	-	-	-
Repay Advance to General Fund	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	-	-	-	-	(147,199)	(98,463)	(40,097)	58,366
Fund balances at beginning of year	\$ 26,600	\$ 26,600	\$ 26,600	\$ -	170,570	170,570	170,570	-
Prior year encumbrances appropriated	-	-	-	-	1,500	1,500	1,500	-
Lapsed encumbrances	-	-	-	-	48,736	48,736	48,736	-
Fund balances at end of year	\$ 26,600	\$ 26,600	\$ 26,600	\$ -	\$ 73,607	\$ 122,343	\$ 180,709	\$ 58,366

(continued)

City of Powell, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (NON-GAAP Budgetary Basis)
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2015

	Total Nonmajor Governmental Funds			
	Adopted Budget	Revised Budget	Actual	Variance
Revenues:				
Property tax	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Motor fuel tax	37,613	37,613	41,775	4,162
Investment earnings	1,200	1,200	1,817	617
Charges for services	152,500	152,500	270,533	118,033
Fines and forfeitures	5,200	5,200	1,120	(4,080)
Miscellaneous	13,750	15,110	6,570	(8,540)
Total revenues	210,263	211,623	321,815	110,192
Expenditures:				
Current:				
Personal service	45,995	45,995	38,674	7,321
Operating expenditures	154,380	197,438	152,364	45,074
Operating expenditures (Maintenance)	-	-	-	-
Operating expenditures (Snow/Ice)	5,000	5,000	-	5,000
Operating expenditures (Storm Sewers)	-	-	-	-
Operating expenditures (Traffic)	17,431	12,000	10,500	1,500
Capital outlay	195,771	106,963	99,612	7,351
Total expenditures	418,577	367,396	301,150	66,246
Other Financing Sources (Uses):				
Operating transfers-in	-	-	15,000	15,000
Operating transfers-out	-	-	-	-
Advance from General Fund	-	-	-	-
Repay Advance to General Fund	-	-	-	-
Total other financing sources (uses)	-	-	15,000	15,000
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(208,314)	(155,773)	35,665	191,438
Fund balances at beginning of year	627,308	627,308	627,308	-
Prior year encumbrances appropriated	2,778	2,778	2,778	-
Lapsed encumbrances	96,892	96,892	96,892	-
Fund balances at end of year	\$ 518,664	\$ 571,205	\$ 762,643	\$ 191,438



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City of Powell, Ohio
 Combining Statement of Fiduciary Assets and Liabilities
 Fiduciary Funds - (Agency Funds Only)
 December 31, 2015

	<u>Unclaimed Funds</u>	<u>Flexible Benefits</u>	<u>Health Reimbursement Account</u>	<u>Board of Building Standards</u>
Assets				
Cash and investments	\$ 983	\$ 361	\$ 1,053	\$ 656
Total assets	<u>\$ 983</u>	<u>\$ 361</u>	<u>\$ 1,053</u>	<u>\$ 656</u>
Liabilities				
Due to others	\$ 983	\$ 361	\$ 1,053	\$ 656
Total liabilities	<u>\$ 983</u>	<u>\$ 361</u>	<u>\$ 1,053</u>	<u>\$ 656</u>

<u>Engineering Inspections</u>	<u>Plumbing Inspections</u>	<u>Escrowed Deposits</u>	<u>Fingerprint Processing Fees</u>	<u>Total Agency Funds</u>
\$ 746,748	\$ 471	\$ 65,778	\$ 1,078	\$ 817,128
<u>\$ 746,748</u>	<u>\$ 471</u>	<u>\$ 65,778</u>	<u>\$ 1,078</u>	<u>\$ 817,128</u>
\$ 746,748	\$ 471	\$ 65,778	\$ 1,078	\$ 817,128
<u>\$ 746,748</u>	<u>\$ 471</u>	<u>\$ 65,778</u>	<u>\$ 1,078</u>	<u>\$ 817,128</u>

City of Powell, Ohio
Combining Statement of Changes in Assets and Liabilities
Fiduciary Funds - (Agency Funds Only)
For the Year Ended December 31, 2015

	Balances Jan. 1, 2015	Additions	Deductions	Balances Dec. 31, 2015
UNCLAIMED FUNDS				
Assets				
Cash and investments	\$ 852	131	-	\$ 983
Liabilities				
Due to others	\$ 852	131	-	\$ 983
FLEXIBLE BENEFITS				
Assets				
Cash and investments	\$ -	2,800	(2,439)	\$ 361
Liabilities				
Due to others	\$ -	2,800	(2,439)	\$ 361
HEALTH REIMBURSEMENT ACCOUNT				
Assets				
Cash and investments	\$ -	2,600	(1,547)	\$ 1,053
Liabilities				
Due to others	\$ -	2,600	(1,547)	\$ 1,053
BOARD OF BUILDING STANDARDS				
Assets				
Cash and investments	\$ 490	10,124	(9,958)	\$ 656
Liabilities				
Due to others	\$ 490	10,124	(9,958)	\$ 656
ENGINEERING INSPECTIONS				
Assets				
Cash and investments	382,210	455,684	(91,146)	746,748
Accounts Receivable	142	-	(142)	-
Total Assets	<u>\$ 382,352</u>	<u>455,684</u>	<u>(91,288)</u>	<u>\$ 746,748</u>
Liabilities				
Due to others	<u>\$ 382,352</u>	<u>455,684</u>	<u>(91,288)</u>	<u>\$ 746,748</u>
PLUMBING INSPECTIONS				
Assets				
Cash and investments	\$ 496	12,387	(12,412)	\$ 471
Liabilities				
Due to others	\$ 496	12,387	(12,412)	\$ 471

City of Powell, Ohio
Combining Statement of Changes in Assets and Liabilities
Fiduciary Funds - (Agency Funds Only)
For the Year Ended December 31, 2015

	Balances Jan. 1, 2015	Additions	Deductions	Balances Dec. 31, 2015
ESCROWED DEPOSITS				
Assets				
Cash and investments	\$ 3,450	66,978	(4,650)	\$ 65,778
Liabilities				
Due to others	\$ 3,450	66,978	(4,650)	\$ 65,778
FINGERPRINT PROCESSING FEES				
Assets				
Cash and investments	\$ 434	15,330	(14,686)	\$ 1,078
Liabilities				
Due to others	\$ 434	15,330	(14,686)	\$ 1,078
TOTAL AGENCY FUNDS				
Assets				
Cash and investments	387,932	566,034	(136,838)	817,128
Accounts Receivable	142	-	(142)	-
Total Assets	<u>\$ 388,074</u>	<u>566,034</u>	<u>(136,980)</u>	<u>\$ 817,128</u>
Liabilities				
Due to others	<u>\$ 388,074</u>	<u>566,034</u>	<u>(136,980)</u>	<u>\$ 817,128</u>



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City of Powell, Ohio
Statistical Section

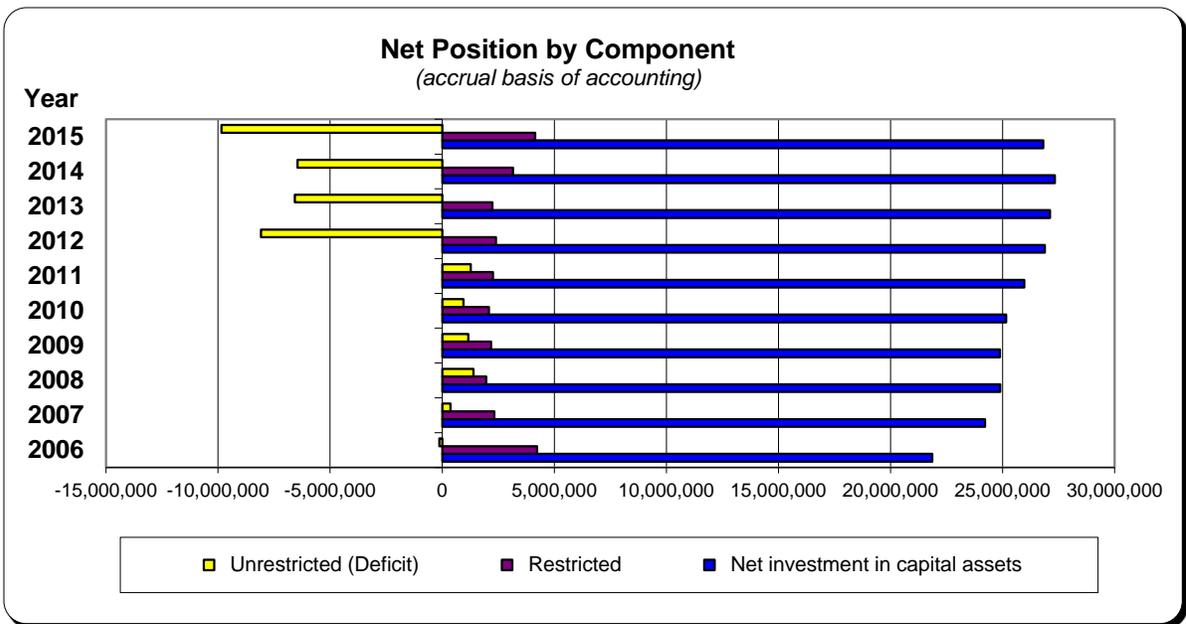
This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. These tables are presented in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 44, *Economic Condition Reporting: The Statistical Section*.

