

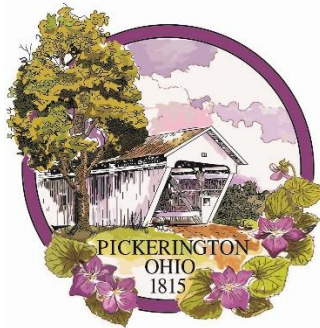


# CITY OF PICKERINGTON, OHIO



## Comprehensive Annual Financial Report

for the year ended December 31, 2017





# City of Pickerington, Ohio

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

**Comprehensive Annual  
Financial Report**  
**For The Year Ended December 31, 2017**



## Introductory Section

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For the Year Ended December 31, 2017  
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# CITY OF PICKERINGTON

June 20, 2018

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

The Comprehensive Annual Financial Report (CAFR) of the City of Pickerington, Ohio (the City), for the year ended December 31, 2017 is submitted herewith. State law requires that each general-purpose local government publish within 150 days of the close of each year a complete set of financial statements. This report is published to fulfill that requirement for the year ended December 31, 2017. This report is prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America and audited in accordance with generally accepted auditing standards.

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

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

In developing and revising the City's accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding the safeguarding of assets from loss, theft or misuse, and reliability of financial records for preparing the City's financial statements in conformity with GAAP and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

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

## **Profile of the City**

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



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

The City's 2017 population as estimated by the United States Census Bureau was 20,069. The unincorporated Violet Township estimated population (excluding Pickerington) was 21,046. As a result of reaching an official population of over 5,000 persons, Pickerington was certified as a city by the Ohio Secretary of State in 1991. Pickerington was the second city incorporated in Fairfield County and is second in size only to Lancaster.

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

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

The annual budget serves as the foundation for the City's financial planning and control. The City complies with the requirements of the Ohio Revised Code in the adoption of the budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for requisitions and purchase orders, and through the use of the City's automated financial system. All departments of the City were required to submit requests for appropriations to the Finance Director before September 30th. The Finance Director uses these requests as the starting point for developing a proposed budget. The City adopts a 5-year Capital Improvement Budget that aids in the preparation of the budget. The City also completes a 5-year financial forecast annually, as a tool to assist Council and management in the budgetary decision making process.

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

The legal level of budgetary control is the level passed by Council which is at the object level for all funds. Any budgetary modifications at this level may only be made by ordinance of the City Council. The Finance Director is given the authority to further allocate fund appropriations within all funds. The City Council may pass supplemental appropriations at any time by ordinance. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted.

The General Fund, Street Major Special Revenue Fund, and Police Major Special Revenue Fund are presented as part of the basic financial statements beginning on page 24. For other funds, this comparison is presented in the supplementary section of this report, which starts on page 103.

### **Local Economy**

The City of Pickerington is a residential suburban community with only a small portion utilized for commercial and retail activity. The City is not reliant on its own commercial base but on the larger, more diversified regional base in the Columbus metropolitan area, which includes Fairfield and Franklin counties, for its residents' workplaces. Fairfield County's and Franklin County's unemployment rate of 4.3 percent and 4.0 percent respectively, are both lower than the State's average unemployment rate of 4.7 percent in 2017. This trend has continued for the last two decades.

2017 was a busy and exciting year for the City of Pickerington with the completion of the Downtown Plan, the City's first job retention and creation grant, and nearly \$13 million in commercial investment in the community.

In May 2017, the City initiated a process to create a Downtown Plan. The project evaluated the wants and needs of current and future residents, identified how to organize local talent and organizations to achieve common vision, considered development areas that are currently vacant or underutilized and developed a vision and strategy for the areas that will respond to opportunities in the regional marketplace. The Downtown Plan was completed in December 2017. Council is scheduled to review and adopt the plan by July 2018.

Throughout 2017, the Violet Township Fire Department continued work on its \$5 million state of the art facility for the firefighters and the community. The project was completed in April 2018.

Combustion Brewery and Taproom completed renovations on both floors of the former Pickerington Creamery. The brewery began serving the public in mid-April 2017. The 7,200 square foot loft at Combustion Brewery and Taproom, which serves as a versatile space for a variety of events, was completed in September 2017.

The City's core commercial district, the S.R. 256 Corridor, was a hub of economic activity. In late 2016, the Pick-Town Drive-Thru Beverage Store was purchased and demolished by NorthStar Properties. During 2017, NorthStar Properties built an 8,000 square foot multi-tenant plaza. Tenants in the space include Sherwin-Williams, MOD Pizza, and AT&T. Chipotle began renovations of the former Sonic site and announced in July 2017, that the chain would test a drive-thru at this location. Chipotle opened in January 2018. Red Robin completed its renovations at the former Uno's Pizzeria site in 2016 and began serving customers in January 2017. Zettler Hardware began construction on its nearly 24,000 square foot space in May 2016 and opened its doors to the public in January 2017.

In August 2017, 6,000 square feet of newly built flex/warehouse space opened in the Olde Pickerington Village. Tenants include Pebby Forevee, Picktown Art Works, Violet City Crossfit, and Rosendiehl, LLC.

Ohio Gastroenterology Group broke ground on a nearly 25,000 square foot, two-story medical facility in September 2017. Construction will continue throughout 2018. Ohio Gastroenterology Group is expected to occupy the first floor and will lease space on the second floor.

Spectrum Retirement Communities began welcoming guests to its Sycamore Creek Senior Living facility in September 2017. This facility has 132 maintenance-free apartments with a variety of floor plans, a fitness room, movie theatre, hair salon and an array of activities for its residents to enjoy.

ALDI began offering Pickerington residents a fresh, new shopping experience in early December 2017. This newly constructed, 19,000 square foot facility employs over 30 people.

At the beginning of December 2017, City Council unanimously approved an economic development job retention and expansion grant between the City of Pickerington and R.G. Barry Corporation (the makers of Dearfoams slippers, Foot Petals premium insoles and comfort products, and Baggalini handbags, totes and travel accessories). The agreement states that R.G. Barry Corp. will remain in Pickerington for 15 years, retain 100 employees, and add 20 new jobs. In consideration, the City of Pickerington offered R.G. Barry Corp. a job retention and creation grant. This retention and expansion project was in competition with other Central Ohio office locations.

Median household incomes within the City of Pickerington are significantly higher than for the State as a whole. According to the 2017 U.S. Census estimates, the City's median family income was \$84,410, the County's was \$61,473, while the State's was \$50,674.

During 2017, the Building Department issued a total of 756 permits, which included 130 single family homes, 224 commercial, and 402 for home improvement projects. Building Department permits and municipal impact fees totaled over \$1.9 million in 2017.

### **Major Initiatives**

In 2014, the City received confirmation of \$3.5 million in grant funding from the Ohio Department of Transportation Safety Program for improvements to the intersection of State Route 256 and Refugee Road. The City also applied for an additional \$5.75 million in grant funding from the Mid- Ohio Regional Planning Commission (MORPC) for corridor improvements to Refugee Road. The City was awarded the \$5.75 million in grant funding in May 2015. In the summer of 2016, the City provided an updated grant request to MORPC for additional project funding and is expected to receive an additional \$1.3 million in grant funding for the project. The total grant funding in the amount of \$10.5 million along with \$4.4 million in tax increment financing revenues will allow the City to widen the intersection at State Route 256 and Refugee Road, widen Refugee Road in front of the Ohio Health property, and widen Refugee Road west of Ohio Health. Design work began in 2015, and the project is currently working with impacted property owners to acquire necessary rights of way. Private utility relocations have started and will continue through summer 2018, with construction expected to begin in late summer 2018.

In 2017, the City began designing the removal of Windmill Dam. The dam, which is an Ohio Department of Natural Resources (ODNR) regulated structure, was recently overtopped during a significant rain event. While the overtopping did not cause any significant damage, it did generate the need for some minor maintenance on the structure resulting in the City reviewing the dam to determine if it is to remain or be removed and the stream channel restored. Construction to remove the dam is anticipated to occur in the summer of 2018.

Also in 2017, the City completed repairs to the Zeller-Smith Covered Bridge located within Sycamore Creek Park. The bridge was relocated to the park in the 1980's for preservation purposes, and a recent inspection revealed some structural concerns.

The 2018 Street Maintenance project is expected to include a significant amount of capital improvements within both Sycamore Creek Park and Victory Park. The project will also include associated pavement maintenance efforts of Violet Township and the Pickerington Local School District in an effort to provide economies of scale to all three jurisdictions.

## **Long-Term Financial Planning and Relevant Financial Policies**

Providing first-class municipal services to a community such as Pickerington, which has a small commercial and office tax base, creates numerous challenges, which is the reason the Mayor, City Council, and staff work consistently on the long-term financial health of the City. The City has sought various alternative means to assist in the City funding mechanisms including the use of Tax Increment Financing (TIF) areas. On February 15, 2014, the City entered into a Tax Increment Financing Agreement with Ohio Health Corporation for the purpose of constructing a two-story, approximately 47,300 square foot medical office building with an ambulatory surgical center and adjacent parking with approximately 189 parking spaces. The TIF revenues associated with this agreement will be used to help absorb the costs incurred with the Refugee Road widening project.

On April 15, 2014, the City passed several ordinances establishing three Tax Increment Financing areas along State Route 256 (Hill Road). The TIF revenues derived from these parcels will be used for future infrastructure improvements along State Route 256 (Hill Road) and Diley Road (an arterial of SR 256).

On October 18, 2016, the City passed several ordinances establishing three Tax Increment Financing areas along State Route 256 (Hill Road), Diley/Windmill/Refugee Roads, and Yarmouth/Winderly Lane/Hill Road areas. The TIF revenues derived from these parcels will be used for future infrastructure improvements within these areas.

On November 1, 2016, the City passed an ordinance establishing a Tax Increment Financing area along Courtright Drive. The TIF revenues derived from these parcels will be used for future infrastructure improvements including the extension of Courtright Drive.

On December 6, 2016, the City passed two separate ordinances establishing two Tax Increment Financing areas along Commerce Drive/State Route 256 (Hill Road) and along Refugee Road. The TIF revenues derived from these parcels will be used for the future infrastructure improvements within these areas including the widening of Refugee Road.

The City of Pickerington continues to grow and outpace activity in other area cities, but the rising cost of providing critical City services to our citizens remains a concern. The cost of fuel, road salt, vehicles, police protection, and other supplies and materials is increasing faster than revenues. These increases, coupled with State-mandated collective bargaining which adds to the labor and health care costs, has led City Council to undertake a comprehensive review of all aspects of the General Fund budget. As a result, consideration is being given to contracting for some City services to reduce cost, overall reducing expenses.

In an effort to provide more cost efficient services to its residents, the City has been promoting regionalism with the local Township, County, and surrounding communities. The City has initiated discussions with several communities for cooperative road salt bidding, street paving projects, land use plans and the sharing of specialized employees. The City's goal to remain competitive in the future is to continue to focus on the development process and to complete all projects in a timely manner.

To ensure that debt capacity is available during unforeseen and extraordinary events that may require an immediate infusion of capital into the City's infrastructure, facilities, equipment and appurtenances, the City shall make every effort to preserve unvoted general obligation debt capacity of at least \$300 per capita.

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

The City has adopted several policies that are reviewed and updated on an as needed basis. These policies include an investment policy, debt policy, fund balance reserve policy, and purchasing policy.

The fund balance reserve policy designates the minimum unrestricted General fund balance be twenty-five percent (three months) of the annual operating expenditures and other financing uses (transfers) otherwise known as the annual operating budget. Replenishment should take place in a prompt manner and the government should develop a strategy and timeline for replenishing fund balance.

The Finance Department once again completed a five-year financial forecast in 2017. This forecast was reviewed by Council and Mayor as a tool for assisting with future decisions regarding the finances of the City. The forecast has been instrumental for successfully renewing the annual street resurfacing program.

### **Awards and Recognitions**

The Finance Director received the Dave Yost, Auditor of State's "Award with Distinction" for outstanding commitment to the highest standards of financial reporting for the years 2005, 2006, and 2008 through 2016 due to the filing of the Comprehensive Annual Financial Report (CAFR) and having no audit citations.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pickerington for its CAFR for the year ended December 31, 2016. This was the thirteenth year the City had filed a CAFR and received this reward. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Additionally, the City received the Award for Outstanding Achievement in Popular Annual Financial Reporting from GFOA for the City's 2016 Citizen's Report, a condensed, more user-friendly financial report intended to provide highlights of the City's financial condition. 2016 was the sixth year the City completed the Popular Annual Financial Report and received this prestigious award.

The City received its 25<sup>th</sup> Tree City USA Award for the year ended December 31, 2017. This prestigious award recognized the City for its annual program of planting new trees and maintaining and removing old trees.

I would like to thank the Mayor, Members of Council, and the City Manager for their support in striving for excellence in financial reporting and disclosure. I would also like to thank Deputy Finance Director, Stephanie Spencer, and the staff from the Local Government Service Section of the Auditor of State for their assistance in preparing and reviewing the CAFR respectively.

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

In closing, I would like to thank the residents and taxpayers of the City of Pickerington for entrusting us with the fiscal accountability of the community.

Respectfully submitted,

A handwritten signature in blue ink that reads "Christopher P. Schornack". The signature is written in a cursive, flowing style.