	<u>Tables</u>
<u>Financial Trends</u> These schedules contain trend information to help understand how the City's financial performance and well-being have changed over time.	A - G
<u>Revenue Capacity</u> These schedules contain information to help assess the City's most significant local revenue sources.	H - M
<u>Debt Capacity</u> 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.	N - Q
<u>Demographic and Economic Information</u> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	R - U
<u>Operating Information</u> 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.	V - X

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

City of Powell, Ohio
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities				
Net investment in capital assets	\$ 21,868,136	\$ 24,216,704	\$ 24,898,369	\$ 24,882,701
Restricted	4,236,327	2,328,571	1,958,433	2,176,460
Unrestricted (Deficit)	(127,178)	365,633	1,398,860	1,162,047
Total governmental activities net position	\$ <u>25,977,285</u>	\$ <u>26,910,908</u>	\$ <u>28,255,662</u>	\$ <u>28,221,208</u>



Note:

(1) The City implemented GASB Statement No. 65 in 2012. Net Assets are now referred to as Net Position.

Sources:

1. City of Powell Finance Department

Table A

Fiscal Year					
<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 25,160,621	\$ 25,969,322	\$ 26,886,415	\$ 27,112,009	\$ 27,337,901	\$ 26,816,136
2,082,435	2,262,529	2,397,386	2,235,882	3,156,308	4,153,617
952,254	1,278,313	(8,079,317)	(6,574,747)	(6,458,363)	(9,846,355)
<u>\$ 28,195,310</u>	<u>\$ 29,510,164</u>	<u>\$ 21,204,484</u>	<u>\$ 22,773,144</u>	<u>\$ 24,035,846</u>	<u>\$ 21,123,398</u>

City of Powell, Ohio
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Expenses				
Governmental activities:				
Public Safety	\$ 1,769,938	\$ 1,739,711	\$ 1,998,376	\$ 2,210,257
Parks and Recreation	793,040	1,097,107	933,260	917,797
Community Development	943,962	989,893	1,021,979	999,129
Public Services/Transportation	1,377,920	1,952,026	2,594,715	2,030,814
General Government	1,343,765	1,495,493	1,567,056	1,668,454
Interest on long-term debt	1,321,920	1,290,132	1,228,777	1,208,441
Total governmental activities expenses	<u>\$ 7,550,545</u>	<u>\$ 8,564,362</u>	<u>\$ 9,344,163</u>	<u>\$ 9,034,892</u>
Program Revenues				
Governmental activities:				
Charges for services:				
Public Safety	\$ 14,729	\$ 17,792	\$ 39,559	\$ 31,261
Parks and Recreation	137,284	208,786	113,327	147,471
Community Development	1,750,039	1,713,481	1,667,172	1,596,685
Public Services/Transportation		11,979	25,478	3,650
General Government	19,729	15,928	19,630	16,643
Operating grants and contributions	564,235	211,786	462,134	563,447
Capital grants and contributions	715,853	805,595	590,709	26,449
Total governmental activities program revenues	<u>\$ 3,201,869</u>	<u>\$ 2,985,347</u>	<u>\$ 2,918,009</u>	<u>\$ 2,385,606</u>
Net(expense)revenue	<u>\$ (4,348,676)</u>	<u>\$ (5,579,015)</u>	<u>\$ (6,426,154)</u>	<u>\$ (6,649,286)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes	\$ 1,476,350	\$ 1,532,329	\$ 1,511,193	\$ 1,849,495
Municipal Income taxes	3,699,738	3,480,691	4,202,816	3,968,885
Intergovernmental				
Estate taxes	23,659	42,485	906,267	55,671
Other intergovernmental	632,249	730,945	674,760	516,191
Interest	548,968	527,353	328,697	123,460
Other	161,737	198,835	147,175	101,130
Total governmental activities	<u>\$ 6,542,701</u>	<u>\$ 6,512,638</u>	<u>\$ 7,770,908</u>	<u>\$ 6,614,832</u>
Change in Net Position				
Governmental activities	<u>\$ 2,194,025</u>	<u>\$ 933,623</u>	<u>\$ 1,344,754</u>	<u>\$ (34,454)</u>

Note:

(1) The City implemented GASB Statement No. 65 in 2012. Net Assets are now referred to as Net Position.

Sources:

1. City of Powell Finance Department

Table B

		Fiscal year									
		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>				
\$	2,309,528	\$	2,237,486	\$	2,275,656	\$	2,439,689	\$	2,507,080	\$	2,657,872
	1,002,506		927,582		951,128		981,658		983,404		964,346
	980,563		848,718		10,482,974		897,061		1,030,777		1,072,634
	2,173,177		1,887,240		1,965,286		2,217,542		2,853,698		2,341,430
	1,599,452		1,854,360		1,731,950		1,846,603		1,972,267		2,162,996
	1,104,642		813,397		1,359,578		1,121,426		1,029,951		1,102,804
\$	<u>9,169,868</u>	\$	<u>8,568,783</u>	\$	<u>18,766,572</u>	\$	<u>9,503,979</u>	\$	<u>10,377,177</u>	\$	<u>10,302,082</u>
\$	39,251	\$	78,065	\$	30,916	\$	33,011	\$	21,698	\$	18,475
	137,712		150,186		169,869		148,281		233,762		213,593
	1,526,793		1,731,422		1,716,061		2,155,817		2,262,678		2,281,186
	3,050		5,240		24,832		28,933		32,430		18,848
	14,070		14,900		37,433		18,444		19,254		15,255
	564,181		563,452		608,901		621,053		630,784		642,545
	181,434		200,343		821,861		-		675,012		59,202
\$	<u>2,466,491</u>	\$	<u>2,743,608</u>	\$	<u>3,409,873</u>	\$	<u>3,005,539</u>	\$	<u>3,875,618</u>	\$	<u>3,249,104</u>
\$	<u>(6,703,377)</u>	\$	<u>(5,825,175)</u>	\$	<u>(15,356,699)</u>	\$	<u>(6,498,440)</u>	\$	<u>(6,501,559)</u>	\$	<u>(7,052,978)</u>
\$	1,888,454	\$	1,806,671	\$	1,848,339	\$	2,003,323	\$	2,060,181	\$	2,095,337
	3,313,296		4,473,048		4,782,182		5,146,984		4,904,132		5,561,386
	545,873		112,286		204,027		14,118		-		7,814
	533,849		577,287		99,603		584,024		425,952		433,728
	59,413		45,134		61,270		23,871		85,236		92,655
	336,594		125,603		342,752		294,780		288,760		234,979
\$	<u>6,677,479</u>	\$	<u>7,140,029</u>	\$	<u>7,338,173</u>	\$	<u>8,067,100</u>	\$	<u>7,764,261</u>	\$	<u>8,425,899</u>
\$	<u>(25,898)</u>	\$	<u>1,314,854</u>	\$	<u>(8,018,526)</u>	\$	<u>1,568,660</u>	\$	<u>1,262,702</u>	\$	<u>1,372,921</u>

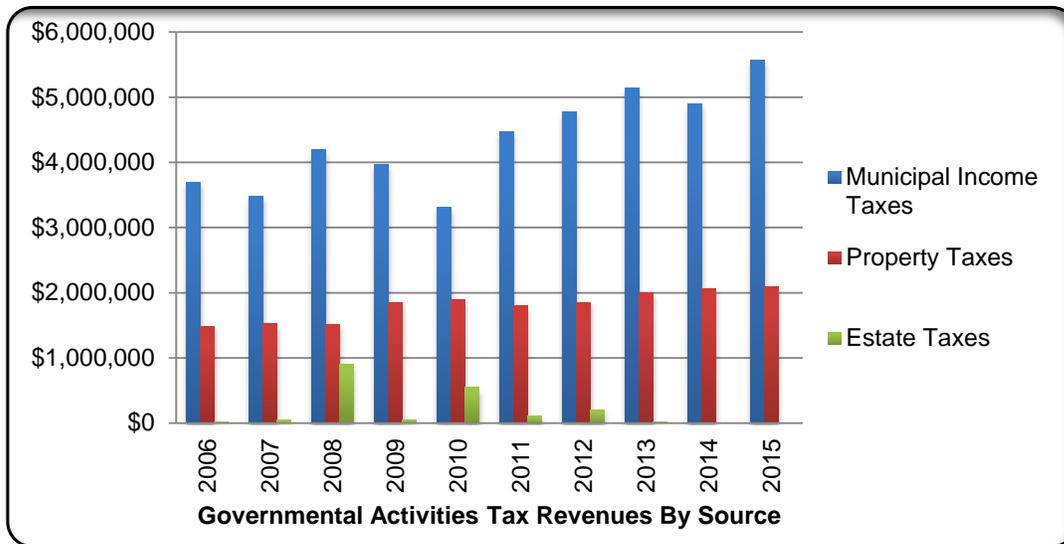


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City of Powell, Ohio
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)

Table C

Fiscal Year	Municipal Income Taxes	Property Taxes	Estate Taxes	Total
2006	3,699,738	1,476,350	23,659	5,199,747
2007	3,480,691	1,532,329	42,485	5,055,505
2008	4,202,816	1,511,193	906,267	6,620,276
2009	3,968,885	1,849,495	55,671	5,874,051
2010	3,313,296	1,888,454	545,873	5,747,623
2011	4,473,048	1,806,671	112,286	6,392,005
2012	4,782,182	1,848,339	204,027	6,834,548
2013	5,146,984	2,003,323	14,118	7,164,425
2014	4,904,132	2,060,181	-	6,964,313
2015	5,561,386	2,095,337	7,814	7,664,537



Sources:

1. City of Powell Finance Department

City of Powell, Ohio
Program Revenues of Governmental Activities by Program
Last Ten Fiscal Years
(accrual basis of accounting)

Program	Fiscal Year			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Government				
<i>Charges for services:</i>				
Public Safety	\$ 14,729	\$ 17,792	\$ 39,559	\$ 31,261
Parks and Recreation	137,284	208,786	113,327	147,471
Community Development	1,750,039	1,713,481	1,667,172	1,596,685
Public Services/Transportation		11,979	25,478	3,650
General Government	19,729	15,928	19,630	16,643
<i>Operating grants and contributions:</i>				
Public Safety	7,823	-	2,560	1,920
Parks and Recreation	57,809	-	3,100	-
Community Development		-	-	-
Public Services/Transportation	498,603	211,786	456,474	561,527
General Government		-	-	-
<i>Capital grants and contributions:</i>				
Public Safety		-	-	-
Parks and Recreation		-	-	-
Community Development		-	-	-
Public Services/Transportation	715,853	805,595	590,709	26,449
General Government		-	-	-
Total Program Revenues	\$ <u>3,201,869</u>	\$ <u>2,985,347</u>	\$ <u>2,918,009</u>	\$ <u>2,385,606</u>

Sources:

1. City of Powell Finance Department

		Fiscal Year									
		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>				
\$	39,251	\$	78,065	\$	30,916	\$	33,011	\$	21,698	\$	18,475
	137,712		150,186		169,869		148,281		233,762		213,593
	1,526,793		1,731,422		1,716,061		2,155,817		2,262,678		2,281,186
	3,050		5,240		24,832		28,933		32,430		18,848
	14,070		14,900		37,433		18,444		19,254		15,255
	320		-		-		-		-		-
	-		-		12,108		-		-		-
	-		-		-		-		-		-
	563,861		563,452		596,793		599,269		613,227		616,872
	-		-		-		21,784		17,557		25,673
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	181,434		-		-		-		675,012		59,202
	-		200,343		821,861		-		-		-
\$	<u>2,466,491</u>	\$	<u>2,743,608</u>	\$	<u>3,409,873</u>	\$	<u>3,005,539</u>	\$	<u>3,875,618</u>	\$	<u>3,249,104</u>

City of Powell, Ohio
Governmental Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

<u>Fiscal Year</u>	<u>Income Taxes</u>	<u>Property Taxes</u>	<u>Intergovernmental</u>	<u>Estate Taxes</u> ¹
2006	3,653,309	1,477,581	994,872	23,659
2007	3,655,321	1,513,111	1,026,961	31,385
2008	4,010,188	1,520,375	1,127,800	803,000
2009	4,015,942	1,810,880	1,076,935	168,072
2010	3,781,176	1,886,645	1,088,515	210,334
2011	4,357,270	1,823,309	1,118,719	441,785
2012	4,392,127	1,829,709	1,851,318	88,848
2013	4,831,415	2,058,081	1,038,277	136,170
2014	4,948,747	2,065,573	1,034,144	1,133
2015	5,462,810	2,094,026	1,060,900	7,814

Note:

- Information was included in intergovernmental in the statements

Sources:

- City of Powell Finance Department

Table E

<u>Charges and Fees for Services</u>	<u>Community Development Charges</u>	<u>Other</u>	<u>Total</u>
1,031,254	765,000	893,541	8,839,216
1,163,063	760,000	771,091	8,920,932
703,755	1,118,806	395,237	9,679,161
630,110	1,223,274	208,287	9,133,500
571,106	1,204,738	335,606	9,078,120
721,111	1,315,486	162,203	9,939,883
750,212	1,317,405	280,693	10,510,312
879,202	1,661,910	150,355	10,755,410
1,105,004	1,657,901	160,809	10,973,311
1,033,187	1,658,635	138,124	11,455,496

City of Powell, Ohio
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General fund				
Reserved	\$ 226,673	\$ 351,330	\$ 477,210	\$ 266,814
Unreserved	5,459,827	6,045,319	6,366,858	6,422,566
Nonspendable	N/A	N/A	N/A	N/A
Committed	N/A	N/A	N/A	N/A
Assigned	N/A	N/A	N/A	N/A
Unassigned	N/A	N/A	N/A	N/A
Total general fund	<u>\$ 5,686,500</u>	<u>\$ 6,396,649</u>	<u>\$ 6,844,068</u>	<u>\$ 6,689,380</u>
All other governmental funds				
Reserved	\$ 642,600	\$ 387,550	\$ 367,248	\$ 127,294
Unreserved, reported in:				
Special revenue funds	1,351,708	1,258,689	1,263,731	1,258,143
Capital projects funds (deficit)	1,900,299	(6,536,050)	34,475	441,286
Debt service funds	28,868	26,354	(13,123)	28,328
Nonspendable	N/A	N/A	N/A	N/A
Restricted	N/A	N/A	N/A	N/A
Committed	N/A	N/A	N/A	N/A
Assigned	N/A	N/A	N/A	N/A
Unassigned (Deficit)	N/A	N/A	N/A	N/A
Total all other governmental funds	<u>\$ 3,923,475</u>	<u>\$ (4,863,457)</u>	<u>\$ 1,652,331</u>	<u>\$ 1,855,051</u>

Note: The City implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. As a result fund balance classifications were changed as of December 31, 2011.

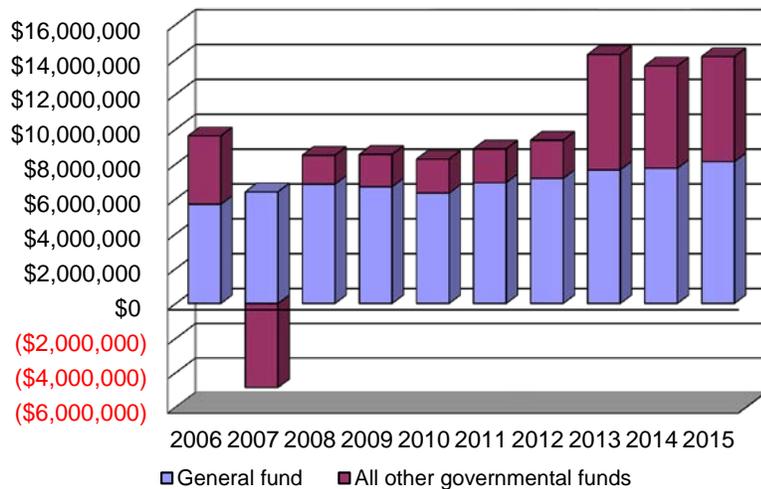
Sources:

1. City of Powell Finance Department

Table F

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$	293,734	\$ N/A	N/A	N/A	N/A	N/A
	6,036,963	N/A	N/A	N/A	N/A	N/A
	N/A	73,794	\$ 80,672	\$ 70,442	\$ 748,595	\$ 586,082
	N/A	2,003	95,526	140,545	46,671	73,173
	N/A	379,357	202,497	1,930,024	917,821	644,094
	N/A	6,470,704	6,791,636	5,517,076	6,038,607	6,827,192
\$	<u>6,330,697</u>	<u>6,925,858</u>	<u>7,170,331</u>	<u>7,658,087</u>	<u>7,751,694</u>	<u>8,130,541</u>
\$	93,504	\$ N/A	N/A	N/A	N/A	N/A
	1,044,225	N/A	N/A	N/A	N/A	N/A
	714,895	N/A	N/A	N/A	N/A	N/A
	86,065	N/A	N/A	N/A	N/A	N/A
	N/A	32,385	\$ 4,990	\$ 18,998	\$ 19,365	\$ 35,973
	N/A	1,668,938	1,824,506	6,388,327	6,138,070	6,283,354
	N/A	198,773	176,303	205,720	263,686	332,675
	N/A	213,921	184,155	-	-	-
	N/A	(183,760)	(914)	-	(553,490)	(626,599)
\$	<u>1,938,689</u>	<u>1,930,257</u>	<u>2,189,040</u>	<u>6,613,045</u>	<u>5,867,631</u>	<u>6,025,403</u>

General & All Other Governmental Fund Balances
(modified accrual basis only)