Christopher P. Schornack  
Finance Director

**City of Pickerington, Ohio  
List of City Officials  
December 31, 2017**

**City Council**

Mayor	Lee Gray
President Pro Tempore	Jeff Fix
Vice President Pro Tempore	Cristie Hammond
Council Member	Tony Barletta
Council Member	Jerry Dailey
Council Member	Michael Sabatino
Council Member	Tricia Sanders
Council Member	Melissa Wilde

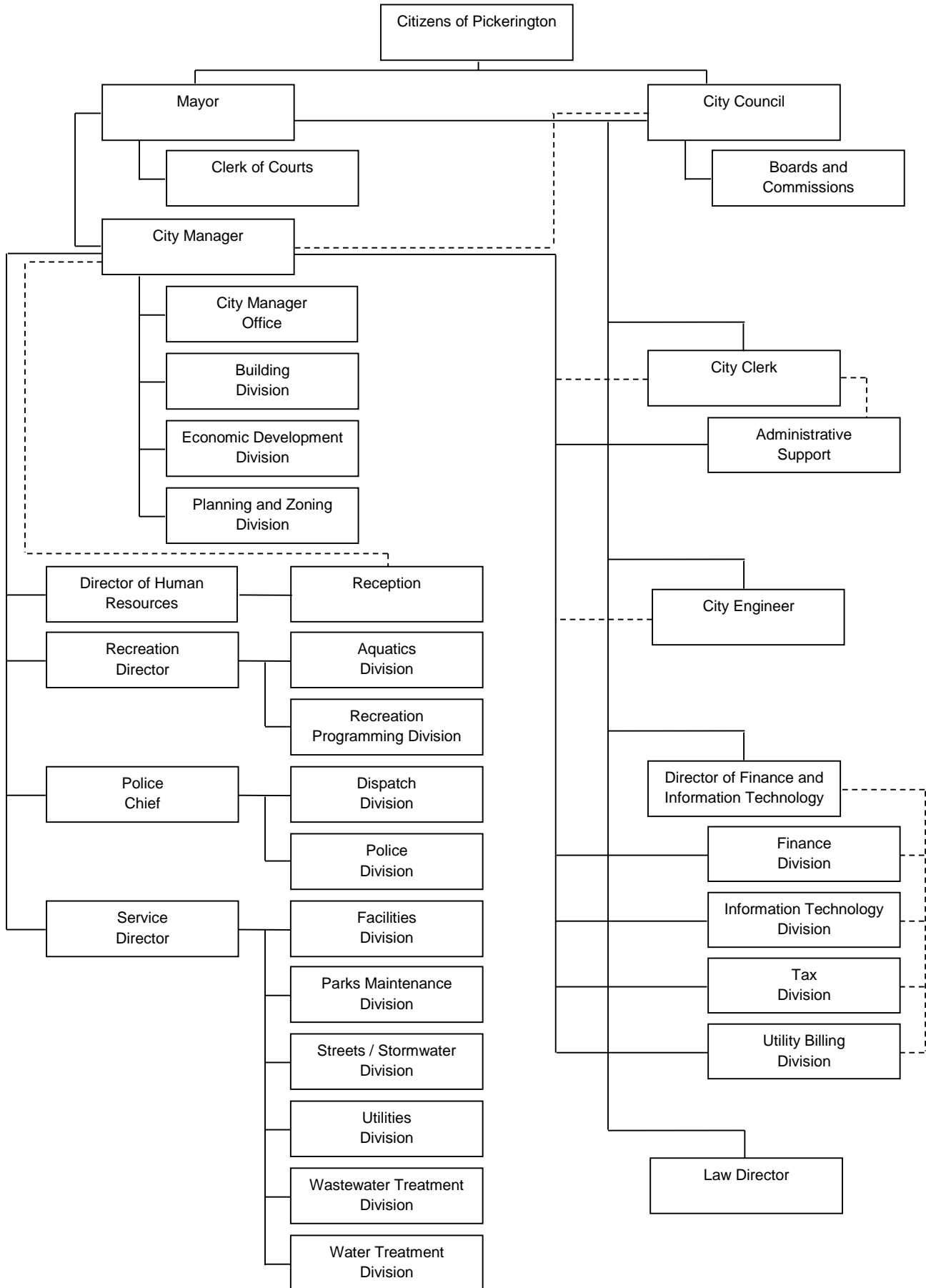
**Appointed Officials**

City Manager	William Vance
Law Director	Frost Brown Todd LLC
Municipal Clerk	Heather Moore
City Engineer	Scott Tourville
Finance Director	Christopher Schornack

**Executive Staff**

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







Government Finance Officers Association

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

Presented to

**City of Pickerington  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morrell*

Executive Director/CEO



## Financial Section



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

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

To the City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, Ohio (the City), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, Ohio, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Street and Police Funds, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis*, 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's basic financial statements taken as a whole.

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2018, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Dave Yost", with a stylized, cursive script.

**Dave Yost**  
Auditor of State  
Columbus, Ohio

June 20, 2018

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The discussion and analysis of the City of Pickerington's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2017. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements, and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

### **Financial Highlights**

Key financial highlights for 2017 are as follows:

- The City's total net position increased by \$5,951,633, from the total net position at the beginning of the year 2017.
- At the end of the current year, the City's governmental activities reported total net position of \$58,556,374, an increase of \$3,406,943 from the prior year.
- At the end of the current year, unassigned fund balance for the General Fund was \$5,189,226 which represents an eight percent increase from the prior year.

### **Using this Annual Financial Report**

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

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

### ***Reporting the City as a Whole***

#### **Statement of Net Position and Statement of Activities**

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2017?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

***Reporting the City's Most Significant Funds***

***Fund Financial Statements***

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

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

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

The City maintains a number of individual governmental funds. Information for the major funds, identified earlier, is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 24 through 34 of this report.

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**Proprietary Funds** The City uses enterprise funds to account for its water, sewer, stormwater, and aquatic recreation center operations. For water and sewer operations, the City charges a fee to customers, based upon the amount of usage, to recover the costs of the services provided, and to cover the capital assets associated with the services. For stormwater operations, the City charges a flat monthly fee. For the aquatic recreation center the City charges a fee for pool passes. The proprietary fund financial statements can be found on pages 36 through 43 of this report.

**Fiduciary Fund** The City accounts for resources held for the benefit of parties outside the government as a fiduciary fund. This fund is not reflected in the government-wide financial statements because the resources of this fund are not available to support the City's own programs. The City uses accrual accounting for fiduciary funds, much like that of the proprietary funds. The fiduciary fund financial statement can be found on page 44.

### The City as a Whole

Recall that the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2017 compared to 2016.

**Table 1 - Net Position**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2017	2016	2017	2016	2017	2016
<b>Assets</b>						
Current and Other Assets	\$17,008,547	\$14,309,036	\$11,491,469	\$10,033,597	\$28,500,016	\$24,342,633
Capital Assets, Net	65,402,319	63,073,662	63,092,474	62,390,771	128,494,793	125,464,433
<i>Total Assets</i>	<u>82,410,866</u>	<u>77,382,698</u>	<u>74,583,943</u>	<u>72,424,368</u>	<u>156,994,809</u>	<u>149,807,066</u>
<b>Deferred Outflows of Resources</b>						
Deferred Charge on Refunding	61,309	70,067	13,130	15,319	74,439	85,386
Pension	2,380,207	2,470,936	908,539	737,342	3,288,746	3,208,278
<i>Total Deferred Outflows of Resources</i>	<u>2,441,516</u>	<u>2,541,003</u>	<u>921,669</u>	<u>752,661</u>	<u>3,363,185</u>	<u>3,293,664</u>
<b>Liabilities</b>						
Current and Other Liabilities	876,045	811,746	583,319	316,495	1,459,364	1,128,241
Long-term Liabilities:						
Due Within One Year	1,062,591	1,010,460	1,073,918	1,028,392	2,136,509	2,038,852
Due Within More than One Year:						
Net Pension Liability	9,766,965	9,023,292	2,349,913	1,934,364	12,116,878	10,957,656
Other Amounts	11,606,525	11,286,126	10,896,547	11,880,451	22,503,072	23,166,577
<i>Total Liabilities</i>	<u>23,312,126</u>	<u>22,131,624</u>	<u>14,903,697</u>	<u>15,159,702</u>	<u>38,215,823</u>	<u>37,291,326</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes/Payment in Lieu of Taxes	2,879,617	2,514,000	0	0	2,879,617	2,514,000
Pension	104,265	128,646	90,912	51,014	195,177	179,660
<i>Total Deferred Inflows of Resources</i>	<u>2,983,882</u>	<u>2,642,646</u>	<u>90,912</u>	<u>51,014</u>	<u>3,074,794</u>	<u>2,693,660</u>
<b>Net Position</b>						
Net Investment in Capital Assets	55,036,788	51,952,725	51,147,010	49,701,418	106,183,798	101,654,143
Restricted	3,876,411	4,143,222	0	0	3,876,411	4,143,222
Unrestricted (Deficits)	(356,825)	(946,516)	9,363,993	8,264,895	9,007,168	7,318,379
<i>Total Net Position</i>	<u>\$58,556,374</u>	<u>\$55,149,431</u>	<u>\$60,511,003</u>	<u>\$57,966,313</u>	<u>\$119,067,377</u>	<u>\$113,115,744</u>

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The net pension liability (NPL) is one of the largest liabilities reported by the City at December 31, 2017 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27". 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 governmental 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.

GASB 68 requires the net pension liability to equal 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

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. The 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 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.

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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.

Total governmental activities assets increased \$5,028,168. This increase is primarily due to an increase in cash and cash equivalents and cash and cash equivalents with fiscal agents in the amount of \$2,423,374 and capital assets in the amount of \$2,328,657. The increase in cash and cash equivalents is due to the City issuing an additional \$1 million in general obligation bond anticipation notes for the purpose of paying the costs to design, construct, improve, and widen Refugee Road. As of December 31, 2017, the City has issued \$3.3 million of the estimated \$4.4 million in general obligation bond anticipation notes. In addition, income taxes revenue increased \$869,859 primarily due to the delinquent filing cases processed through the City's Mayor's Court and significant collections from non-filers found on the State of Ohio tax rolls.

The increase in cash and cash equivalents with fiscal agents in the amount of \$389,636 is directly related to the City depositing funds with the Ohio Department of Transportation for their local share of the right of way acquisition phase of the Refugee Road widening project.

The increase in capital assets is a direct result of the City investing \$1,007,420 in paving and rejuvenation of City streets, accepting \$1,402,160 in capital contributions from developers, and investing \$1,139,832 in federal and local monies for the right of way appraisal and acquisition services phase of the Refugee Road Widening Project.

On June 3, 2014, the City was awarded \$3.5 million in grant funding from the Ohio Department of Transportation for improvements to the intersection of State Route 256 and Refugee Road. In May 2015, the City was awarded an additional \$7.3 million in grant funding from the Mid-Ohio Regional Planning Commission for corridor improvements to Refugee Road. The City bore the entire preliminary and final design costs of the project while the right-of-way acquisition and construction phases will be split between federal and local funding.

Total governmental activities long-term liabilities increased \$1,116,203. This increase is primarily due the increase in net pension liability in the amount of \$743,673. The net pension liability increase represents the City's proportionate share of the OPERS traditional plan's and OP&F's unfunded benefits. Changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability. The increase in long-term liabilities is offset by scheduled principal payments made during the year in the amount of \$735,000. The City retired \$435,000 in general obligation bonds and \$300,000 in general obligation refunding bonds. During 2017, the City issued an additional \$1 million in street improvement bond anticipation notes and retired and reissued \$2,300,000 in street improvement bond anticipation notes for a total issuance of \$3.3 million for the Refugee Road project.

Total business-type activities assets increased \$2,159,575. This increase is primarily due to an increase in cash and cash equivalents in the amount of \$1,441,357 and capital assets in the amount of \$701,703. The increase in cash and cash equivalents is directly related to the decrease in capital improvement projects over the past two years. In 2017 and 2016, the City invested \$907,797 and \$655,006 in capital improvements. In 2015, the City invested \$1,764,866 in capital improvements. The City continues to annually update its Capital Improvements Five Year Plan to analyze future infrastructure improvements. In addition, the City annually updates its Five Year Utility Forecast to analyze that current rates are covering future operations and capital improvements. The City has not raised its water and sewer user fees since 2013.

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The increase in capital assets is primarily due to capital contributions from developers in the amount \$1,404,870. The increase in capital assets is offset by current year depreciation.

Total business-type activities liabilities decreased \$256,005. This decrease is primarily due to decreases in long-term liabilities in the amount of \$522,829. During 2017, the City made principal payments in the amount of \$255,000 on outstanding general obligation bonds and general obligation refunding bonds for the water and sewer treatment systems. Principal payments were made in the amount of \$690,980 on the outstanding Ohio Water Development Authority loans. The decrease in long-term liabilities is offset by an increase in net pension liability in the amount of \$415,549. The net pension liability represents the City's proportionate share of the OPERS traditional plan's unfunded benefits. Changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability.

Total governmental and business-type activities restricted net position was \$3,876,411 and unrestricted net position was \$9,007,168. Net position is restricted when constraints on the use are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments. Unrestricted net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets".

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

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Table 2 shows the changes in net position for 2017, compared to the changes in net position for 2016.

**Table 2 - Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$1,994,166	\$1,831,772	\$7,027,958	\$6,935,930	\$9,022,124	\$8,767,702
Operating Grants and Contributions	1,092,307	1,017,542	0	0	1,092,307	1,017,542
Capital Grants and Contributions	2,869,144	1,895,619	2,480,825	2,701,125	5,349,969	4,596,744
<i>Total Program Revenues</i>	<u>5,955,617</u>	<u>4,744,933</u>	<u>9,508,783</u>	<u>9,637,055</u>	<u>15,464,400</u>	<u>14,381,988</u>
General Revenue						
Property and Other Taxes	2,777,108	2,664,548	0	0	2,777,108	2,664,548
Income Taxes	7,348,344	6,478,485	0	0	7,348,344	6,478,485
Franchise Taxes	223,141	244,610	0	0	223,141	244,610
Grants and Entitlements	328,677	306,616	0	0	328,677	306,616
Investment Earnings	250,502	93,295	10,253	17,603	260,755	110,898
Payment in Lieu of Taxes	252,208	384,545	0	0	252,208	384,545
Impact Fees	784,292	675,793	0	0	784,292	675,793
Gain on Sale of Capital Assets	24,126	1,151	0	107	24,126	1,258
Miscellaneous	175,017	249,883	26,754	22,776	201,771	272,659
<i>Total General Revenues</i>	<u>12,163,415</u>	<u>11,098,926</u>	<u>37,007</u>	<u>40,486</u>	<u>12,200,422</u>	<u>11,139,412</u>
<i>Total Revenues</i>	<u>18,119,032</u>	<u>15,843,859</u>	<u>9,545,790</u>	<u>9,677,541</u>	<u>27,664,822</u>	<u>25,521,400</u>
<b>Program Expenses</b>						
General Government	3,041,585	2,539,460	0	0	3,041,585	2,539,460
Security of Persons and Property	5,850,092	5,596,622	0	0	5,850,092	5,596,622
Transportation	3,678,218	3,152,322	0	0	3,678,218	3,152,322
Leisure Time Activities	344,442	727,661	0	0	344,442	727,661
Public Health Services	171,960	167,789	0	0	171,960	167,789
Community Environment	1,346,118	947,600	0	0	1,346,118	947,600
Interest and Fiscal Charges	279,674	253,014	0	0	279,674	253,014
Water	0	0	2,689,472	2,553,612	2,689,472	2,553,612
Sewer	0	0	3,350,807	3,127,684	3,350,807	3,127,684
Stormwater	0	0	711,749	708,486	711,749	708,486
Aquatic Recreation	0	0	249,072	227,495	249,072	227,495
<i>Total Program Expenses</i>	<u>14,712,089</u>	<u>13,384,468</u>	<u>7,001,100</u>	<u>6,617,277</u>	<u>21,713,189</u>	<u>20,001,745</u>
<i>Change in Net Position</i>	<u>3,406,943</u>	<u>2,459,391</u>	<u>2,544,690</u>	<u>3,060,264</u>	<u>5,951,633</u>	<u>5,519,655</u>
Net Position						
Beginning of Year	55,149,431	52,690,040	57,966,313	54,906,049	113,115,744	107,596,089
<i>Net Position End of Year</i>	<u>\$58,556,374</u>	<u>\$55,149,431</u>	<u>\$60,511,003</u>	<u>\$57,966,313</u>	<u>\$119,067,377</u>	<u>\$113,115,744</u>

**Governmental Activities**

Charges for services accounted for 11 percent of total governmental revenues while operating and capital grants and contributions accounted for 22 percent of total governmental revenues. During 2017, capital grants and contributions increased in the amount of \$973,525. This increase is primarily due to federal funds received from the Ohio Department of Transportation and the Mid-Ohio Regional Planning



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Commission for the Refugee Road Widening Project. During 2017, the City received \$496,248 in federal funds from the Ohio Department of Transportation and \$586,897 from the Mid-Ohio Regional Planning Commission for the right-of-way appraisal and acquisition phase of the Refugee Road Widening Project. In addition, during 2017 the City accepted \$1,402,160 in capital contributions from developers. Capital contributions from developers are the result of the completion of Lake Forest Section 1 subdivision, Sycamore Creek Section 10 subdivision, and Sycamore Creek Senior Living facility.