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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Revenues				
Property Taxes	\$ 1,477,581	\$ 1,513,111	\$ 1,520,375	\$ 1,810,880
Municipal Income Taxes	3,653,309	3,655,321	4,010,188	4,015,942
Other Local Taxes	23,659	233,061	927,869	348,109
Charges for Services	19,729	163,145	133,538	130,284
Development Charges	861,573	843,895	1,118,806	1,223,274
Fees, Licenses, and Permits	1,011,525	999,918	570,217	499,826
Fines and Forfeitures	41,515	7,107	15,749	9,137
Intergovernmental	994,872	825,285	1,002,931	896,898
Interest	548,968	527,353	328,697	136,833
Other	206,485	152,736	50,791	62,317
Total Revenues	<u>8,839,216</u>	<u>8,920,932</u>	<u>9,679,161</u>	<u>9,133,500</u>
Expenditures				
Public Safety	1,729,631	1,690,199	1,882,968	2,089,772
Parks and Recreation	516,993	745,912	546,486	570,742
Community Development	939,814	992,969	1,027,306	982,243
Public Services/Transportation	599,953	1,128,269	1,752,904	1,187,860
General Government	1,280,222	1,494,396	1,646,218	1,575,066
Capital outlay	2,668,504	1,542,623	61,376	55,032
Debt service:				
Principal	1,145,000	1,210,000	1,490,000	1,440,000
Interest	1,280,043	1,331,157	1,233,702	1,184,753
Other charges	68,617	76,316	97,790	-
Total Expenditures	<u>10,228,777</u>	<u>10,211,841</u>	<u>9,738,750</u>	<u>9,085,468</u>
Excess of revenues over (under) expenditures	(1,389,561)	(1,290,909)	(59,589)	48,032
Other financing sources (uses)				
Transfers in	726,550	277,850	714,245	373,100
Transfers out	(726,550)	(277,850)	(714,245)	(373,100)
Insurance Claims				
Refunding bonds issued			122,796	
Bonds issued	2,750,000		6,900,000	
Repayment of refunded notes/bonds		(6,900,000)		
Proceeds from issuance of notes	6,900,000			
Premium on bonds and notes issued	23,874	114,126		
Proceeds from sale of capital assets				
Total other financing sources (uses)	<u>9,673,874</u>	<u>(6,785,874)</u>	<u>7,022,796</u>	<u>-</u>
Net change in fund balances	\$ (11,063,435)	\$ (8,076,783)	\$ 6,963,207	\$ 48,032
Debt service as a percentage of noncapital expenditures	31.08%	42.83%	40.41%	41.94%

Sources:

1. City of Powell Finance Department

Table G

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$	1,886,645	\$ 1,823,309	\$ 1,829,709	\$ 2,058,081	\$ 2,065,573	\$ 2,094,026
	3,781,176	4,357,270	4,392,127	4,831,415	4,948,747	5,462,810
	406,853	642,953	297,797	504,932	396,004	405,445
	119,051	147,467	196,540	193,828	283,772	257,426
	1,204,738	1,315,486	1,317,405	1,661,910	1,657,901	1,658,635
	452,055	573,644	553,672	685,374	821,232	775,761
	20,799	46,355	9,407	21,405	10,074	5,210
	891,996	917,551	1,642,369	669,515	639,273	663,269
	65,547	48,655	67,147	23,871	85,236	92,655
	249,260	67,193	204,139	105,079	65,499	40,259
	<u>9,078,120</u>	<u>9,939,883</u>	<u>10,510,312</u>	<u>10,755,410</u>	<u>10,973,311</u>	<u>11,455,496</u>
	2,207,481	2,176,399	2,156,837	2,379,247	2,398,963	2,510,564
	625,075	559,988	561,995	574,677	614,705	590,215
	975,662	843,701	10,475,823	894,342	1,034,338	1,091,174
	1,345,507	1,148,520	1,112,297	1,275,444	853,198	735,992
	1,535,303	1,567,973	1,574,518	1,696,339	1,840,989	2,023,927
	5,500	352,175	982,630	268,433	1,806,440	969,465
	1,620,000	1,690,000	1,730,000	2,065,000	1,965,000	2,000,000
	1,123,916	840,837	979,789	1,028,594	1,132,876	1,043,781
	73,946	144,995	359,443	69,139	-	139,601
	<u>9,512,390</u>	<u>9,324,588</u>	<u>19,933,332</u>	<u>10,251,215</u>	<u>11,646,509</u>	<u>11,104,719</u>
	(434,270)	615,295	(9,423,020)	504,195	(673,198)	350,777
	347,350	322,500	216,341	207,150	699,500	217,500
	(347,350)	(322,500)	(216,341)	(207,150)	(699,500)	(217,500)
				3,191	4,896	24,094
	3,155,000	9,015,000	-	-	-	5,600,000
			9,915,000	4,100,000	-	-
	(3,175,000)	(9,441,599)	-	-	-	(6,199,445)
			-	-	-	-
	179,225	398,033	-	279,631	-	743,949
			11,276	24,744	16,495	17,244
	<u>159,225</u>	<u>(28,566)</u>	<u>9,915,000</u>	<u>4,407,566</u>	<u>21,391</u>	<u>185,842</u>
\$	(275,045)	\$ 586,729	\$ 491,980	\$ 4,911,761	\$ (651,807)	\$ 536,619
	29.42%	28.39%	14.30%	30.93%	30.52%	28.51%

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

Tax ¹ Year Ended December 31	Real Property²				
	Residential Property	Agricultural Property	Commercial Property	Public Utility Property	Total Real Property
2006	411,273,840	68,220	36,843,460	5,970	448,191,490
2007	432,044,290	68,220	39,467,020	5,970	471,585,500
2008	445,571,670	72,280	43,019,050	7,280	488,670,280
2009	444,894,270	12,920	40,565,620	8,440	485,481,250
2010	446,702,160	12,920	47,050,320	9,110	493,774,510
2011	423,655,810	10,930	47,180,690	10,270	470,857,700
2012	426,036,980	10,930	46,265,090	8,550	472,321,550
2013	431,731,700	46,030	46,704,750	8,870	478,491,350
2014	451,088,230	17,290	49,676,000	9,020	500,790,540
2015	463,054,860	17,290	51,104,970	9,110	514,186,230

Note:

1. Tax year is the tax year assessed but collections are in following year, i.e. Tax year 2004 collected in '2005.
2. Assessed real property is 35% of estimated actual value; assessed public utility property is 50% of estimated actual value; tangible personal property is being phased out. In the tax year 2006, the assessment percentage for machinery and equipment, inventory and fixtures was reduced to 18.75%; in tax year 2007, to 12.5%; in tax year 2008, 6.5%; and for tax year 2009 and thereafter, 0%.

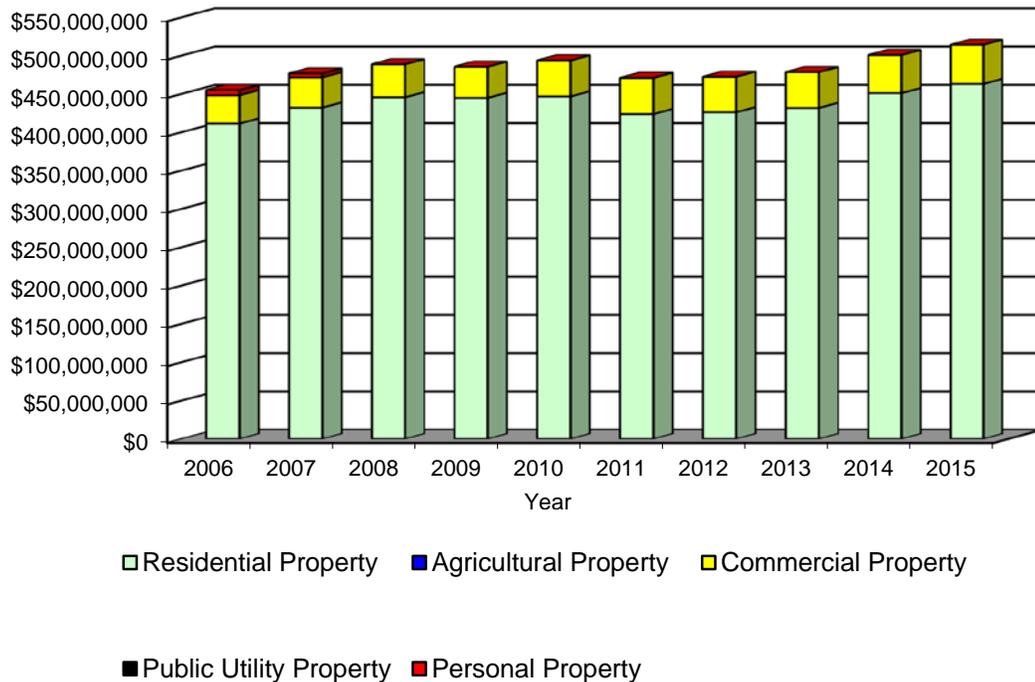
Source:

Delaware County Auditor's Office

Table H

<u>Personal Property</u> ²	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
<u>General</u>				
6,838,740	455,030,230	3.76	1,307,896,957	34.79%
5,130,540	476,716,040	3.59	1,367,904,186	34.85%
-	488,670,280	3.71	1,396,194,560	35.00%
-	485,481,250	3.80	1,387,082,051	35.00%
-	493,774,510	3.72	1,410,776,506	35.00%
-	470,857,700	3.89	1,345,298,911	35.00%
-	472,321,550	3.96	1,349,482,814	35.00%
-	478,491,350	3.88	1,367,110,540	35.00%
-	500,790,540	3.80	1,430,822,383	35.00%
-	514,186,230	3.80	1,469,095,706	35.00%

Assessed Valuation by Property Type Collections
by Collection Year



**City of Powell, Ohio
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years**

<u>Tax Year</u>	Direct			Overlapping		
	City of Powell			Delaware County		
	<u>Operating Millage</u>	<u>Debt Service Millage</u>	<u>Total City Millage</u>	<u>Operating Millage</u>	<u>Debt Service Millage</u>	<u>Total County Millage</u>
2006	1.20	2.56	3.76	4.10	0.15	4.25
2007	1.20	2.39	3.59	4.10	0.15	4.25
2008	1.20	2.51	3.71	4.10	0.15	4.25
2009	1.20	2.60	3.80	4.90	0.14	5.04
2010	1.20	2.52	3.72	4.90	0.14	5.04
2011	1.20	2.69	3.89	4.90	0.15	5.05
2012	1.20	2.76	3.96	4.90	0.15	5.05
2013	1.20	2.68	3.88	5.76	0.15	5.91
2014	1.20	2.60	3.80	5.76	0.15	5.91
2015	1.20	2.60	3.80	5.76	0.14	5.90

Note:

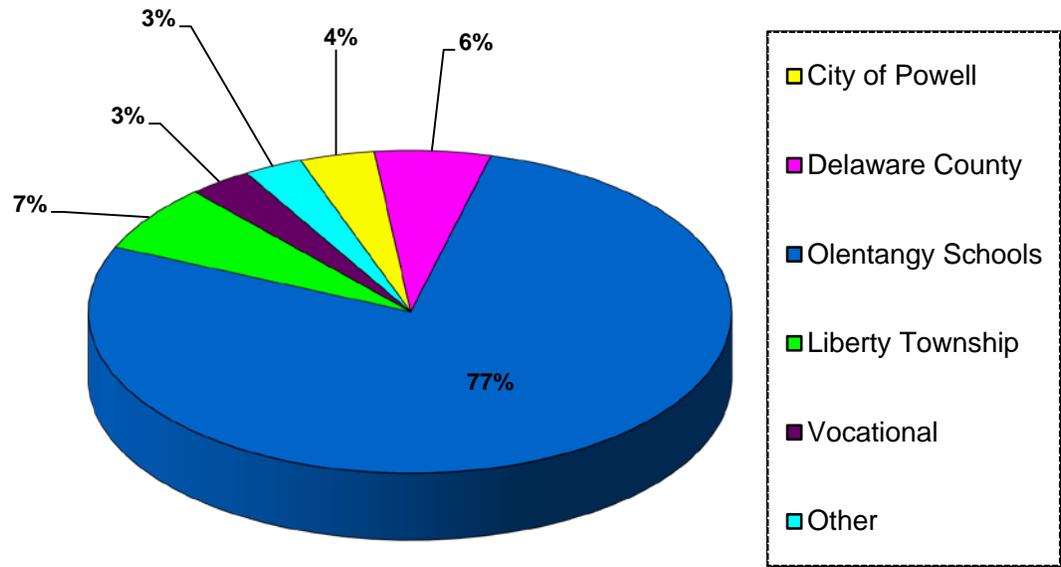
1. Other Operating Millage includes: Preservation Park District, 911 District, County Health Department, Mental Health District and Library.
2. JVSD - Joint Vocational School District

Sources:

1. Delaware County Auditor

Overlapping						
Olentangy Schools			Liberty Township Millage	JVSD ² Millage	Other Millage ¹	Total Direct & Overlapping Rates
Operating Millage	Debt Service Millage	Total School Millage				
54.10	7.90	62.00	7.29	3.20	2.62	83.12
54.10	7.90	62.00	7.23	3.20	2.61	82.88
62.00	8.72	70.72	7.18	3.20	2.79	91.85
62.00	8.72	70.72	7.24	3.20	3.78	93.78
62.00	8.72	70.72	7.23	3.20	3.75	93.66
69.90	8.72	78.62	7.25	3.20	3.75	101.76
69.90	8.72	78.62	1.25	3.20	3.75	95.83
69.90	8.72	78.62	6.85	3.20	3.75	102.21
69.90	8.72	78.62	6.85	3.20	3.75	102.13
69.90	8.72	78.62	6.85	3.20	3.00	101.37

How each \$1 of Property Tax is allocated for Powell Residents



**City of Powell, Ohio
Income Tax Rates
Direct and Overlapping Governments
Last Ten Years**

Fiscal Year	Resident of the City of Powell¹	Works in City of					
		Powell	Columbus	Gahanna	Worthington	Dublin	Delaware
2006	0.50%	0.25%	2.00%	1.50%	1.65%	2.00%	1.40%
2007	0.50%	0.25%	2.00%	1.50%	2.00%	2.00%	1.40%
2008	0.50%	0.25%	2.00%	1.50%	2.00%	2.00%	1.55%
2009	0.50%	0.25%	2.50%	1.50%	2.00%	2.00%	1.55%
2010	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.55%
2011	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%
2012	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%
2013	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%
2014	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%
2015	0.50%	0.25%	2.50%	1.50%	2.50%	2.00%	1.85%

n/a = not available

Note:

1. The City of Powell gives the resident a .25% credit if they work outside the city and pay taxes where they work.

Sources:

City of Powell, Columbus, Gahanna, Worthington, Dublin and Delaware Finance/Income Tax Departments



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City of Powell, Ohio
Property Tax Levies and Collection
Last Ten Fiscal Years

Fiscal Year Ended	Fiscal Year Received	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections ¹	Total Tax Collected	Percent of Total Tax Collections to Current Tax Levy¹
			Current Tax Collections	Percent of Levy			
December 31	In						
2005	2006	1,652,734	1,620,199	98.03%	32,163	1,652,362	99.98%
2006	2007	1,709,090	1,664,836	97.41%	31,385	1,696,221	99.25%
2007	2008	1,711,411	1,673,823	97.80%	44,804	1,718,627	100.42%
2008	2009	1,824,195	1,770,673	97.07%	31,400	1,802,072	98.79%
2009	2010	1,858,206	1,814,767	97.66%	45,849	1,860,617	100.13%
2010	2011	1,849,585	1,819,204	98.36%	34,323	1,853,527	100.21%
2011	2012	1,846,796	1,792,965	97.09%	30,224	1,823,189	98.72%
2012	2013	1,886,893	1,849,201	98.00%	39,436	1,888,637	100.09%
2013	2014	1,873,259	1,848,730	98.69%	33,267	1,881,997	100.47%
2014	2015	1,919,959	1,899,891	98.95%	31,213	1,931,104	100.58%

Note:

1. No County in the State of Ohio identifies delinquent tax collections by tax year, as a result some years will show collections greater than 100 percent.

City of Powell
Principal Revenue Payers for Property Taxes
December 31, 2015

<u>Property Taxpayer</u>	<u>2015</u>			<u>2006</u>		
	<u>Taxable Assessed</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed</u>	<u>Taxable Assessed</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed</u>
	<u>Value</u>		<u>Value</u>	<u>Value</u>		<u>Value</u>
Market at Liberty Crossing LLC	5,911,780	1	1.17%			
Ohio Power Company	3,591,640	2	0.71%			
Realty Income Properties 24 LLC	2,800,010	3	0.55%			
Kinsale Golf and Fitness Club LLC	2,184,620	4	0.43%	3,607,600	1	0.86%
LDH 2000 Family Ltd Partnership	1,688,470	5	0.33%	1,723,860	4	0.41%
Mount Carmel Health System	1,599,330	6	0.32%			
Triangle Properties Inc.	1,054,830	7	0.21%	2,109,570	3	0.50%
Store Master Funding IV LLC	1,019,410	8	0.21%			
Golf Village Self Storage Ltd.	998,000	9	0.20%			
Presidential Pointe LLC	910,000	10	0.18%			
Columbus Southern Power Company				2,572,490	2	0.61%
M/I Homes of Central Ohio LLC				1,588,160	5	0.38%
Bob Webb Lakes Edge LLC				1,292,890	6	0.31%
CV Real Property LLC				1,159,820	7	0.28%
Alcott, William M.				1,072,830	8	0.26%
Virginia Homes Ltd				835,830	9	0.20%
VJP Ltd				772,730	10	0.18%

City of Powell
Tax Incremental Financing (TIF) Collections
December 31, 2015
(cash basis of accounting)