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

Property and income tax revenue provided 56 percent of total governmental revenues. Of the 56 percent, 41 percent of total governmental revenues were generated from income taxes and 15 percent was generated from property and other local taxes. These revenue sources comprise the largest components of City revenues. During 2017, income taxes and property and other taxes increased 11 percent. The increase in income tax revenues is primarily due to the delinquent filing cases processed through the City's Mayor's Court and significant collections from non-filers found on the State of Ohio tax rolls. Income taxes, property and other taxes, and grants and contributions combined together, provided 78 percent of the City's total governmental revenues.

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

The City's security of persons and property activities accounted for \$5,850,092, or 40 percent, of total program expenses. Transportation services expenses were \$3,678,218, or 25 percent, of total program expenses.

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

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

	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2017	2017	2016	2016
General Government	\$3,041,585	\$2,852,255	\$2,539,460	\$2,386,910
Security of Persons and Property	5,850,092	5,224,231	5,596,622	5,017,689
Transportation	3,678,218	(65,009)	3,152,322	135,671
Leisure Time Activities	344,442	(69,987)	727,661	556,439
Public Health Services	171,960	171,960	167,789	167,789
Community Environment	1,346,118	363,348	947,600	122,023
Interest and Fiscal Charges	279,674	279,674	253,014	253,014
<b>Totals</b>	<b>\$14,712,089</b>	<b>\$8,756,472</b>	<b>\$13,384,468</b>	<b>\$8,639,535</b>

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***Business-Type Activities***

The City's business-type activities are for water, sewer, stormwater, and aquatic recreation services. During 2017, program revenues exceeded expenses by \$2,507,683.

The minimum water rate is \$4.16 per each thousand gallons of water used up to a maximum of 12,000 gallons plus a \$4.50 per month service charge. A water fee of \$6.39 is assessed for each thousand gallons used in excess of 12,000 gallons per month. Sewer fees are calculated on the amount of water used. The minimum sewer rate is \$27.38 per month up to 3,000 gallons of water. A sewer fee of \$9.13 is assessed for each thousand gallons of water used in excess of 3,000 per month. Stormwater fees are assessed at a flat rate of a \$4.50 per month.

**The City's Funds**

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

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

***General Fund***

The General Fund is the primary operating fund of the City. At the end of 2017, unassigned fund balance was \$5,189,226, while total fund balance was \$6,963,841. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance, to total expenditures and other financing uses. Unassigned fund balance represents 57 percent of total General Fund expenditures and other financing uses, while total fund balance represents 76 percent of General Fund expenditures and other financing uses.

The fund balance of the City's General Fund increased by \$1,406,233 during the current year. The key factors for the increase in fund balance were primarily due to an increase in income tax revenues in the amount of \$692,136 and a decrease in transfers-out in the amount of \$419,426. The increase in income tax revenues is primarily due to the delinquent filing cases processed through the City's Mayor's Court and significant collections from non-filers found on the State of Ohio tax rolls. The decrease in transfers-out is primarily due to a decrease in transfers to the Street Fund in the amount of \$400,000. During 2016, the City transferred \$1 million from the General Fund to the Street Fund for paving. During 2017, the City utilized Street Fund gasoline tax revenues received from the Ohio Department of Taxation and motor vehicle license revenues received from the Fairfield County Auditor's Office in addition to General Fund transfers in the amount of \$600,000 for paving.

***Other Major Governmental Funds***

***Street Fund***

The fund balance of the Street Fund at December 31, 2017 is \$768,457, a decrease of \$317,608 from the prior year. The decrease in fund balance is primarily due to a decrease in transfers from the General Fund in the amount of \$400,000.

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2017*  
*Unaudited*

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***Police Fund***

The fund balance of the Police Fund at December 31, 2017 is \$471,820, an increase of \$9,732 from the prior year. The increase in fund balance is primarily due to an increase in transfers from the General Fund in the amount of \$150,000. The increase in transfers is offset by an increase in operating expenditures in the amount of \$276,173. The increase in operating expenditures is primarily due to a three percent increase in wages and a nine percent increase in health insurance rates.

***Debt Service Fund***

The fund balance of the Debt Service Fund at December 31, 2017 is \$92,459, a decrease of \$37,078 from the prior year. The decrease is primarily due to an increase in principal and interest expenditures in the amount of \$4,671.

***Proprietary Funds***

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

The City's major proprietary funds are the Water Fund, the Sewer Fund, and the Stormwater Fund. The Water Fund's net position increased \$514,093, the Sewer Fund's net position increased \$806,070, and the Stormwater Fund's net position increased \$1,274,589.

The increase in the Water Fund's net position is primarily due to an increase in capital assets in the amount of \$264,918 and a decrease in long-term liabilities in the amount of \$63,599. During 2017, the City accepted capital contributions from developers in the amount of \$352,225 for water lines within Sycamore Creek Section 10 Subdivision and Sycamore Creek Senior Living facility.

The increase in the Sewer Fund's net position is primarily due to an increase in cash and cash equivalents in the amount of \$1,059,367. The increase in cash and cash equivalents is due to a slight increase in charges for services and a decrease in the loss on disposal of capital assets. These increases were offset by a decrease in long-term liabilities. During 2017, the City made principal payments in the amounts of \$150,000 on outstanding general obligation refunding bonds for the sewer treatment system and \$531,587 on the outstanding Ohio Water Development Authority loans.

The increase in the Stormwater Fund's net position is primarily due to capital contributions from developers in the amount of \$1,052,645. During 2017, the City accepted capital contributions from developers for storm sewers within Lake Forest Section 1 subdivision, Sycamore Creek Section 10 subdivision, and the Sycamore Creek Senior Living Facility.

**Budgetary Highlights**

***General Fund***

The City made numerous revisions to the original appropriations approved by City Council. Overall, these changes resulted in an increase in appropriations for expenditures and other financing uses from the original budget in the amount of \$1,172,655. The majority of this increase was due to an increase in community environment operating expenditures in the amount of \$554,200, and transfers out in the amount of \$300,961. The increase in community environment operating expenditures is primarily due to City Council approving an economic development job retention and expansion grant in the amount of

**City of Pickerington, Ohio**  
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\$400,000 to R.G. Barry Corporation. The increase in transfers out is primarily due to flood damage. On July 13, 2017, the City experienced excessive rain causing flooding. As a result of the flood, the Sycamore Creek Park bike path, Sycamore Park putting green synthetic turf, and the Victory Park playground synthetic turf were damaged and repaired during 2017.

Actual expenditures and other financing uses were less than the final budgeted expenditures and other financing uses by \$2,079,371; general government actual expenditures were \$419,638 less than budgeted, community environment expenditures were \$260,875 less than budgeted, and transfers out were \$1,362,887 less than budgeted. General government actual expenditures differences are based upon the following factors: a decrease in the engineering consulting services and construction inspection services in the amounts of \$14,977 and \$26,332, respectively, due to conservative estimates, a decrease in the finance director's department in the amounts of \$25,514 and \$26,477; respectively, due to the transition period related to the hiring of a replacement income tax clerk and conservative income tax refund estimates, a decrease in the municipal clerk's department in the amount \$38,801 due to the retirement and transition period to replace the City Clerk, a decrease in council in the amount of \$28,673 for insurance benefits that were budgeted but not taken, and a decrease in miscellaneous general government in the amount of \$25,000 for land acquisition that was budgeted but not spent.

Community environment actual expenditures were \$260,875 less than budgeted primarily due to a Joint Economic Development Land Use Plan budgeted but not completed in the amount of \$75,000 and an Economic Development Strategic Plan budgeted but not completed in the amount of \$75,000, conservative residential and commercial plan review and construction inspection estimates in the building department in the amount of \$28,591, and conservative developer deposit refund estimates in the amount of \$38,753.

Transfers out were \$1,362,887 less than budgeted due to conservative parks, police, and street fund operating estimates.

The City's actual revenues and other financing sources were greater than the final budgeted revenues and other financing sources by \$811,362. This increase is primarily due to an increase in income tax revenues in the amount of \$555,193 and an increase in interest revenue in the amount of \$133,819 due to conservative estimates.

At December 31, 2017, the fund balance on a budgetary basis is \$1,718,078 better than initially projected in the original budget.

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

As of December 31, 2017, the City had \$128,494,793 invested in capital assets, net of accumulated depreciation. Table 4 shows 2017 balances compared to 2016.

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2017*  
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**Table 4**  
**Capital Assets at December 31, 2017 with comparative as of December 31, 2016**  
**(Net of Accumulated Depreciation)**

	<u>Government Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	2017	2016	2017	2016	2017	2016
Land	\$6,728,126	\$6,499,188	\$1,883,347	\$1,883,347	\$8,611,473	\$8,382,535
Construction in Progress	3,200,494	9,820,669	274,028	707,102	3,474,522	10,527,771
Land Improvements	1,692,650	966,864	438,286	455,508	2,130,936	1,422,372
Buildings	3,349,341	3,412,350	23,076,211	23,534,756	26,425,552	26,947,106
Equipment	589,981	548,107	1,447,459	960,502	2,037,440	1,508,609
Infrastructure	49,396,667	41,491,568	35,804,048	34,702,977	85,200,715	76,194,545
Vehicles	445,060	334,916	169,095	146,579	614,155	481,495
<b>Totals</b>	<b>\$65,402,319</b>	<b>\$63,073,662</b>	<b>\$63,092,474</b>	<b>\$62,390,771</b>	<b>\$128,494,793</b>	<b>\$125,464,433</b>

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

The total increase of \$3,030,360 in the City's capital assets, net of accumulated depreciation, for the current year was primarily due to capital contributions from developers in the form of subdivision roads, water and sewer lines, and storm sewers. The increase in capital assets is offset by current year depreciation.

For information on commitments made by the City as of December 31, 2017, see Note 19 to the basic financial statements.

### ***Debt***

As of December 31, 2017 and December 31, 2016, the City had total long-term debt of \$23,721,666 and \$24,365,382, respectively, as follows:

**Table 5**  
**Outstanding Debt**  
**As of December 31, 2017, with comparative for December 31, 2016**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	2017	2016	2017	2016	2017	2016
General Obligation Bonds	\$8,405,372	\$9,164,446	\$2,946,551	\$3,206,659	\$11,351,923	\$12,371,105
Bond Anticipation Notes	3,300,000	2,300,000	0	0	3,300,000	2,300,000
OWDA Loans	0	0	8,843,627	9,534,607	8,843,627	9,534,607
Capital Leases	212,236	141,325	13,880	18,345	226,116	159,670
<b>Totals</b>	<b>\$11,917,608</b>	<b>\$11,605,771</b>	<b>\$11,804,058</b>	<b>\$12,759,611</b>	<b>\$23,721,666</b>	<b>\$24,365,382</b>

During 2017, the City retired \$690,980 in OWDA loans and \$990,000 in general obligation bonds and refunding bonds. During 2017, the City entered into capital leases in the amount of \$127,809 and repaid \$61,363. In addition, the City retired the \$2,300,000 street improvement general obligation bond anticipation notes issued on February 10, 2016 and issued an additional \$1,000,000 in street improvement

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
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general obligation bond anticipation notes for the purpose of paying costs to design, construct, improve, and widen Refugee Road.

The City's overall legal debt margin was \$38,759,993 at December 31, 2017. See Note 18 for more detailed information of the City's outstanding debt. The net pension liability under GASB 68 is also reported as a long-term obligation that has been previously disclosed within the management's discussion and analysis.

***Current Finance Related Activities***

- The City's income tax rate of one percent with a one-half percent credit for tax paid to other municipalities has not increased since its inception in 1976, but revenues have continued to increase each year even in times of economic downturn. This is due to mandatory filing and a diligent delinquency collection program which has resulted in strict compliance.
- A contractor registration program was instituted in 1996 that requires all general contractors and individual trades performing work in the City to register with the City. This requirement serves as a control for income tax revenues.
- A three percent hotel/motel tax was instituted in 1995.
- Fees are collected from developers for turn-lanes, traffic lights, sewer fair share, detention pond maintenance, and tree planting in subdivisions.
- Right-of-way fees were instituted in 2002 as a charge for the utility companies who use the City right-of-way for their service lines.
- Capacity fee charges for water, sewer, and stormwater increase an automatic three percent each year.
- Impact fees were instituted in 2005 on new residential and commercial construction in the City.