<u>Fiscal Year Ended</u>	<u>Fiscal Year Received</u>	<u>Current Tax Collections</u>	<u>Retroactive Tax Collections</u>	<u>Total Tax Collected</u>
<u>December 31</u> 2006 *	2007	-	-	-
2007	2008	-	-	-
2008	2009	131,814	140,211	272,025
2009	2010	241,882	-	241,882
2010	2011	200,813	-	200,813
2011	2012	222,872	-	222,872
2012**	2013	206,023	19,960	225,982
2013	2014	434,104	-	434,104
2014	2015	401,941	-	401,941

Note:

*Downtown Tax Incremental Financing effective January 1, 2006 with base year being 2005

**Commercial Tax Incremental Financing effective January 1, 2012 with base year being 2011

Sources:

1. City of Powell Finance Department
2. Delaware County, Ohio Auditor's Office

City of Powell
Principal Revenue Payer Type for Income Taxes
December 31, 2015
(cash basis of accounting)

<u>Year</u>	<u>Individual</u>				<u>Business</u>		<u>Total Income Tax</u>
	<u>Withholding</u>	<u>% of total</u>	<u>Non- withholding</u>	<u>% of total</u>	<u>Net Profits</u>	<u>% of total</u>	
2006	1,024,848	28.2%	2,345,698	64.5%	263,559	7.3%	3,634,105
2007	1,076,455	29.9%	2,420,306	67.2%	102,336	2.8%	3,599,097
2008	1,193,869	30.1%	2,595,907	65.5%	170,553	4.3%	3,960,329
2009	1,252,602	31.3%	2,528,860	63.3%	216,233	5.4%	3,997,695
2010	1,280,117	34.8%	2,327,950	63.2%	73,575	2.0%	3,681,642
2011	1,354,054	30.6%	2,929,395	66.2%	144,600	3.3%	4,428,049
2012	1,423,843	33.1%	2,701,991	62.8%	179,793	4.2%	4,305,627
2013	1,579,230	32.9%	2,952,926	61.6%	263,489	5.5%	4,795,645
2014	1,714,074	35.2%	2,852,847	58.7%	295,982	6.1%	4,862,903
2015	1,896,781	35.2%	3,262,425	60.4%	236,459	4.4%	5,395,665

City of Powell
Principal Income Levels for Income Taxes
December 31, 2015

<u>Year</u>	<u>Income Amounts</u>	<u>Number of Taxpayers</u>	<u>Total Income</u>	<u>Percentage Of Income</u>
2012	\$0 to \$49,999	1,307	\$ 21,881,928	3.8%
	\$50,000 to \$149,999	1,637	\$ 164,698,308	28.4%
	\$150,000 to \$249,999	950	\$ 181,046,622	31.3%
	\$250,000 & over	479	\$ 211,485,294	36.5%
				<u>\$ 579,112,152</u>
2013	\$0 to \$49,999	1,307	\$ 21,423,684	3.6%
	\$50,000 to \$149,999	1,603	\$ 162,611,275	27.3%
	\$150,000 to \$249,999	976	\$ 185,706,982	31.2%
	\$250,000 & over	528	\$ 226,298,295	38.0%
				<u>\$ 596,040,236</u>
2014	\$0 to \$49,999	1,291	\$ 20,371,998	3.2%
	\$50,000 to \$149,999	1,555	\$ 159,360,196	25.3%
	\$150,000 to \$249,999	1,030	\$ 197,855,678	31.4%
	\$250,000 & over	579	\$ 253,335,486	40.2%
				<u>\$ 630,923,358</u>

Sources:

1. City of Powell Finance Department
2. Regional Income Tax Agency (R.I.T.A.)

City of Powell, Ohio
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities							
Fiscal Year	General Obligation Bonds	Unamortized Premium on Bonds	Percentage of Personal Income	Per Capita	Bond Anticipation Notes	Percentage of Personal Income	Per Capita
2006	21,780,000	-	6.26%	\$ 1,844.36	6,900,000	1.98%	\$ 584.30
2007	20,570,000	-	5.68%	\$ 1,673.45	6,900,000	1.91%	\$ 561.34
2008	25,980,000	117,457	7.09%	\$ 2,087.80			
2009	24,540,000	112,118	6.74%	\$ 1,984.39			
2010	22,900,000	269,711	6.36%	\$ 2,014.76			
2011	21,495,000	645,605	6.00%	\$ 1,899.83			
2012	29,680,000	593,565	8.10%	\$ 2,565.56			
2013	31,715,000	809,396	8.55%	\$ 2,710.37			
2014	29,750,000	686,627	7.57%	\$ 2,400.18			
2015	27,530,000	1,251,943	7.17%	\$ 2,273.46			

City of Powell, Ohio
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Add: Unamortized Premium on Bonds</u>	<u>Less: Amounts Available to pay Principal</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>	<u>Amounts Available to pay Interest</u>
2006	21,780,000	-	-	21,780,000	1.665%	\$ 1,844.36	\$ 28,868
2007	20,570,000	-	-	20,570,000	1.504%	\$ 1,673.45	\$ 26,354
2008	25,980,000	117,457	-	26,097,457	1.869%	\$ 2,087.80	\$ 47,787
2009	24,540,000	112,118	-	24,652,118	1.777%	\$ 1,984.39	\$ 28,328
2010	22,900,000	269,711	-	23,169,711	1.642%	\$ 2,014.76	\$ 86,065
2011	21,495,000	645,605	-	22,140,605	1.646%	\$ 1,899.83	\$ 110,028
2012	29,680,000	593,565	-	30,273,565	2.243%	\$ 2,565.56	\$ 61,661
2013	31,715,000	809,396	-	32,524,396	2.379%	\$ 2,710.37	\$ 312,567
2014	29,750,000	686,627	-	30,436,627	2.127%	\$ 2,400.18	\$ 297,591
2015	27,530,000	1,251,943	-	28,781,943	1.959%	\$ 2,273.46	\$ 372,668



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City of Powell, Ohio
Legal Debt Margin Information
(accrual basis of accounting)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Overall debt limit	\$ 43,933,443	\$ 47,877,861	\$ 51,667,548	\$ 51,353,625
Total net debt applicable to limit	28,651,132	28,680,000	25,932,213	24,511,672
Legal debt margin	\$ 15,282,311	\$ 19,197,861	\$ 25,735,335	\$ 26,841,953
Total net debt applicable to the limit as a percentage of debt limit	65.2%	59.9%	50.2%	47.7%

Unvoted debt limit	\$ 23,012,756	\$ 25,078,879	\$ 27,063,954	\$ 26,899,518
Total net debt applicable to limit	19,266,532	17,814,350	18,730,000	18,255,000
Legal debt margin	\$ 34,953,888	\$ 7,264,529	\$ 8,286,167	\$ 8,672,846
Total net debt applicable to the limit as a percentage of debt limit	51.9%	75.9%	69.2%	67.9%

Legal Debt Margin Calculation for Fiscal Year 2015

<u>Overall (Voted and Unvoted) Debt Limitation:</u>	
Total assessed value	\$ 500,790,540
Debt limit (10 1/2% of total assessed value)	52,583,007
Debt applicable to limit: (See Note 1)	
General obligation bonds & notes	10,310,000
Less: Amount set aside for repayment of general obligation debt	<u>372,668</u>
Total net debt applicable to limit	<u>9,937,332</u>
Legal debt margin	<u>\$ 42,645,675</u>

Note 1: Section 10 of Ordinance 2011-15 and Section 11 of Ordinances 2012-04 and 2012-05 allows for the exemption of debt from the legal debt margin calculation under ORC section 133.05(B)(7).
(Total Debt exempt by Ordinances: \$17,220,000.00)

Sources:

1. City of Powell Finance Department

Table P

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 50,975,531	\$ 51,846,324	\$ 49,440,059	\$ 49,593,763	\$ 50,241,592	\$ 52,583,007
22,813,935	12,369,972	10,758,339	13,082,433	11,677,409	9,937,332
\$ 28,161,596	\$ 39,476,352	\$ 38,681,720	\$ 36,511,330	\$ 38,564,183	\$ 42,645,675
44.8%	23.86%	21.76%	26.38%	23.24%	18.90%

\$ 26,701,469	\$ 27,157,598	\$ 25,897,174	\$ 25,977,685	\$ 26,317,024	\$ 27,543,480
17,658,935	8,279,972	7,793,339	7,192,433	6,842,409	6,167,332
\$ 9,042,534	\$ 18,877,626	\$ 18,103,835	\$ 18,785,252	\$ 19,474,615	\$ 21,376,148
66.1%	30.49%	30.09%	27.69%	26.00%	22.39%

Unvoted Debt Limitation:

Total assessed value	\$ 500,790,540
Debt limit (5 1/2% of total assessed value)	27,543,480
Debt applicable to limit: (See Note 1)	
General obligation bonds & notes	10,310,000
Less: Debt outside limitations	<u>3,770,000</u>
Debt within limitation	6,540,000
Less: Amount set aside for repayment of general obligation debt	<u>372,668</u>
Total net debt applicable to limit	<u>6,167,332</u>
Legal debt margin	<u>\$ 21,376,148</u>

City of Powell, Ohio
Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2015

	<u>Debt Outstanding</u>	<u>Percentage Applicable to City¹</u>	<u>Amount of Direct and Overlapping Debt</u>
Direct:			
City of Powell	\$ 28,781,943	100.00%	\$ 28,781,943
Overlapping:			
Delaware County	97,883,638	7.73%	7,566,405
Olentangy Schools ²	352,669,457	15.36%	54,170,029
Liberty Township	7,115,000	36.84%	2,621,166
Concord Township	-	0.64%	-
Other Governments - Library	7,215,000	10.27%	740,981
Subtotal	<u>464,883,095</u>	<u>70.84%</u>	<u>65,098,581</u>
Total	<u>\$ 493,665,038</u>		<u>\$ 93,880,524</u>

Note:

1. The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the government's taxable assessed value that is within the City's boundaries and dividing it by City's total taxable assessed value.
2. Outstanding debt as of June 30, 2015, per Olentangy LSD's most recent CAFR.



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City of Powell, Ohio
General Demographic Characteristics
Based on Census Years

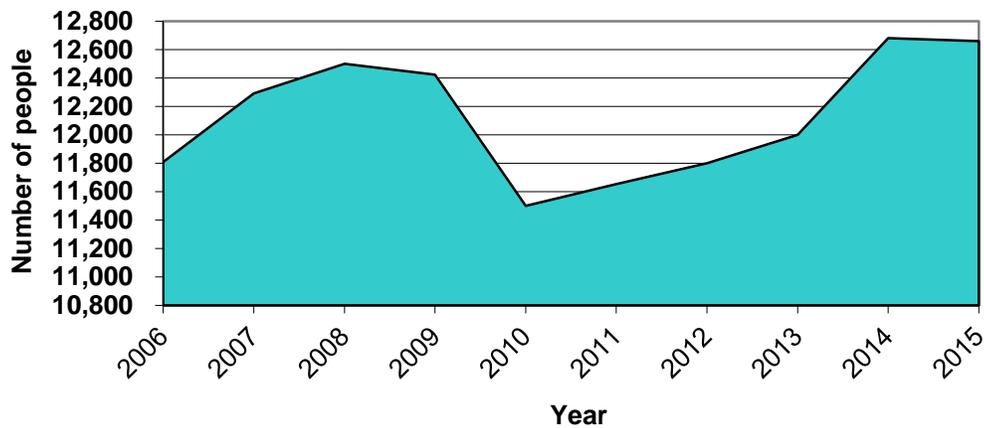
	<u>2010</u>	<u>2000</u>
Population	11,500	6,247
Age Distribution		
Under 5 years	1,001	736
5 to 19 years	3,158	1,590
20 to 64 years	6,455	3,681
65 years and older	886	240
Race		
White	10,172	5,890
Asian	859	186
Black	221	97
Other	248	74
Education Attainment		
No diploma	68	48
High School	611	321
Some college	937	599
College degree	3,548	1,914
Graduate	1,781	968
Income of Households		
Less than \$74,999	786	431
Over \$75,000	2,959	1,563
Median income	\$ 126,752	\$ 115,904
Sex		
Male	5,663	3,137
Female	5,837	3,110
Housing Units		
Total housing units	3,796	2,002
Owner-occupied units	3,574	1,835
Renter-occupied units	222	62
Median value of unit	\$337,900	\$259,200

Source:
U.S. Bureau of the Census

City of Powell, Ohio
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population ¹	Personal Income (amount expressed in thousands)	Per Capita Personal Income ²	Median Age ²	School Enrollment ³	Unemployment		
						Delaware County Rate ⁴	State Rate ⁴	U.S. Rate ⁴
2006	11,809	\$ 347,778	\$ 117,801	34.7	11,961	3.40%	5.60%	4.50%
2007	12,292	\$ 362,002	\$ 117,801	34.7	12,929	4.20%	5.50%	4.50%
2008	12,500	\$ 368,128	\$ 117,801	34.7	13,002	5.10%	7.70%	7.10%
2009	12,423	\$ 365,860	\$ 117,801	34.7	13,971	7.70%	10.70%	9.70%
2010	11,500	\$ 364,412	\$ 126,752	37.4	15,925	6.40%	9.60%	9.40%
2011	11,654	\$ 369,292	\$ 126,752	37.4	16,773	5.30%	7.60%	8.50%
2012	11,800	\$ 373,918	\$ 126,752	37.4	17,513	4.30%	6.70%	7.80%
2013	12,000	\$ 380,256	\$ 126,752	37.4	17,855	4.60%	7.10%	6.70%
2014	12,681	\$ 401,836	\$ 126,752	37.4	18,108	3.10%	4.80%	5.60%
2015	12,660	\$ 401,170	\$ 126,752	37.4	19,326	3.80%	5.60%	5.20%

Population Growth



Source:

1. Non Census years are estimates from City of Powell Development Department
2. U.S. Census Bureau, 2010 Census
3. Olentangy Local School District, Audited Financial Statements and website
4. Ohio Labor Market Information and Delaware County, Ohio Audited Financial Statements

**City of Powell, Ohio
Principal Employers
As of December 31, 2015 and December 31, 2006**

<u>Employer</u>	<u>Principal Business</u>	<u>2015</u>			<u>2006</u>		
		<u>Rank</u>	<u>Number of Employees</u>	<u>% of Total Employment</u>	<u>Rank</u>	<u>Number of Employees</u>	<u>% of Total Employment</u>
The Ohio State University	Education	1	30,963	4.31%	2	18,763	2.87%
State of Ohio	Government	2	23,859	3.32%	1	30,009	4.59%
OhioHealth Corp	Health Care	3	19,936	2.77%	6	9,083	1.39%
JPMorgan Chase & Co	Finance	4	19,200	2.67%	3	13,707	2.09%
Nationwide Mutual Insurance, Co.	Finance	5	12,200	1.70%	4	11,002	1.68%
Kroger Co.	Retail	6	10,242	1.42%	15	3,587	0.55%
Mount Carmel Health System	Health Care	7	8,818	1.23%	11	5,605	0.86%
City of Columbus	Government	8	8,510	1.18%	8	7,890	1.21%
Nationwide Children's Hospital	Health Care	9	8,508	1.18%	18	2,981	0.46%
Honda North America, Inc.	Automotive	10	7,800	1.09%	13	4,829	0.74%
Franklin County	Government	11	6,959	0.97%	12	5,069	0.77%
Columbus City Schools	Education	12	6,488	0.90%	7	7,905	1.21%
Total Principal Employers			163,483	22.74%		120,430	18.40%
Franklin County Employment				625,000		578,100	
Delaware County Employment				93,795		76,300	

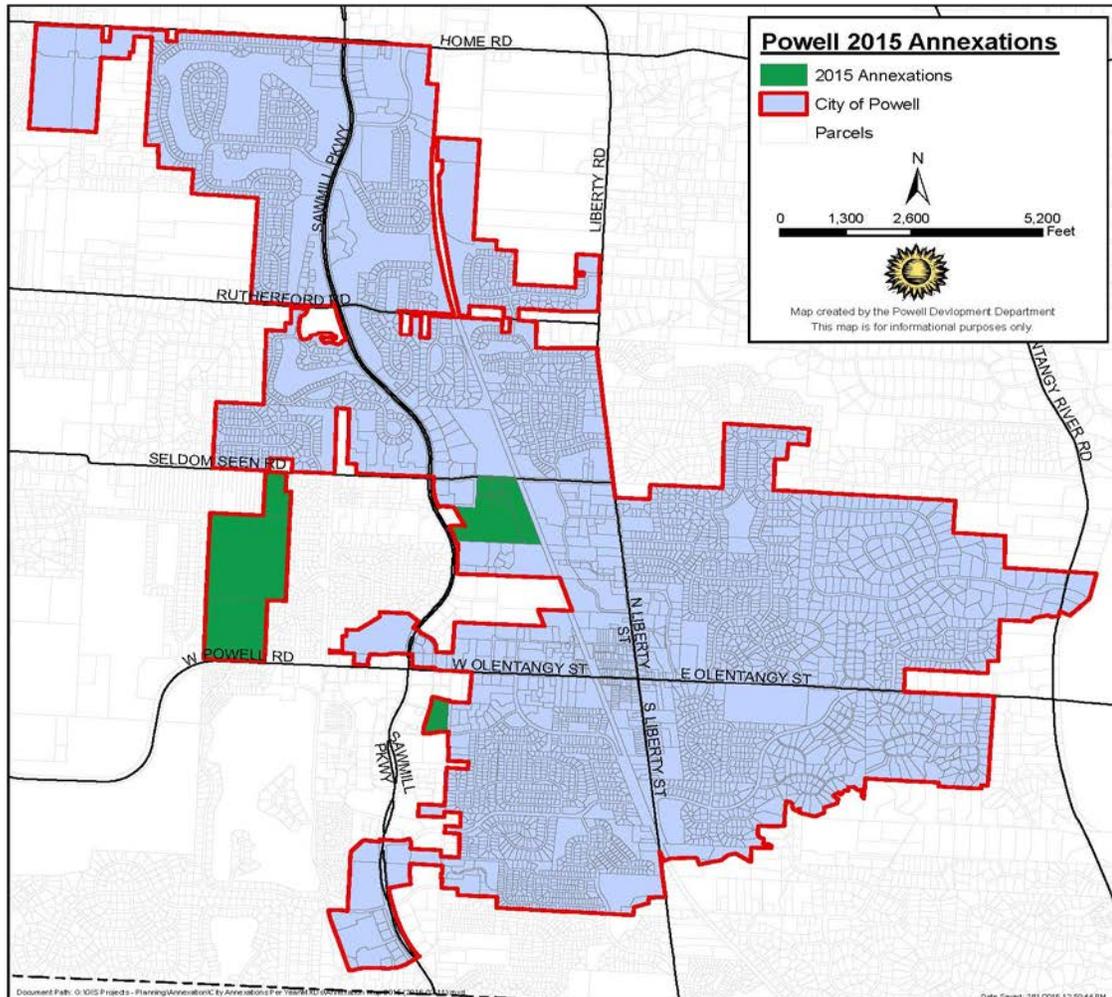
Note:

The City of Powell receives over 90% of its income tax revenue from individuals who work outside the City of Powell. Therefore, the City has reported the largest employers within Delaware and Franklin County where the majority of its residents work.