**Requests for Information**

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

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# Basic Financial Statements

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**City of Pickerington, Ohio**  
Statement of Net Position  
December 31, 2017

	Governmental Activities	Business - Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$11,186,794	\$10,404,946	\$21,591,740
Cash and Cash Equivalents with Fiscal Agents	389,636	0	389,636
Permissive Motor Vehicle Registration Fees Receivable	19,742	0	19,742
Hotel and Motel Taxes Receivable	8,220	0	8,220
Income Taxes Receivable	1,305,581	0	1,305,581
Franchise Taxes Receivable	54,571	0	54,571
Accounts Receivable	64,328	666,246	730,574
Materials and Supplies Inventory	130,779	350,059	480,838
Prepaid Items	150,571	69,009	219,580
Intergovernmental Receivable	764,174	198	764,372
Accrued Interest Receivable	19,690	1,011	20,701
Property Taxes Receivable	2,598,844	0	2,598,844
Payments in Lieu of Taxes Receivable	315,617	0	315,617
Non-Depreciable Capital Assets	9,928,620	2,157,375	12,085,995
Depreciable Capital Assets, Net	55,473,699	60,935,099	116,408,798
<i>Total Assets</i>	<u>82,410,866</u>	<u>74,583,943</u>	<u>156,994,809</u>
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding	61,309	13,130	74,439
Pension	2,380,207	908,539	3,288,746
<i>Total Deferred Outflows of Resources</i>	<u>2,441,516</u>	<u>921,669</u>	<u>3,363,185</u>
<b>Liabilities</b>			
Accrued Wages and Benefits	188,443	56,860	245,303
Intergovernmental Payable	166,635	38,984	205,619
Accounts Payable	326,693	120,157	446,850
Contracts Payable	115,004	206,041	321,045
Retainage Payable	2,500	0	2,500
Accrued Interest Payable	76,770	138,343	215,113
Customer Deposits Payable	0	22,934	22,934
Long-Term Liabilities:			
Due Within One Year	1,062,591	1,073,918	2,136,509
Due In More Than One Year			
Net Pension Liability (See Note 13)	9,766,965	2,349,913	12,116,878
Other Amounts Due in More Than One Year	11,606,525	10,896,547	22,503,072
<i>Total Liabilities</i>	<u>23,312,126</u>	<u>14,903,697</u>	<u>38,215,823</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	2,564,000	0	2,564,000
Payment in Lieu of Taxes	315,617	0	315,617
Pension	104,265	90,912	195,177
<i>Total Deferred Inflows of Resources</i>	<u>2,983,882</u>	<u>90,912</u>	<u>3,074,794</u>
<b>Net Position</b>			
Net Investment in Capital Assets	55,036,788	51,147,010	106,183,798
Restricted for:			
Capital Projects	2,152,090	0	2,152,090
Security of Persons and Property	54,193	0	54,193
Transportation Services	1,003,242	0	1,003,242
Other Purposes	662,511	0	662,511
Perpetual Care:			
Expendable	2,830	0	2,830
Non-Expendable	1,545	0	1,545
Unrestricted (Deficit)	(356,825)	9,363,993	9,007,168
<i>Total Net Position</i>	<u>\$58,556,374</u>	<u>\$60,511,003</u>	<u>\$119,067,377</u>

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

**City of Pickerington, Ohio**  
Statement of Activities  
For the Year Ended December 31, 2017

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$3,041,585	\$139,754	\$49,576	\$0
Security of Persons and Property	5,850,092	403,282	222,579	0
Transportation	3,678,218	251,497	813,652	2,678,078
Leisure Time Activities	344,442	216,863	6,500	191,066
Public Health Services	171,960	0	0	0
Community Environment	1,346,118	982,770	0	0
Interest and Fiscal Charges	279,674	0	0	0
<i>Total Governmental Activities</i>	<u>14,712,089</u>	<u>1,994,166</u>	<u>1,092,307</u>	<u>2,869,144</u>
Business-Type Activities:				
Water	2,689,472	2,392,308	0	795,232
Sewer	3,350,807	3,740,292	0	404,003
Stormwater	711,749	702,085	0	1,281,590
Aquatic Recreation Center	249,072	193,273	0	0
<i>Total Business-Type Activities</i>	<u>7,001,100</u>	<u>7,027,958</u>	<u>0</u>	<u>2,480,825</u>
<i>Total</i>	<u>\$21,713,189</u>	<u>\$9,022,124</u>	<u>\$1,092,307</u>	<u>\$5,349,969</u>

**General Revenues**

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

*Change in Net Position*

Net Position Beginning of Year

*Net Position End of Year*

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

Net (Expense) Revenue and  
Change in Net Position

Governmental Activities	Business - Type Activities	Total
(\$2,852,255)	\$0	(\$2,852,255)
(5,224,231)	0	(5,224,231)
65,009	0	65,009
69,987	0	69,987
(171,960)	0	(171,960)
(363,348)	0	(363,348)
(279,674)	0	(279,674)
<u>(8,756,472)</u>	<u>0</u>	<u>(8,756,472)</u>
0	498,068	498,068
0	793,488	793,488
0	1,271,926	1,271,926
0	(55,799)	(55,799)
<u>0</u>	<u>2,507,683</u>	<u>2,507,683</u>
<u>(8,756,472)</u>	<u>2,507,683</u>	<u>(6,248,789)</u>
1,125,961	0	1,125,961
1,651,147	0	1,651,147
7,348,344	0	7,348,344
223,141	0	223,141
328,677	0	328,677
250,502	10,253	260,755
252,208	0	252,208
784,292	0	784,292
24,126	0	24,126
175,017	26,754	201,771
<u>12,163,415</u>	<u>37,007</u>	<u>12,200,422</u>
3,406,943	2,544,690	5,951,633
<u>55,149,431</u>	<u>57,966,313</u>	<u>113,115,744</u>
<u>\$58,556,374</u>	<u>\$60,511,003</u>	<u>\$119,067,377</u>

**City of Pickerington, Ohio**  
Balance Sheet  
Governmental Funds  
December 31, 2017

	General	Street	Police
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$6,097,300	\$704,907	\$617,860
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables:			
Permissive Motor Vehicle Registration Fees	0	7,897	0
Property Taxes	963,033	0	1,635,811
Income Taxes	1,305,581	0	0
Franchise Taxes	54,571	0	0
Hotel and Motel Taxes	8,220	0	0
Payments in Lieu of Taxes	0	0	0
Accounts	62,782	1,381	40
Accrued Interest	19,690	0	0
Intergovernmental	157,440	372,440	97,505
Materials and Supplies Inventory	25,307	55,119	25,902
Prepaid Items	43,980	21,429	75,835
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	105,109	0	0
<b>Total Assets</b>	<b>\$8,843,013</b>	<b>\$1,163,173</b>	<b>\$2,452,953</b>
<b>Liabilities</b>			
Accrued Wages and Benefits	\$43,911	\$13,961	\$120,245
Accounts Payable	192,576	8,399	19,164
Contracts Payable	0	112,367	0
Retainage Payable	0	2,500	0
Intergovernmental Payable	43,162	7,249	109,159
<b>Total Liabilities</b>	<b>279,649</b>	<b>144,476</b>	<b>248,568</b>
<b>Deferred Inflows of Resources</b>			
Property Taxes	950,000	0	1,614,000
Payment in Lieu of Taxes	0	0	0
Unavailable Revenue	649,523	250,240	118,565
<b>Total Deferred Inflows of Resources</b>	<b>1,599,523</b>	<b>250,240</b>	<b>1,732,565</b>
<b>Fund Balances</b>			
Nonspendable	174,396	76,548	101,737
Restricted	0	691,909	370,083
Committed	0	0	0
Assigned	1,600,219	0	0
Unassigned (Deficit)	5,189,226	0	0
<b>Total Fund Balances</b>	<b>6,963,841</b>	<b>768,457</b>	<b>471,820</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$8,843,013</b>	<b>\$1,163,173</b>	<b>\$2,452,953</b>

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

<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$92,459	\$3,567,614	\$11,080,140
0	389,636	389,636
0	11,845	19,742
0	0	2,598,844
0	0	1,305,581
0	0	54,571
0	0	8,220
0	315,617	315,617
0	125	64,328
0	0	19,690
0	136,789	764,174
0	24,451	130,779
0	9,327	150,571
<u>0</u>	<u>1,545</u>	<u>106,654</u>
<u>\$92,459</u>	<u>\$4,456,949</u>	<u>\$17,008,547</u>
\$0	\$10,326	\$188,443
0	106,554	326,693
0	2,637	115,004
0	0	2,500
<u>0</u>	<u>7,065</u>	<u>166,635</u>
<u>0</u>	<u>126,582</u>	<u>799,275</u>
0	0	2,564,000
0	315,617	315,617
<u>0</u>	<u>91,203</u>	<u>1,109,531</u>
<u>0</u>	<u>406,820</u>	<u>3,989,148</u>
0	35,323	388,004
92,459	2,020,647	3,175,098
0	1,958,927	1,958,927
0	0	1,600,219
<u>0</u>	<u>(91,350)</u>	<u>5,097,876</u>
<u>92,459</u>	<u>3,923,547</u>	<u>12,220,124</u>
<u>\$92,459</u>	<u>\$4,456,949</u>	<u>\$17,008,547</u>

**City of Pickerington, Ohio**  
Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities  
December 31, 2017

**Total Fund Balances for Governmental Funds** \$12,220,124

*Amounts reported for governmental activities in the  
statement of net position are different because:*

Capital Assets used in governmental activities are not  
financial resources and therefore are not reported in the funds. 65,402,319

Other long-term assets are not available to pay for current-period  
expenditures and therefore are reported as unavailable revenue in the funds:

Property Taxes	34,844	
Municipal Income Taxes	469,242	
Charges for Services	12,689	
Intergovernmental	565,197	
Interest	4,796	
Franchise Taxes	22,763	
<b>Total</b>	<b>1,109,531</b>	<b>1,109,531</b>

Accrued Interest Payable is not due and payable in the current period and  
therefore is not reported in the funds. (76,770)

Deferred Outflows of Resources represent deferred charges on refundings  
which are not reported in the funds. 61,309

Long-term liabilities and accrued interest are not due and payable  
in the current period and therefore are not reported in the funds:

General Obligation Bonds and Unamortized Premiums	(3,738,319)	
General Obligation Refunding Bonds and Unamortized Premiums	(4,667,053)	
Long-Term Notes Payable	(3,300,000)	
Compensated Absences	(751,508)	
Capital Leases	(212,236)	
<b>Total</b>	<b>(12,669,116)</b>	<b>(12,669,116)</b>

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 the governmental funds:

Deferred Outflows - Pension	2,380,207	
Net Pension Liability	(9,766,965)	
Deferred Inflows - Pension	(104,265)	
<b>Total</b>	<b>(7,491,023)</b>	<b>(7,491,023)</b>

**Net Position of Governmental Activities** **\$58,556,374**

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



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**City of Pickerington, Ohio**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2017

	General	Street	Police
<b>Revenues</b>			
Property Taxes	\$990,290	\$0	\$1,659,225
Hotel and Motel Taxes	140,404	0	0
Permissive Motor Vehicle Registration Fees	0	95,379	0
Municipal Income Taxes	7,215,093	0	0
Franchise Taxes	222,795	0	0
Charges for Services	332,736	0	230,231
Licenses and Permits	792,671	0	0
Impact Fees	0	0	0
Fines and Forfeitures	178,850	0	0
Intergovernmental	307,671	735,918	203,557
Interest	224,512	1,074	0
Payments in Lieu of Taxes	0	0	0
Contributions and Donations	49,576	0	2,243
Other	85,232	19,325	39,865
<i>Total Revenues</i>	<u>10,539,830</u>	<u>851,696</u>	<u>2,135,121</u>
<b>Expenditures</b>			
Current:			
General Government	2,850,700	0	0
Security of Persons and Property	88,109	0	5,239,423
Transportation	0	1,844,840	0
Leisure Time Activities	45,145	0	0
Public Health Services	171,960	0	0
Community Environment	1,263,434	0	0
Capital Outlay	0	0	0
Debt Service:			
Refunded Notes	0	0	0
Principal Retirement	4,353	50,212	2,333
Interest and Fiscal Charges	1,148	3,112	33
<i>Total Expenditures</i>	<u>4,424,849</u>	<u>1,898,164</u>	<u>5,241,789</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,114,981</u>	<u>(1,046,468)</u>	<u>(3,106,668)</u>
<b>Other Financing Sources (Use):</b>			
Proceeds from the Sale of Capital Assets	3,051	1,051	16,400
Insurance Recoveries	0	0	0
Inception of a Capital Lease	0	127,809	0
Bond Anticipation Notes Issued	0	0	0
Transfers In	0	600,000	3,100,000
Transfers Out	(4,711,799)	0	0
<i>Total Other Financing Sources (Use)</i>	<u>(4,708,748)</u>	<u>728,860</u>	<u>3,116,400</u>
<i>Net Change in Fund Balances</i>	1,406,233	(317,608)	9,732
Fund Balances at Beginning of Year	<u>5,557,608</u>	<u>1,086,065</u>	<u>462,088</u>
<i>Fund Balances End of Year</i>	<u><u>\$6,963,841</u></u>	<u><u>\$768,457</u></u>	<u><u>\$471,820</u></u>

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

Debt Service	Other Governmental Funds	Total Governmental Funds
\$0	\$0	\$2,649,515
0	0	140,404
0	143,068	238,447
0	0	7,215,093
0	0	222,795
0	166,347	729,314
0	63,566	856,237
0	1,036,500	1,036,500
0	11,253	190,103
0	1,568,491	2,815,637
24,420	3,485	253,491
3,086	252,208	255,294
0	6,500	58,319
0	30,595	175,017
<u>27,506</u>	<u>3,282,013</u>	<u>16,836,166</u>
0	9,232	2,859,932
0	13,834	5,341,366
0	48,100	1,892,940
0	945,929	991,074
0	0	171,960
0	0	1,263,434
0	2,082,630	2,082,630
2,300,000	0	2,300,000
735,000	0	791,898
256,923	0	261,216
<u>3,291,923</u>	<u>3,099,725</u>	<u>17,956,450</u>
<u>(3,264,417)</u>	<u>182,288</u>	<u>(1,120,284)</u>
0	4,010	24,512
0	155,818	155,818
0	0	127,809
2,300,000	1,000,000	3,300,000
927,339	752,500	5,379,839
<u>0</u>	<u>(668,040)</u>	<u>(5,379,839)</u>
<u>3,227,339</u>	<u>1,244,288</u>	<u>3,608,139</u>
(37,078)	1,426,576	2,487,855
<u>129,537</u>	<u>2,496,971</u>	<u>9,732,269</u>
<u>\$92,459</u>	<u>\$3,923,547</u>	<u>\$12,220,124</u>

**City of Pickerington, Ohio**  
Reconciliation of the Statement of Revenues, Expenditures, and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2017

**Net Change in Fund Balances - Total Governmental Funds** \$2,487,855

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

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

Capital Asset Additions	3,526,454	
Capital Contributions from Developers	1,402,160	
Depreciation Expense	<u>(2,568,921)</u>	2,359,693

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

Proceeds from Sale of Capital Assets	(24,512)	
Insurance Recoveries	(30,650)	
Gain on Disposal of Capital Assets	<u>24,126</u>	(31,036)

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

Property Taxes	(12,811)	
Income Taxes	133,251	
Charges for Services	(4,435)	
Licenses and Permits	(15,500)	
Intergovernmental	(27,054)	
Interest	(2,989)	
Franchise Taxes	346	
Other	<u>(255,294)</u>	(184,486)

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

General Obligation Bonds	435,000	
General Obligation Refunding Bonds	300,000	
Long-Term Bond Anticipation Notes	2,300,000	
Capital Leases	<u>56,898</u>	3,091,898

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of activities. Premiums are reported as revenues when the debt is first issued; however these amounts are allocated as an expense over the life of the bond on the statement of activities.