Source:

1. Franklin and Delaware County audited Financial Statements (most current available)
2. Business First, Columbus Metropolitan Book of Lists

City of Powell, Ohio Growth in Land Area For Selected Years



Years	Acres Annexed	Total Acres	Square Miles
1947		263.00	0.41
1948-1975	480.50	743.50	1.16
1976-1985	84.40	827.90	1.29
1986-1995	938.30	1766.20	2.76
1996-2000	212.00	1978.20	3.09
2001-2005	1157.10	3135.30	4.90
2006-2010	42.70	3178.00	4.97
2011-2014	149.50	3335.24	5.21
2015	164.70	3499.94	5.47

Sources:
 1. City of Powell, Development Department
 2. City of Powell Codified Ordinances, Resolutions and Record of Proceedings

City of Powell, Ohio
Operating Indicators by Function
Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<i><u>Public Safety</u></i>				
Traffic Citations	348	420	319	263
Arrests	180	208	204	153
Accidents	104	105	93	105
<i><u>Parks and Leisure</u></i>				
Programs offered	266	268	247	250
Program registrations	2,011	2,115	1,548	1,503
<i><u>Community Environment</u></i>				
<i>Building Dept.</i>				
Single-family building permits issued	138	94	41	32
Remodeling permits issued	31	34	33	28
Commercial building permits issued	221	268	207	167
<i>Development Dept.</i>				
Number of Planning & Zoning Projects Reviewed	31	14	11	11
Number of Board of Zoning Projects Reviewed	2	3	3	2
Number of Historical Downtown Projects Reviewed	4	7	6	4
<i>Engineering Dept.</i>				
Number of Engineering Plan Approvals	13	10	6	3
Number of Conditional Inspection Approvals	86	62	27	8
Number of Final Inspection Approvals	244	103	58	30
<i><u>Public Services</u></i>				
Snow accumulation per winter season (inches)	3.50	25.25	23.75	36.25
<i><u>General Government</u></i>				
<i>Community Affairs Dept.</i>				
Number of City sponsored events	11	10	6	10
<i>Finance Dept.</i>				
Vehicle registrations	9,922	9,986	10,371	10,076
Number of purchase orders issued	1,254	1,459	1,085	1,007
Finance Committee Meetings	11	14	8	12
<i>Council</i>				
Number of ordinances issued	71	64	43	41
Number of resolutions issued	41	26	26	20
Council meetings	24	27	23	20

Note:

(1) Beginning in 2011, no events were funded with taxpayer dollars, rather, donations were received by outside organizations to fund all city sponsored events. Beginning in 2015 the City took back Holidays in Powell

Sources:

1. Ohio Department of Public Safety, License Statistics report
2. City of Powell various departments

Table V

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
298	319	258	283	327	179
96	101	121	93	114	143
144	158	129	154	121	146
252	171	271	268	166	200
1,437	1,663	1,603	1,581	1,767	1,584
34	45	50	68	104	56
30	49	24	52	33	45
184	214	238	144	242	200
16	14	11	31	19	33
2	-	2	1	-	-
5	3	6	3	9	6
5	2	5	5	8	21
26	18	19	34	38	27
37	30	43	38	41	77
41.50	8.75	13.50	23.75	55.5	9.00
13	-	-	-	-	1
11,209	11,462	11,826	12,026	11,486	11,684
949	860	886	854	941	797
11	10	10	8	9	10
55	29	41	58	65	63
17	23	24	26	27	18
26	22	22	23	26	24

City of Powell, Ohio
Capital Assets Statistics by Function
Last Ten Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Parks				
Bike paths (feet) ²	64,841	65,587	67,350	67,350
Buildings	1	1	1	1
Park Land (undeveloped)	3	3	3	3
Parks	9	9	9	9
Public Service				
Streets - Commercial (miles) ²	21.82	22.29	22.30	22.30
Streets - Residential (miles) ²	74.50	76.20	78.09	78.09
Vehicles	12	11	11	11
Building ¹	3.5	4.0	4.0	4.0
Police				
Vehicles	10	10	10	10
Police Station ¹	0.5	0.5	0.5	0.5
Administration				
Building ¹	1	0.5	0.5	0.5

Note:

1. Beginning in 2000, Public Service and Police shared the building because a building was purchased in 1997 and then renovated for the administration use.
2. The City implemented GASB Statement No. 34 in 2002 which required the tracking of capital assets therefore only the balance at the beginning of the 2002 is known for many of the previous years. When the actual number is actually available it has been reflected.
3. Administration utilized a building which was connected to an open garage. In 2007, the open garage section and exterior was renovated to include a new police facility.

Table W

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
67,350	67,350	67,350	67,350	67,350	67,350
1	1	1	1	1	1
4	4	4	4	4	4
9	9	9	9	9	9
22.30	22.30	22.30	22.30	23.60	23.89
78.09	78.09	78.09	78.09	78.12	78.12
11	11	11	14	13	13
4.0	4.0	4.0	4.0	4.0	4.0
9	9	10	11	12	13
0.5	0.5	0.5	0.5	0.5	0.5
0.5	0.5	0.5	0.5	0.5	0.5



City of Powell, Ohio
Full-time Equivalent Employees by Function
Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of December 31				
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Public Safety	18.0	18.0	19.0	20.0	20.0
Parks and Recreation					
Park Maintenance	5.0	7.0	7.0	7.0	7.0
Recreation Programs	4.5	3.5	3.5	3.5	3.5
Community Environment					
Building Dept.	5.0	5.0	5.0	5.0	5.0
Development Dept.	2.5	2.5	2.5	2.5	2.5
Engineering Dept.	3.0	3.0	3.0	3.0	3.0
Public Services	5.0	6.0	6.0	6.0	6.0
General Government					
Administration	2.0	2.0	2.0	2.0	2.0
Public Information*	1.0	1.0	1.0	1.0	1.0
Finance	3.0	3.0	3.0	3.0	3.0
Mayor/Council	1.0	1.5	1.5	1.5	1.5
Total	50.0	52.5	53.5	54.5	54.5

Function	Full-time Equivalent Employees as of December 31				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Public Safety	20.0	19.0	19.0	20.0	20.0
Parks and Recreation					
Park Maintenance	7.0	7.0	7.0	7.0	7.0
Recreation Programs	3.5	3.5	3.5	3.5	3.5
Community Environment					
Building Dept.	3.0	3.5	3.5	5.0	5.0
Development Dept.	2.5	2.5	2.5	2.5	2.5
Engineering Dept.	3.0	3.0	3.0	3.0	3.0
Public Services	6.0	6.0	6.0	6.0	6.0
General Government					
Administration	2.0	2.0	2.0	2.0	2.0
Communications	1.0	0.0	1.0	1.0	1.0
Finance	3.0	3.0	3.0	3.0	3.0
Mayor/Council	1.0	1.0	1.0	1.0	2.0
Total	52.0	50.5	51.5	54.0	55.0

Note:

All part-time and seasonal employees for the purposes of this chart are considered to be a 1/2 time employees.

Source:

1. City of Powell Finance Department

**CITY OF POWELL
DELAWARE COUNTY, OHIO**

SUPPLEMENTAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2015

DEBRA K. MILLER, FINANCE DIRECTOR

**CITY OF POWELL
DELAWARE COUNTY, OHIO**

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Julian & Grube, Inc.

Serving Ohio Local Governments

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

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

City of Powell
Delaware County
47 Hall Street
Powell, Ohio 43065

To the Members of Council and Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Powell, Delaware County, Ohio, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City of Powell's basic financial statements and have issued our report thereon dated April 11, 2016, wherein we noted as discussed in Note 16, the City of Powell adopted Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27 and No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*.

Internal Control Over Financial Reporting

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

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

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

Members of Council and Mayor
City of Powell

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
April 11, 2016



Dave Yost • Auditor of State

CITY OF POWELL

DELAWARE 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
JUNE 16, 2016