Accrued Interest Payable	(33,774)	
Amortization on Premium of General Obligation Bonds	9,554	
Amortization on Premium of General Obligation Refunding Bonds	<u>14,520</u>	(\$9,700)

(continued)

**City of Pickerington, Ohio**  
Reconciliation of the Statement of Revenues, Expenditures, and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities (Continued)  
For the Year Ended December 31, 2017

Some capital assets were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net position the lease obligation is reported as a liability.	(\$127,809)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Compensated Absences Payable	(60,693)
Deferred outflows of resources represent the amortization of deferred charges on refundings which are not reported in the funds.	(8,758)
Long-term debt proceeds are other financing sources in the governmental funds, but the issuance increases the long-term liabilities on the statement of activities.	(3,300,000)
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows.	650,787
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.	<u>(1,460,808)</u>
<i>Change in Net Position of Governmental Activities</i>	<u><u>\$3,406,943</u></u>

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

**City of Pickerington, Ohio**  
Statement of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Year Ended December 31, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Taxes	\$1,126,700	\$1,126,700	\$1,131,417	\$4,717
Municipal Income Taxes	6,508,335	6,508,335	7,063,528	555,193
Franchise Taxes	257,000	257,000	228,969	(28,031)
Charges for Services	350,991	350,991	412,405	61,414
Licenses and Permits	781,412	781,412	792,392	10,980
Fines and Forfeitures	170,000	170,000	176,649	6,649
Intergovernmental	311,405	311,405	309,180	(2,225)
Interest	75,000	75,000	208,819	133,819
Contributions and Donations	17,500	17,500	49,576	32,076
Other	55,459	55,459	89,178	33,719
<i>Total Revenues</i>	<u>9,653,802</u>	<u>9,653,802</u>	<u>10,462,113</u>	<u>808,311</u>
<b>Expenditures</b>				
Current:				
General Government	3,128,893	3,446,151	3,026,513	419,638
Security of Persons and Property	119,928	120,164	95,907	24,257
Leisure Time Activities	47,400	47,400	45,145	2,255
Public Health Services	181,419	181,419	171,960	9,459
Community Environment	1,120,231	1,674,431	1,413,556	260,875
<i>Total Expenditures</i>	<u>4,597,871</u>	<u>5,469,565</u>	<u>4,753,081</u>	<u>716,484</u>
<i>Excess of Revenues Over Expenditures</i>	<u>5,055,931</u>	<u>4,184,237</u>	<u>5,709,032</u>	<u>1,524,795</u>
<b>Other Financing Sources (Use)</b>				
Proceeds from the Sale of Capital Assets	0	0	3,051	3,051
Advances In	150,000	150,000	150,000	0
Transfers Out	(5,773,725)	(6,074,686)	(4,711,799)	1,362,887
<i>Total Other Financing Sources (Use)</i>	<u>(5,623,725)</u>	<u>(5,924,686)</u>	<u>(4,558,748)</u>	<u>1,365,938</u>
<i>Net Change in Fund Balance</i>	<u>(567,794)</u>	<u>(1,740,449)</u>	<u>1,150,284</u>	<u>2,890,733</u>
Fund Balance at Beginning of Year	4,650,309	4,650,309	4,650,309	0
Prior Year Encumbrances Appropriated	133,656	133,656	133,656	0
<i>Fund Balance at End of Year</i>	<u>\$4,216,171</u>	<u>\$3,043,516</u>	<u>\$5,934,249</u>	<u>\$2,890,733</u>

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

**City of Pickerington, Ohio**  
Statement of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Fund  
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Permissive Motor Vehicle Registration Fees	\$87,000	\$87,000	\$95,021	\$8,021
Intergovernmental	680,000	680,000	730,733	50,733
Interest	250	250	1,074	824
Other	7,857	7,857	18,116	10,259
<i>Total Revenues</i>	<u>775,107</u>	<u>775,107</u>	<u>844,944</u>	<u>69,837</u>
<b>Expenditures</b>				
Current:				
Transportation	<u>2,118,933</u>	<u>2,218,032</u>	<u>1,963,831</u>	<u>254,201</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,343,826)</u>	<u>(1,442,925)</u>	<u>(1,118,887)</u>	<u>324,038</u>
<b>Other Financing Sources</b>				
Proceeds from the Sale of Capital Assets	0	0	1,051	1,051
Transfers In	<u>1,225,000</u>	<u>1,225,000</u>	<u>600,000</u>	<u>(625,000)</u>
<i>Total Other Financing Sources</i>	<u>1,225,000</u>	<u>1,225,000</u>	<u>601,051</u>	<u>(623,949)</u>
<i>Net Change in Fund Balance</i>	<u>(118,826)</u>	<u>(217,925)</u>	<u>(517,836)</u>	<u>(299,911)</u>
Fund Balance at Beginning of Year	894,195	894,195	894,195	0
Prior Year Encumbrances Appropriated	<u>99,099</u>	<u>99,099</u>	<u>99,099</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$874,468</u>	<u>\$775,369</u>	<u>\$475,458</u>	<u>(\$299,911)</u>

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

**City of Pickerington, Ohio**  
Statement of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Police Fund  
For the Year Ended December 31, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property Taxes	\$1,612,500	\$1,612,500	\$1,659,225	\$46,725
Charges for Services	195,035	195,035	230,656	35,621
Intergovernmental	188,750	188,750	203,557	14,807
Contributions and Donations	0	0	2,243	2,243
Other	121,266	121,266	39,740	(81,526)
<i>Total Revenues</i>	<u>2,117,551</u>	<u>2,117,551</u>	<u>2,135,421</u>	<u>17,870</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	<u>5,601,392</u>	<u>5,669,556</u>	<u>5,262,581</u>	<u>406,975</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(3,483,841)</u>	<u>(3,552,005)</u>	<u>(3,127,160)</u>	<u>424,845</u>
<b>Other Financing Sources</b>				
Proceeds from the Sale of Capital Assets	0	0	3,600	3,600
Transfers In	<u>3,448,000</u>	<u>3,448,000</u>	<u>3,100,000</u>	<u>(348,000)</u>
Total Other Financing Sources	<u>3,448,000</u>	<u>3,448,000</u>	<u>3,103,600</u>	<u>(344,400)</u>
<i>Net Change in Fund Balance</i>	<u>(35,841)</u>	<u>(104,005)</u>	<u>(23,560)</u>	<u>80,445</u>
Fund Balance at Beginning of Year	545,729	545,729	545,729	0
Prior Year Encumbrances Appropriated	<u>38,164</u>	<u>38,164</u>	<u>38,164</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$548,052</u></u>	<u><u>\$479,888</u></u>	<u><u>\$560,333</u></u>	<u><u>\$80,445</u></u>

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



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**City of Pickerington, Ohio**  
Statement of Fund Net Position  
Enterprise Funds  
December 31, 2017

	Water	Sewer	Stormwater
<b>Assets:</b>			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$3,641,893	\$5,218,916	\$1,446,575
Accounts Receivable	224,444	374,945	66,857
Intergovernmental Receivable	76	72	31
Accrued Interest Receivable	1,011	0	0
Materials and Supplies Inventory	195,089	154,970	0
Prepaid Items	28,172	35,029	2,057
<i>Total Current Assets</i>	<u>4,090,685</u>	<u>5,783,932</u>	<u>1,515,520</u>
Noncurrent Assets:			
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	11,467	11,467	0
Non-Depreciable Capital Assets	970,024	524,969	87,032
Depreciable Capital Assets, net	21,884,918	27,219,166	11,189,378
<i>Total Noncurrent Assets</i>	<u>22,866,409</u>	<u>27,755,602</u>	<u>11,276,410</u>
<i>Total Assets</i>	<u>26,957,094</u>	<u>33,539,534</u>	<u>12,791,930</u>
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Refunding	0	13,130	0
Pension	396,029	372,734	139,776
<i>Total Deferred Outflows of Resources</i>	<u>396,029</u>	<u>385,864</u>	<u>139,776</u>
<b>Liabilities:</b>			
Current Liabilities:			
Accrued Wages and Benefits	24,615	23,989	8,256
Intergovernmental Payable	14,023	19,105	5,856
Accounts Payable	35,614	78,157	5,457
Contracts Payable	0	196,616	9,425
Accrued Interest Payable	14,251	124,092	0
Current Portion of:			
Compensated Absences Payable	42,375	42,800	8,914
General Obligation Bonds Payable	110,000	150,000	0
Capital Leases Payable	2,306	2,306	0
OWDA Loans Payable	165,248	549,969	0
<i>Total Current Liabilities</i>	<u>408,432</u>	<u>1,187,034</u>	<u>37,908</u>
Long-Term Liabilities (Net of Current Portion):			
Customer Deposits Payable from Restricted Assets	11,467	11,467	0
Compensated Absences Payable	29,518	41,466	1,334
General Obligation Bonds Payable	1,846,505	840,046	0
Capital Leases Payable	4,634	4,634	0
OWDA Loans Payable	533,061	7,595,349	0
Net Pension Liability	1,024,321	964,067	361,525
<i>Total Long-Term Liabilities</i>	<u>3,449,506</u>	<u>9,457,029</u>	<u>362,859</u>
<i>Total Liabilities</i>	<u>3,857,938</u>	<u>10,644,063</u>	<u>400,767</u>
<b>Deferred Inflows of Resources:</b>			
Pension	19,306	64,792	6,814
<b>Net Position:</b>			
Net Investment in Capital Assets	20,244,693	18,418,345	11,266,985
Unrestricted	3,231,186	4,798,198	1,257,140
<i>Total Net Position</i>	<u>\$23,475,879</u>	<u>\$23,216,543</u>	<u>\$12,524,125</u>

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

Nonmajor Aquatic Recreation Center	Total Enterprise Funds
\$74,628	\$10,382,012
0	666,246
19	198
0	1,011
0	350,059
3,751	69,009
<u>78,398</u>	<u>11,468,535</u>
0	22,934
575,350	2,157,375
<u>641,637</u>	<u>60,935,099</u>
<u>1,216,987</u>	<u>63,115,408</u>
<u>1,295,385</u>	<u>74,583,943</u>
0	13,130
<u>0</u>	<u>908,539</u>
<u>0</u>	<u>921,669</u>
0	56,860
0	38,984
929	120,157
0	206,041
0	138,343
0	94,089
0	260,000
0	4,612
<u>0</u>	<u>715,217</u>
<u>929</u>	<u>1,634,303</u>
0	22,934
0	72,318
0	2,686,551
0	9,268
0	8,128,410
<u>0</u>	<u>2,349,913</u>
<u>0</u>	<u>13,269,394</u>
<u>929</u>	<u>14,903,697</u>
0	90,912
1,216,987	51,147,010
<u>77,469</u>	<u>9,363,993</u>
<u>\$1,294,456</u>	<u>\$60,511,003</u>

**City of Pickerington, Ohio**  
Statement of Revenues, Expenses, and Changes in Fund Net Position  
Enterprise Funds  
For the Year Ended December 31, 2017

	Water	Sewer	Stormwater
<b>Operating Revenues</b>			
Charges for Services	\$2,392,308	\$3,740,292	\$702,085
<i>Total Operating Revenues</i>	<u>2,392,308</u>	<u>3,740,292</u>	<u>702,085</u>
<b>Operating Expenses</b>			
Personal Services	1,019,403	1,009,479	369,863
Contractual Services	822,249	1,058,027	119,931
Materials and Supplies	252,309	154,435	20,506
Depreciation	528,136	393,752	201,449
<i>Total Operating Expenses</i>	<u>2,622,097</u>	<u>2,615,693</u>	<u>711,749</u>
<i>Operating Income (Loss)</i>	<u>(229,789)</u>	<u>1,124,599</u>	<u>(9,664)</u>
<b>Non-Operating Revenues (Expenses)</b>			
Interest	6,086	3,186	981
Interest and Fiscal Charges	(67,375)	(283,489)	0
Loss on Disposal of Capital Assets	0	(451,625)	0
Other Non-Operating Revenues	9,939	9,396	1,682
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(51,350)</u>	<u>(722,532)</u>	<u>2,663</u>
<i>Operating Income (Loss)</i>			
<i>Before Contributions</i>	(281,139)	402,067	(7,001)
Capital Contributions from Developers	352,225	0	1,052,645
Capital Contributions from Customers	443,007	398,903	228,945
Capital Contributions from Grants	0	5,100	0
<i>Change in Net Position</i>	514,093	806,070	1,274,589
Net Position Beginning of Year	<u>22,961,786</u>	<u>22,410,473</u>	<u>11,249,536</u>
<i>Net Position End of Year</i>	<u><u>\$23,475,879</u></u>	<u><u>\$23,216,543</u></u>	<u><u>\$12,524,125</u></u>

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

Nonmajor Aquatic Recreation Center	Total Enterprise Funds
<u>\$193,273</u>	<u>\$7,027,958</u>
<u>193,273</u>	<u>7,027,958</u>
100,935	2,499,680
79,231	2,079,438
32,904	460,154
<u>36,002</u>	<u>1,159,339</u>
<u>249,072</u>	<u>6,198,611</u>
<u>(55,799)</u>	<u>829,347</u>
0	10,253
0	(350,864)
0	(451,625)
<u>5,737</u>	<u>26,754</u>
<u>5,737</u>	<u>(765,482)</u>
(50,062)	63,865
0	1,404,870
0	1,070,855
<u>0</u>	<u>5,100</u>
(50,062)	2,544,690
<u>1,344,518</u>	<u>57,966,313</u>
<u>\$1,294,456</u>	<u>\$60,511,003</u>

**City of Pickerington, Ohio**  
Statement of Cash Flows  
Enterprise Funds  
For the Year Ended December 31, 2017

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>			
<b>Cash Flows from Operating Activities</b>			
Cash Received from Customers	\$2,360,493	\$3,692,138	\$700,766
Cash Payments for Employee Services and Benefits	(885,702)	(887,834)	(315,769)
Cash Payments for Goods and Services	(1,068,387)	(1,175,021)	(136,534)
Utility Deposits Received	2,349	2,349	0
Utility Deposits Returned	(3,319)	(3,319)	0
Other Non-Operating Revenues	13,150	13,516	1,692
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>418,584</u>	<u>1,641,829</u>	<u>250,155</u>
<b>Cash Flows from Investing Activities</b>			
Interest on Investments	<u>6,086</u>	<u>3,186</u>	<u>981</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Acquisition of Capital Assets	(440,829)	(90,695)	(144,212)
Tap-In Fees	443,007	473,980	228,945
Capital Grants	0	5,100	0
Principal Paid on General Obligation Refunding Bonds	0	(150,000)	0
Principal Paid on General Obligation Bonds	(105,000)	0	0
Principal Paid on OWDA Loans	(159,393)	(531,587)	0
Principal Paid on Capital Leases	(2,233)	(2,232)	0
Interest Paid on General Obligation Refunding Bonds	0	(34,565)	0
Interest Paid on General Obligation Bonds	(48,550)	0	0
Interest Paid on OWDA Loans	(24,546)	(256,354)	0
Interest Paid on Capital Leases	(265)	(265)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(337,809)</u>	<u>(586,618)</u>	<u>84,733</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	86,861	1,058,397	335,869
Cash and Cash Equivalents Beginning of Year	<u>3,566,499</u>	<u>4,171,986</u>	<u>1,110,706</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$3,653,360</u></u>	<u><u>\$5,230,383</u></u>	<u><u>\$1,446,575</u></u>

Nonmajor Aquatic Recreation Center	Total Enterprise Funds
\$193,273	\$6,946,670
(99,660)	(2,188,965)
(113,097)	(2,493,039)
0	4,698
0	(6,638)
5,734	34,092
<u>(13,750)</u>	<u>2,296,818</u>
0	10,253
(26,020)	(701,756)
0	1,145,932
0	5,100
0	(150,000)
0	(105,000)
0	(690,980)
0	(4,465)
0	(34,565)
0	(48,550)
0	(280,900)
<u>0</u>	<u>(530)</u>
<u>(26,020)</u>	<u>(865,714)</u>
(39,770)	1,441,357
<u>114,398</u>	<u>8,963,589</u>
<u>\$74,628</u>	<u>\$10,404,946</u>

(continued)

**City of Pickerington, Ohio**  
Statement of Cash Flows  
Enterprise Funds (Continued)  
For the Year Ended December 31, 2017

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>			
Operating Income (Loss)	(\$229,789)	\$1,124,599	(\$9,664)
Adjustments:			
Other Non-Operating Revenues	13,150	13,516	1,692
Depreciation	528,136	393,752	201,449
(Increases) Decreases in Assets:			
Accounts Receivable	(31,815)	(48,154)	(1,319)
Prepaid Items	561	(330)	(2)
Materials and Supplies Inventory	(4,596)	(12,884)	0
Decrease in Deferred Outflows - Pension	128,143	128,837	45,227
Increases (Decreases) in Liabilities:			
Accounts Payable	9,132	44,885	3,414
Accrued Wages and Benefits Payable	606	(58)	492
Contracts Payable	0	0	(453)
Compensated Absences Payable	599	10,687	5,889
Customer Deposits Payable	(970)	(970)	0
Intergovernmental Payable	3,451	8,579	2,733
Net Pension Liability	22,931	21,582	8,093
Decrease in Deferred Inflows - Pension	<u>(20,955)</u>	<u>(42,212)</u>	<u>(7,396)</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u><u>\$418,584</u></u>	<u><u>\$1,641,829</u></u>	<u><u>\$250,155</u></u>

**Noncash Capital Financing Activities:**

During 2017, developers contributed \$352,225 and \$1,052,645 in the form of water and stormwater lines, respectively.

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



Nonmajor Aquatic Recreation Center	Total Enterprise Funds
(\$55,799)	\$829,347
5,734	34,092
36,002	1,159,339
0	(81,288)
(391)	(162)
0	(17,480)
0	302,207
712	58,143
0	1,040
0	(453)
0	17,175
0	(1,940)
(8)	14,755
0	52,606
0	(70,563)
<u>(\$13,750)</u>	<u>\$2,296,818</u>

**City of Pickerington, Ohio**  
Statement of Fiduciary Assets and Liabilities  
Agency Fund  
December 31, 2017

**Assets**

Cash and Cash Equivalents in Segregated Accounts	<u>\$15,247</u>
--------------------------------------------------	-----------------

<i>Total Assets</i>	<u><u>\$15,247</u></u>
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**Liabilities**

Undistributed Monies	<u>\$15,247</u>
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<i>Total Liabilities</i>	<u><u>\$15,247</u></u>
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The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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**NOTE 1 - REPORTING ENTITY**

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

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

**Reporting Entity**

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

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

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

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

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

The City is associated with three jointly governed organizations and two insurance purchasing pools. These organizations are the Fairfield, Hocking, and Athens Counties Council of Governments on Major Crimes Investigations, Fairfield County Regional Planning Commission, the Mid-Ohio Regional Planning Commission (MORPC), the Central Ohio Risk Management Association Inc. (CORMA), and the Ohio Municipal League Workers' Compensation Group Rating Program. These organizations are discussed in Notes 20 and 21 to the basic financial statements.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Pickerington have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the City's accounting policies are described below.

**Basis of Presentation**

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

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

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

**Fund Accounting**

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

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The City reports the following major governmental funds:

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

Street Fund – This fund is used to account for the portion of state gasoline tax and motor vehicle registration fees restricted for maintenance and repair of dedicated streets within the City.

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

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

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

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

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

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

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

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

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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

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

**Measurement Focus**

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

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

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

**Basis of Accounting**

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

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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

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

***Deferred Outflows/ Inflows of Resources*** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding and for pension. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 13.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, payment in lieu of taxes, pension, and unavailable revenue. Property taxes and payment in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017, but which were levied to finance 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, interest, charges for services, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 26. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 13)

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

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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**Budgetary Process**

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The Community Development Block Grant Revolving Loan Special Revenue Fund, the Indigent Drivers Interlock and Alcohol Monitoring Special Revenue Fund, and the Cemetery Permanent Fund were not budgeted because the City did not anticipate any financial activity within these funds. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates.

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

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

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

**Cash and Cash Equivalents**

To improve cash management, cash received by the City is pooled. Cash balances, except cash by a fiscal agent or held in segregated accounts, are pooled and invested in short term investments in order to provide improved cash management. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

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

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

During 2017, investments were limited to federal agency securities, commercial paper, money markets, negotiable certificates of deposit, and the State Treasury Asset Reserve of Ohio (STAR Ohio).

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost. The City had no nonnegotiable certificates of deposit at December 31, 2017.



**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Provisions of the Ohio Revised Code restrict investment procedures. During 2017, interest was distributed to the General Fund, the Street Fund, certain special revenue funds, capital projects funds, permanent fund, and enterprise funds according to City ordinances. Interest revenue credited to the General Fund during 2017 amounted to \$224,512, which includes \$167,346 assigned from other City funds.

The City has a segregated bank account for monies held separate from the City's central bank account. This bank account is presented on the financial statements as "Cash and Cash Equivalents in Segregated Accounts", for the mayor's court bank account since the funds are not deposited into the City treasury.

#### Receivables and Payables

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

#### Materials and Supplies Inventory

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

#### Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2017 are recorded as prepaid items using the consumption method recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

#### Restricted Assets

Restricted cash and cash equivalents in the General Fund represent the amount of unclaimed monies and developer deposits that are not available for appropriation. Restricted cash and cash equivalents in the Cemetery Permanent Fund represent the principal portion of cemetery funds bequeathed to the City. Restricted cash and cash equivalents in the Water and Sewer Enterprise Funds represent resources set aside by the City for the repayment of water and sewer deposits.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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**Capital Assets and Depreciation**

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

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

Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest costs incurred during the construction of capital assets utilized by the enterprise fund are also capitalized.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful life of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities	Business-Type Activities
	Estimated Lives	Estimated Lives
Building	50 years	50 -60 years
Improvements to Land Other than Buildings	20 years	20 years
Equipment	3-15 years	3-20 years
Vehicles	4-15 years	8-15 years
Infrastructure	10-50 years	65 years

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

**Compensated Absences**

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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The entire compensated absences liability is reported on the government-wide financial statements. On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the fund from which the employees who have accumulated leave are paid, there are no such amounts reported at December 31, 2017. The non-current portion of the liability is not reported. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources, 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.

Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences 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 these liabilities are due for payment during the current year. Bonds, long-term notes, and capital leases are recognized as a liability on the fund financial statements when due.

Bond Premiums and Issuance Costs

On government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On the governmental fund statements, bond premiums are recorded in the year the bonds are issued. Premiums received on debt issuances are reported as other financing sources.

Under Ohio law, premiums on the original issuance of debt are to be deposited into the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

Bond issuance costs are shown as expensed in the year of the debt issuance.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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**Fund Balance**

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

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

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

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

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the City Council. In the General Fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute. State Statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The City Council assigned fund balance to cover a gap between estimated revenue and appropriations in 2018’s appropriated budget.

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations or other governments. Net position restricted for other purposes primarily include activities related to the City's parks, law enforcement, and state highway maintenance and repairs.

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

Contributions of Capital

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

Internal Activity

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

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

Interfund Balances

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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Estimates

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

Operating Revenues and Expenses

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

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City that are either unusual in nature or infrequent in occurrence. Neither type of item occurred during 2017.

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES

For 2017, the City implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2016-1*. These changes were incorporated in the City's 2017 financial statements; however, there was no effect on beginning net position/fund balance.

NOTE 4 – ACCOUNTABILITY

The Tax Increment Financing Agreement Equity Construction Capital Projects Fund had a deficit fund balance in the amount of \$91,350, as of December 31, 2017.

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

NOTE 5 – FUND BALANCES

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

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
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The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Street	Police	Debt Service	Other Governmental Funds	Total
<u>Nonspendable:</u>						
Prepays	\$43,980	\$21,429	\$75,835	\$0	\$9,327	\$150,571
Materials and Supplies Inventory	25,307	55,119	25,902	0	24,451	130,779
Unclaimed Monies	16,110	0	0	0	0	16,110
Developer Deposits	88,999	0	0	0	0	88,999
Cemetery Care	0	0	0	0	1,545	1,545
<i>Total Nonspendable</i>	<i>174,396</i>	<i>76,548</i>	<i>101,737</i>	<i>0</i>	<i>35,323</i>	<i>388,004</i>
<u>Restricted for:</u>						
Street Improvements	0	691,909	0	0	1,961,026	2,652,935
Community Development	0	0	0	0	370	370
Security of Persons and Property	0	0	370,083	0	0	370,083
Law Enforcement	0	0	0	0	20,645	20,645
Drug and Alcohol Enforcement	0	0	0	0	9,437	9,437
Debt Service	0	0	0	92,459	0	92,459
Cemetery Care	0	0	0	0	2,830	2,830
Other Purposes	0	0	0	0	26,339	26,339
<i>Total Restricted</i>	<i>0</i>	<i>691,909</i>	<i>370,083</i>	<i>92,459</i>	<i>2,020,647</i>	<i>3,175,098</i>
<u>Committed to:</u>						
Street Improvements	0	0	0	0	580,137	580,137
Security of Persons and Property	0	0	0	0	258,335	258,335
Parks and Recreation	0	0	0	0	726,682	726,682
Urban Forestry	0	0	0	0	56,427	56,427
Municipal Improvements	0	0	0	0	337,346	337,346
<i>Total Committed</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>1,958,927</i>	<i>1,958,927</i>
<u>Assigned to:</u>						
Subsequent Year's Appropriations	1,600,219	0	0	0	0	1,600,219
<u>Unassigned (Deficit):</u>	<u>5,189,226</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(91,350)</u>	<u>5,097,876</u>
<b>Total Fund Balances</b>	<b>\$6,963,841</b>	<b>\$768,457</b>	<b>\$471,820</b>	<b>\$92,459</b>	<b>\$3,923,547</b>	<b>\$12,220,124</b>

On January 2, 2013, City Council approved a minimum unassigned fund balance policy in the General Fund equal to 25 percent, three months, of the adopted annual operating expenditures and other financing uses. The fund balance policy is to ensure that the City can continue its necessary public service operations regardless of any unanticipated event that could adversely affect the financial condition of the City. If the fund balance falls below the targeted range, the City's replenishment plan will be to control operating expenditures and use budget surpluses. The plan is to replenish the General Fund unassigned fund balance within a three year period. The City will set a goal to replenish 80 percent the first year, 90 percent in two years, and 100 percent in three years.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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**NOTE 6 - BUDGETARY BASIS OF ACCOUNTING**

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

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

The major differences between the budget basis and the GAAP basis are that:

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

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

	<u>General</u>	<u>Street</u>	<u>Police</u>
GAAP Basis	\$1,406,233	(\$317,608)	\$9,732
Net Adjustment for Revenue Accruals	(166,599)	(6,752)	(12,685)
Net Adjustment for Expenditure Accruals	(36,762)	35,973	36,110
Beginning of Year:			
Unreported Cash	11,373	0	810
Fair Value Adjustment for Investments	54,198	0	0
End of Year:			
Unreported Cash	(16,781)	0	(625)
Fair Value Adjustment for Investments	40,092	0	0
Advances In	150,000	0	0
Encumbrances	(291,470)	(229,449)	(56,902)
Budget Basis	<u><u>\$1,150,284</u></u>	<u><u>(\$517,836)</u></u>	<u><u>(\$23,560)</u></u>



**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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**NOTE 7 - DEPOSITS AND INVESTMENTS**

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

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

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations describe in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio or Ohio; and with certain limitations bonds and other obligations of political subdivisions of the State of Ohio.
6. The State Treasurer's investment pool (STAR Ohio);

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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7. Not to exceed forty percent of the interim monies available for investment at any one time if training requirements have been met in either of the following:
  - Commercial paper for a period not to exceed two hundred seventy days. A single issuer shall not exceed in the aggregate five percent of interim fund available for investment at the time of purchase;
  - Bankers acceptance notes for a period not to exceed one hundred eighty days.
8. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The City may also invest any monies not required to be used for a specific period of six months or more in the following:

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

**Cash on Hand**

At year end, the City had \$14,537 in undeposited cash on hand which is included on the financial statements of the City as part of "Equity in Pooled Cash and Cash Equivalents".

**Deposits:** Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2017, the City was not exposed to custodial credit risk.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by:

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

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2017**

public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

**Investments:** Investments are reported at fair value. As of December 31, 2017, the City had the following investments.

Measurement/Investment	Measurement Amount	Maturity	Percent of Total Investments	Moody's Rating
Net Asset Value Per Share:				
STAR Ohio	\$5,868,529	Average 52 Days	28.92%	Aaa
Fair Value - Level One Inputs				
First American Treasury Money Market	10,813	Less than one year	0.05%	n/a
Fair Value - Level Two Inputs				
Federal Home Loan Mortgage Corporation Notes	1,509,765	Less than two years	7.44%	Aaa
Federal National Mortgage Association Notes	3,241,209	Less than four years	15.97%	Aaa
Federal Home Loan Bank Notes	600,081	Less than two years	2.95%	Aaa
Commercial Paper	7,677,227	Less than one year	37.83%	P-1
Negotiable Certificates of Deposit	1,387,467	Less than four years	6.84%	n/a
Total Fair Value - Level Two Inputs	14,415,749			
Total Investments	\$20,295,091			

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the City's recurring fair value measurements as of December 31, 2017. The First American Treasury Money Market is measured at fair value and is valued using quoted market prices (Level 1 inputs). Other than Star Ohio and the First American Treasury Money Market, all of the City's remaining investments are measured at fair value and are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

#### Interest Rate Risk

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

#### Credit Risk

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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Concentration of Credit Risk

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

NOTE 8 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2017 for real and public utility property taxes represents collections of 2016 taxes.

2017 real property taxes are levied after October 1, 2017 on assessed value as of January 1, 2017, the lien date. Real property taxes which are levied in 2017 are collected in and intended to finance 2018. Assessed values are established by State law at 35 percent of the appraised market value.

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

Public utility property tax revenues received in 2017 represent the collection of 2016 taxes. Public utility property taxes received in 2017 became a lien on December 31, 2016, were levied after October 1, 2017, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentage of true value.

The County Treasurer collects property taxes on behalf of Fairfield County, including the City of Pickerington. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2017 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2017 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

The full tax rate for all City operations for the year ended December 31, 2017, was \$7.80 per \$1,000 of assessed value. The assessed values of real and public utility tangible personal property upon which 2017 property tax receipts were based are as follows:

	2017
Real Property/ Public Utility Real	\$473,666,890
Public Utility Personal	2,881,050
Total Assessed Value	<u>\$476,547,940</u>

NOTE 9 – TAX ABATEMENT DISCLOSURES

As of December 31, 2017, the City provides tax abatements through The Community Reinvestment Area (CRA) Tax Abatement Program.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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On June 19, 1984, pursuant to Ohio Revised Code Chapter 5709, the City established a Community Reinvestment Area to encourage revitalization of existing buildings and the construction of new structures including residential, commercial, and industrial improvements. CRA's established prior to July 1994 can have an exemption period up to 10 years for the remodeling of one and two family residential projects which invest at least \$2,500, 12 years for the remodeling of multi-family dwellings of three or more residential units or commercial or industrial properties where the investment is at least \$5,000, and 15 years for the new construction of residential, commercial and industrial structures. 100 percent of the value of the real improvements are exempt for Pre-1994 CRA's. Upon the completion of the real property improvements, the property owner must complete an application to the City's designated Housing Officer, the Economic Development Director. The Housing Officer must verify the costs and the elements of the application. If the exemption requirements are met, the Housing Officer shall provide the County Auditor a copy of the application and certify that the improvements are exempt pursuant to the CRA Program for the term designated in the City's CRA authorizing legislation. The Housing Officer is required to notify all Boards of Education affected by the exemption at least 14 days prior to certifying the property exempt to the County Auditor. Annually the Housing Officer must inspect the property and determine that the property has been maintained. The exemption may be revoked if the property has not been maintained. A pre-July, 1994 CRA authorizing legislation can only be amended twice after July 1994 and still continue operation under the pre-1994 laws. The City amended their CRA legislation on November 2, 2010 and April 19, 2011. No further amendments have been made; therefore the City's CRA still operates under pre-1994 laws.

Below is the information relevant to the disclosure of the CRA program for the year ended December 31, 2017.

<u>Tax Abatement Program</u>	<u>Amount of 2017 Taxes Abated</u>
<i>Community Reinvestment Area (CRA)</i>	
Professional Buildings	\$49,275

**NOTE 10 - INCOME TAX**

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

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

Income tax proceeds are used for general municipal operations, maintenance, new equipment, extension and enlargement of municipal services and facilities and capital improvements of the City of Pickerington. In 2017, the proceeds were receipted into the General Fund.

**NOTE 11 - RECEIVABLES**

Receivables at December 31, 2017 consisted primarily of taxes, payment in lieu of taxes, intergovernmental receivables arising from grants, entitlements and shared revenues, interest on investments, and utility accounts. All receivables except property taxes and payment in lieu of taxes are expected to be received

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of intergovernmental receivables follows:

<u>Governmental Activities</u>	
Homestead and Rollback	\$149,000
Local Government Subsidies	100,910
Gasoline Tax	325,654
Motor Vehicle License Tax	76,852
Law Enforcement Assistance Grant	11,860
Refugee Road Widening Project Safety Grant	23,736
Drug Use Prevention Grant	3,754
OPWC - Urban Paving Project Grant	70,916
Miscellaneous Reimbursements	<u>1,492</u>
Total Governmental Activities	764,174
<u>Business-Type Activities</u>	
Miscellaneous Reimbursements	<u>198</u>
Total	<u><u>\$764,372</u></u>

Payment in Lieu of Taxes

Historically, the City has entered into Tax Increment Financing Agreements with various developers for the purpose of constructing several retail and commercial centers.

To encourage these improvements, the property owners are granted an exemption from paying real property taxes on the new construction; however, the property owner is required to make payments in lieu of taxes. Payment in lieu of taxes are made to Fairfield County and distributed to the City in an amount equal to the real property taxes that otherwise would have been due in that current year. These payments are being used to finance public improvements, payment in lieu of taxes are receipted into the appropriate Tax Increment Financing Fund for the area in which the improvements can be made, and will continue over ten to thirty years.

A receivable has been recorded in the Hill/Diley Road Tax Increment Financing Capital Projects Fund in the amount of \$51,575 which represents the amount measurable at December 31, 2017. The City is not able to record a receivable for all future payments because the payments are based upon projected collections.

As of December 31, 2017, the Equity Construction Tax Increment Financing Agreement remains outstanding. A receivable has been recorded in the Tax Increment Financing Agreement Equity Construction Capital Projects Fund in the amount of \$91,350 which represents amounts measurable at December 31, 2017.

On February 15, 2014, the City entered into a Tax Increment Financing Agreement with Ohio Health Corporation for the purpose of constructing a two-story, approximately 47,300 square foot medical office building with an ambulatory surgical center and adjacent parking containing approximately 189 parking spaces. A receivable has been recorded in the Ohio Health MOB Tax Increment Financing Capital Projects Fund in the amount of \$172,692.

**City of Pickerington, Ohio**  
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For the Year Ended December 31, 2017

**NOTE 12– CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2017, was as follows:

	Balance December 31, 2016	Additions	Reductions	Balance December 31, 2017
<b>Governmental Activities:</b>				
Non-Depreciable Capital Assets:				
Land	\$6,499,188	\$228,938	\$0	\$6,728,126
Construction in Progress	9,820,669	1,628,220	(8,248,395)	3,200,494
Total Non Depreciable Capital Assets	16,319,857	1,857,158	(8,248,395)	9,928,620
Depreciable Capital Assets:				
Land Improvements	2,400,178	844,904	(62,280)	3,182,802
Buildings	5,267,390	36,449	0	5,303,839
Equipment	1,946,175	156,629	(158,938)	1,943,866
Infrastructure	70,954,705	10,046,504	(429,445)	80,571,764
Vehicles	1,177,955	235,365	(258,646)	1,154,674
Total Depreciable Capital Assets	81,746,403	11,319,851	(909,309)	92,156,945
Accumulated Depreciation:				
Land Improvements	(1,433,314)	(88,468)	31,630	(1,490,152)
Buildings	(1,855,040)	(99,458)	0	(1,954,498)
Equipment	(1,398,068)	(114,368)	158,551	(1,353,885)
Infrastructure	(29,463,137)	(2,141,406)	429,446	(31,175,097)
Vehicles	(843,039)	(125,221)	258,646	(709,614)
Total Accumulated Depreciation	(34,992,598)	(2,568,921) *	878,273	(36,683,246)
Total Depreciable Capital Assets, Net	46,753,805	8,750,930	(31,036)	55,473,699
Governmental Capital Assets, Net	\$63,073,662	\$10,608,088	(\$8,279,431)	\$65,402,319

During 2017, developers contributed \$1,402,160 in infrastructure. This amount is reflected within Capital Grants and Contributions on the Statement of Activities.

During 2017, the City constructed a new bike path. On July 13, 2017, the City experienced excessive rain causing flooding. As a result of the flood, the Sycamore Creek Park bike path, Sycamore Park putting green synthetic turf, and the Victory Park playground synthetic turf were damaged. The City received an insurance reimbursement in the amount of \$155,818 for the repair of the bike path and replacement of the synthetic turf. \$84,102 of the insurance reimbursement was utilized to repair the Sycamore Creek Park bike path. Due to the bike path being damaged and replaced during the same year in which it was originally constructed, the capital asset table above does not reflect the addition and deletion. Accordingly, the expense and insurance recovery were eliminated on the Statement of Activities. \$30,650 of the insurance reimbursement was used to cover the book value of the Sycamore Park putting green synthetic turf and the Victory Park playground synthetic turf and \$41,066 was reflected as program revenue on the Statement of Activities.

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

<b><u>Governmental Activities:</u></b>	
General Government	\$73,263
Security of Persons and Property	189,704
Transportation	2,217,680
Leisure Time Activities	84,001
Community Environment	4,273
Total Depreciation Expense	<u>\$2,568,921</u>

	Balance December 31, 2016	Additions	Reductions	Balance December 31, 2017
<b><u>Business - Type Activities:</u></b>				
Non-Depreciable Capital Assets:				
Land	\$1,883,347	\$0	\$0	\$1,883,347
Construction in Progress	707,102	259,440	(692,514)	274,028
Total Non Depreciable Capital Assets	<u>2,590,449</u>	<u>259,440</u>	<u>(692,514)</u>	<u>2,157,375</u>
Depreciable Capital Assets:				
Land Improvements	591,868	11,920	0	603,788
Buildings	28,510,805	202,853	(981,792)	27,731,866
Equipment	4,440,197	706,294	(18,824)	5,127,667
Infrastructure	44,776,408	1,763,904	0	46,540,312
Vehicles	480,054	60,770	0	540,824
Total Depreciable Capital Assets	<u>78,799,332</u>	<u>2,745,741</u>	<u>(1,000,616)</u>	<u>80,544,457</u>
Accumulated Depreciation:				
Land Improvements	(136,360)	(29,142)	0	(165,502)
Buildings	(4,976,049)	(209,773)	530,167	(4,655,655)
Equipment	(3,479,695)	(219,337)	18,824	(3,680,208)
Infrastructure	(10,073,431)	(662,833)	0	(10,736,264)
Vehicles	(333,475)	(38,254)	0	(371,729)
Total Accumulated Depreciation	<u>(18,999,010)</u>	<u>(1,159,339)</u>	<u>548,991</u>	<u>(19,609,358)</u>
Total Depreciable Capital Assets, Net	<u>59,800,322</u>	<u>1,586,402</u>	<u>(451,625)</u>	<u>60,935,099</u>
Business - Type Activities Capital Assets, Net	<u>\$62,390,771</u>	<u>\$1,845,842</u>	<u>(\$1,144,139)</u>	<u>\$63,092,474</u>

During 2017, developers contributed \$352,225 and \$1,052,645 in the form of water and stormwater infrastructure, respectively.



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**NOTE 13 - 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 basis of accounting.

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
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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, including requirements for reduced and unreduced benefits):

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

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.

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

	State and Local
<b>2017 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
<b>2017 Actual Contribution Rates</b>	
Employer:	
Pension	13.0 %
Post-employment Health Care Benefits	1.0
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$468,394 for 2017. Of this amount, \$19,496 is reported as an intergovernmental payable.

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

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit, and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit. (See OP&F CAFR referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits.)

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55

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

	<u>Police</u>
<b>2017 Statutory Maximum Contribution Rates</b>	
Employer	19.50 %
Employee:	12.25 %
<b>2017 Actual Contribution Rates</b>	
Employer:	
Pension	19.00 %
Post-employment Health Care Benefits	0.50
Total Employer	<u>19.50 %</u>
Employee:	<u>12.25 %</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contributions to OP&F was \$365,067 for 2017. Of this amount \$81,019 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2016, and was determined by rolling forward the total pension liability as of January 1, 2016, to December 31, 2016. 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:

	<u>OPERS</u>	<u>OP&amp;F</u>	
Proportion of the Net Pension Liability:			
Current Measurement Date	0.026534%	0.0961720%	
Prior Measurement Date	0.027238%	0.0969940%	
Change in Proportionate Share	<u>-0.000704%</u>	<u>-0.0008220%</u>	
			<u>Total</u>
Proportionate Share of the Net Pension Liability	\$6,025,419	\$6,091,459	\$12,116,878
Pension Expense	\$1,233,795	\$693,937	\$1,927,732

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At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$8,167	\$1,723	\$9,890
Changes of assumptions	955,705	0	955,705
Net difference between projected and actual earnings on pension plan investments	897,324	592,366	1,489,690
City contributions subsequent to the measurement date	468,394	365,067	833,461
Total Deferred Outflows of Resources	<u>\$2,329,590</u>	<u>\$959,156</u>	<u>\$3,288,746</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$35,860	\$14,025	\$49,885
Changes in proportion and differences between City contributions and proportionate share of contributions	77,705	67,587	145,292
Total Deferred Inflows of Resources	<u>\$113,565</u>	<u>\$81,612</u>	<u>\$195,177</u>

\$833,461 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year Ending December 31:			
2018	\$708,904	\$210,244	\$919,148
2019	748,506	210,244	958,750
2020	316,523	156,563	473,086
2021	(26,302)	(54,920)	(81,222)
2022	0	(8,959)	(8,959)
2023	0	(695)	(695)
Total	<u>\$1,747,631</u>	<u>\$512,477</u>	<u>\$2,260,108</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.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the OPERS' actuarial consultants conducted an experience

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study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0 percent down to 7.5 percent, for the defined benefit investments. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2016, compared with December 31, 2015, are presented below.

	December 31, 2016	December 31, 2015
Wage Inflation	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

For 2016, mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

For 2015, 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, 2015. The prior 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.

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and

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the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. 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 annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3 percent for 2016.

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 2016 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other investments	18.00	4.92
Total	100.00 %	5.66 %

**Discount Rate** The discount rate used to measure the total pension liability for 2016 was 7.5 percent. The discount rate for 2015 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 contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

***Sensitivity of the City's Proportionate Share of the Net Pension Liability 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 7.5 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 (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.00%)
City's proportionate share of the net pension liability	\$9,205,175	\$6,025,419	\$3,375,655

**City of Pickerington, Ohio**  
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Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2016, is based on the results of an actuarial valuation date of January 1, 2016, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2016, are presented below

Valuation Date	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
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 plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.6 percent simple for increases based on the lesser of the increase in CPI and 3 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.



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Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2016, are summarized below:

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

Note: Assumptions are geometric.

\* levered 2x

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

**Discount Rate** 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	\$8,113,074	\$6,091,459	\$4,378,074

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

In October 2017, the OP&F Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of January 1, 2017. The most significant change is a reduction in the discount rate from 8.25 percent to 8 percent. Although the exact amount of these changes is not known, it has the potential to impact to the City's net pension liability.

**NOTE 14 - POSTEMPLOYMENT BENEFITS**

**Ohio Public Employees Retirement System**

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

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

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. 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 covered payroll of active members. In 2017, state and local employers contributed at a rate of 14 percent of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2017. As recommended

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by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2017 was 4.0 percent.

Substantially all of the City's contribution allocated to fund postemployment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2017, 2016, and 2015 was \$36,030, \$68,602, and \$68,027, respectively. For 2017, 95.84 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2016 and 2015.

#### Ohio Police and Fire Pension Fund

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

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 Postemployment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 45.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits 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. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2017, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is

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subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contribution to OP&F for the years ended December 31, 2017, 2016, and 2015 were \$365,067, \$394,300, and \$416,044, respectively, of which \$9,607, \$10,458, and \$11,000, respectively, was allocated to the healthcare plan. For 2017, 77.81 percent has been contributed for police with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2016 and 2015.

**NOTE 15 – OTHER EMPLOYEE BENEFITS**

**Compensated Absences**

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

City employees, except Police Officers, earn sick leave at the rate of three and one tenths hours per eighty hours of service and can be accumulated without limit. Police Officers earn sick leave at the rate of four hours per eighty hours of service and can be accumulated without limit. In the case of death or retirement all employees, except Police Officers, hired prior to July 1, 2012 who have ten years of service, are paid fifty percent of their accumulated sick leave up to a maximum payment equal to seventy-five days. In the case of death or retirement all employees, except Police Officers, hired on or after July 1, 2012 who have ten years of service, are paid twenty-five percent of their accumulated sick leave up to a maximum payment equal to thirty-seven and a half days. In the case of death all Police Officers shall be paid a lump sum of all unused sick leave to his or her surviving spouse or estate. In the case of retirement Police Officers hired prior to January 1, 2013 who have ten or more years of service, are paid fifty percent of their accumulated sick leave up to a maximum of payment equal to seventy-five days. In the case of retirement Police Officers hired on or after January 1, 2013 who have ten or more years of service, are paid twenty-five percent of their accumulated sick leave up to a maximum payment equal to thirty-seven and a half days.

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

**Insurance Options**

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

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**NOTE 16 - RISK MANAGEMENT**

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

During 2017, the City contracted with CORMA for the following insurance coverages:

Coverage	Limit of Insurance	Deductible
Property Insurance	\$300,000,000	\$25,000
Inland Marine		
Electronic Data Processing Data and Media	8,500,000	100,000
Earthquake, Volcanic Eruption, Landslide and Mine Subsidence	25,000,000	100,000
Flood	25,000,000	250,000
Contractors Equipment	10,000,000	25,000
Utility Services Combined Direct Damage	2,500,000	25,000
Underground Tanks and Pipes	6,000,000	100,000
Fine Arts	4,000,000	25,000
Boiler and Machinery	50,000,000	10,000
Commercial Umbrella Liability		
Aggregate Limit	20,000,000	n/a
Each Claim Limit	15,000,000	n/a
Commercial General Liability:		
Aggregate Limit	2,000,000	150,000
Each Claim Limit	1,000,000	150,000
Commercial Auto Coverage:		
Liability	1,000,000	150,000
Comprehensive Limit	1,000,000	150,000
Collision Limit	1,000,000	150,000
Professional Liability Coverage		
Public Officials Liability		
Per Occurance	1,000,000	150,000
Aggregate	1,000,000	150,000
Law Enforcement Liability		
Per Occurance	1,000,000	150,000
Aggregate	1,000,000	150,000
Commercial Crime Policy		
Employee Theft-Per Loss Coverage	1,000,000	25,000
Forgery Alterations	500,000	25,000
Money & Securities on premises	100,000	25,000
Money & Securities in transit	100,000	25,000
Computer Fraud	500,000	25,000
Funds Transfer Fraud	500,000	25,000

Settlements have not exceeded coverage in any of the last three years.

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

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

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The workers' compensation experience of the participating municipalities is calculated as one experience in order to create a lower workers' compensation premium rate. Each municipality pays its workers' compensation premium to the State based on the rate for the Program rather than the municipality's individual rate.

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

**NOTE 17 - CAPITAL LEASES - LESSEE DISCLOSURE**

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

Dump trucks and equipment acquired by lease has been capitalized in the government-wide statements governmental activities in the amount of \$272,358 and business-type activities in the amount of \$23,021, which is equal to the present value of the future minimum lease payments at the time of acquisition.

A corresponding liability for all capitalized assets, was recorded in the government-wide statements for governmental activities and business-type activities; respectively. Governmental activities capitalized leased assets are reflected net of accumulated depreciation in the amount of \$211,534. Business-type capitalized lease assets are reflected net of accumulated depreciation in the amount of \$13,813. Principal payments toward governmental activities capital leases during 2017 totaled \$56,898. Principal payments toward business-type activities capital leases during 2017 totaled \$4,465.

The following is a schedule of the future minimum lease payments at December 31, 2017 for governmental and business-type activities:

Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2018	\$52,807	\$6,018	\$4,612	\$383
2019	54,119	4,296	4,764	231
2020	53,356	2,752	4,504	74
2021	51,954	2,043	0	0
Total	<u>\$212,236</u>	<u>\$15,109</u>	<u>\$13,880</u>	<u>\$688</u>

**City of Pickerington, Ohio**  
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**NOTE 18 - LONG-TERM OBLIGATIONS**

Changes in the City's long-term obligations during 2017 consist of the following:

	Outstanding 12/31/2016	Additions	Reductions	Outstanding 12/31/2017	Amounts Due Within One Year
<b><u>Governmental Activities:</u></b>					
<b><u>General Obligation Bonds:</u></b>					
Street Improvement Advance Refunding Bonds					
2012 - \$1,045,000					
Serial Bonds - 2.0%-2.25%	\$830,000	\$0	\$95,000	\$735,000	\$100,000
Unamortized Premium on Serial Bonds	25,749	0	3,218	22,531	0
Various Purpose General Obligation Bonds					
2012 - \$5,660,000					
Police Facility Serial Bonds - 2.0%	1,695,000	0	270,000	1,425,000	275,000
Courtight Road Street Improvement					
Serial Bonds - 2.0%-2.5%	1,045,000	0	95,000	950,000	95,000
Windmill/Diley TIF Serial Bonds - 2.0%-2.5%	600,000	0	55,000	545,000	55,000
Windmill/Diley TIF Term Bonds - 2.5% - 3.0%	440,000	0	0	440,000	0
Real Estate Acquisition Serial Bonds - 2.0% - 2.5%	150,000	0	15,000	135,000	15,000
Real Estate Acquisition Term Bonds - 2.5% - 3.0%	100,000	0	0	100,000	0
Unamortized Premium on Serial and Term Bonds	152,873	0	9,554	143,319	0
Street Improvement Refunding Bonds					
2013 - \$4,740,000					
Serial Bonds - 1.25%-3.75%	1,370,000	0	205,000	1,165,000	205,000
Term Bonds - 2.25%-3.0%	2,575,000	0	0	2,575,000	0
Unamortized Premium on Serial and Term Bonds	180,824	0	11,302	169,522	0
Total General Obligation Bonds	9,164,446	0	759,074	8,405,372	745,000
<b><u>Long-Term Bond Anticipation Notes:</u></b>					
Street Improvement Notes					
2017 - \$3,300,000 - 2.0%	2,300,000	3,300,000	2,300,000	3,300,000	0
Total Long-Term Bond Anticipation Notes	2,300,000	3,300,000	2,300,000	3,300,000	0
<b><u>Net Pension Liability:</u></b>					
OPERS	2,783,600	891,906	0	3,675,506	0
OP&F	6,239,692	0	148,233	6,091,459	0
Total Net Pension Liability	9,023,292	891,906	148,233	9,766,965	0

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**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2017**

(continued)

	Outstanding 12/31/16	Additions	Reductions	Outstanding 12/31/17	Amounts Due Within One Year
<b><u>Governmental Activities:</u></b>					
Compensated Absences	\$690,815	\$78,241	\$17,548	\$751,508	\$264,784
Capital Leases Payable	141,325	127,809	56,898	212,236	52,807
Total Governmental Activities	<u>\$21,319,878</u>	<u>\$4,397,956</u>	<u>\$3,281,753</u>	<u>\$22,436,081</u>	<u>\$1,062,591</u>
<b><u>Business-Type Activities:</u></b>					
<b><u>General Obligation Bonds:</u></b>					
Sanitary Sewer Current Refunding Bonds					
2011 - \$1,955,000					
Serial Bonds - 2.25%-2.5%	\$150,000	\$0	\$150,000	\$0	\$0
Term Bonds - 2.8%-3.5%	980,000	0	0	980,000	150,000
Unamortized Premium on Serial Bonds	11,720	0	1,674	10,046	0
Various Purpose General Obligation Bonds					
2012 - \$2,410,000 - Water					
Serial Bonds - 2.0%-2.5%	1,160,000	0	105,000	1,055,000	110,000
Term Bonds - 2.5%-3.0%	850,000	0	0	850,000	0
Unamortized Premium on Serial and Term Bonds	54,939	0	3,434	51,505	0
Total General Obligation Bonds	<u>3,206,659</u>	<u>0</u>	<u>260,108</u>	<u>2,946,551</u>	<u>260,000</u>
<b><u>OWDA Loans:</u></b>					
2001 - OWDA Sewer Loan \$819,398 - 4.64%	279,686	0	50,927	228,759	53,317
2008 - OWDA Sewer Loan \$10,973,040 - 3.30%	8,397,219	0	480,660	7,916,559	496,652
2011 - OWDA Water Loan \$1,573,855 - 3.64%	857,702	0	159,393	698,309	165,248
Total OWDA Loans	<u>9,534,607</u>	<u>0</u>	<u>690,980</u>	<u>8,843,627</u>	<u>715,217</u>
<b><u>Net Pension Liability - OPERS</u></b>					
Water	802,054	222,267	0	1,024,321	0
Sewer	849,233	114,834	0	964,067	0
Stormwater	283,077	78,448	0	361,525	0
Total Net Pension Liability - OPERS	<u>1,934,364</u>	<u>415,549</u>	<u>0</u>	<u>2,349,913</u>	<u>0</u>
Compensated Absences Payable	149,232	17,494	319	166,407	94,089
Capital Leases Payable	18,345	0	4,465	13,880	4,612
Total Business-Type Activities	<u>\$14,843,207</u>	<u>\$433,043</u>	<u>\$955,872</u>	<u>\$14,320,378</u>	<u>\$1,073,918</u>



**City of Pickerington, Ohio**  
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**Governmental Activities:**

***General Obligation Bonds***

On November 21, 2012, the City issued \$1,045,000 in street improvement general obligation advance refunding bonds to partially advance refund the 2004 street improvement general obligation serial bonds. The \$1,045,000 general obligation advance refunding bonds were issued for a twelve year period with a final maturity at December 1, 2024. The \$1,045,000 bond issue consists of serial bonds which were issued at a premium in the amount of \$38,621. The amount of premium amortized during 2017 was \$3,218. Issuance costs associated with the bond issue were \$21,441. The partial advance refunding resulted in a difference between the net carrying amount of the debt and the acquisition price, in the amount of \$105,099. This difference is being reported in the accompanying financial statements as deferred outflows of resources – deferred charge on refunding and is being amortized to interest expense over the life of the bonds using the straight-line method. The issuance resulted in a difference (savings) between the cash flows required to service the old debt and the cash flows required to service the new debt of \$169,679. The issuance resulted in a total economic gain of \$131,080.

On November 21, 2012, the date of the refunding, \$1,085,273 was deposited in an irrevocable trust to provide for all future debt service payments on the partially advance refunded 2004 street improvement general obligation serial bonds. As all of the legal steps had been taken to refund the debt, the balance of the outstanding bonds refunded was removed from the City's financial statements. On December 1, 2014, the debt was called, paid in full, and the escrow account was closed.

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

2012 Street Improvement General Obligation Advance Refunding Bonds			
Year	Principal	Interest	Total
2018	\$100,000	15,250	\$115,250
2019	100,000	13,250	113,250
2020	100,000	11,250	111,250
2021	105,000	9,250	114,250
2022	110,000	7,150	117,150
2023-2024	220,000	7,425	227,425
Total	<u>\$735,000</u>	<u>\$63,575</u>	<u>\$798,575</u>

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

The various purpose general obligation bonds include the following: \$2,715,000 of these various purpose general obligation bonds was issued to refinance the 2002 police facilities lease for the purpose of acquiring, constructing, equipping, and furnishing a police building. \$1,405,000 of these various purpose general obligation bonds was issued to retire the Courtright Road street improvement bond anticipation notes for the purpose of constructing street improvements known as the Courtright Road realignment and sidewalks, curbs and gutters, and other street improvements in the downtown area of the City. \$1,245,000 of these various

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purpose general obligation bonds include both serial and term bonds originally issued in the amount of \$805,000 and \$440,000, respectively. The \$1,245,000 various purpose general obligation bonds was issued to retire the TIF Windmill/Diley Road revenue anticipation notes for the purpose of street improvements in the Windmill/ Diley Road areas including constructing turn lane improvements for State Route 256 to establish an exit point for the realignment of Diley Road. \$295,000 of these various purpose general obligation bonds include both serial and term bonds originally issued in the amount of \$195,000 and \$100,000, respectively. The \$295,000 various purpose general obligation bonds were issued to retire the Real Estate Acquisition bond anticipation notes for the purpose of acquiring real property for the City.

The \$5,660,000 various purpose general obligation bonds were sold at a premium of \$191,089 that is being amortized over the term of the bonds. The amount of premium amortized during 2017 was \$9,554. Issuance costs associated with the bond issue were \$103,716.

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

2012 Various Purpose General Obligation Bonds			
Year	Principal	Interest	Total
2018	\$440,000	\$78,875	\$518,875
2019	450,000	70,075	520,075
2020	460,000	61,075	521,075
2021	470,000	51,875	521,875
2022	475,000	42,475	517,475
2023-2027	845,000	121,025	966,025
2028-2032	455,000	40,475	495,475
Total	<u>\$3,595,000</u>	<u>\$465,875</u>	<u>\$4,060,875</u>

The various purpose general obligation bonds maturing on December 1, 2028, 2030, and 2032 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Year	Issue		
	\$435,000	\$455,000	\$500,000
2027	\$215,000	\$0	\$0
2029	0	225,000	0
2031	0	0	250,000
Total mandatory sinking fund payments	215,000	225,000	250,000
Amount due at stated maturity	220,000	230,000	250,000
Total	<u>\$435,000</u>	<u>\$455,000</u>	<u>\$500,000</u>
Stated Maturity	12/1/2028	12/1/2030	12/1/2032

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

On January 3, 2013, the City issued \$4,740,000 in street improvement general obligation refunding bonds to refund the 2005 State Infrastructure Bank Loan. The \$4,740,000 were issued for a twenty year period with a final maturity at December 1, 2032. The \$4,740,000 were issued at a premium in the amount of \$226,032. The amount of premium amortized during 2017 was \$11,302. Issuance costs associated with the bond issuance were \$59,840. In 2015, the City would have been required to make a balloon payment in the amount of \$3,608,277; therefore, the City refinanced the debt by issuing a twenty year bond. The issuance resulted in an increase in total debt service by \$931,274, these payments will be spread over the next twenty years rather than over the next two years. The issuance resulted in a total economic gain of \$40,198.

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

2013 Street Improvement General Obligation Refunding Bonds			
Year	Principal	Interest	Total
2018	\$205,000	\$101,950	\$306,950
2019	215,000	94,263	309,263
2020	220,000	89,962	309,962
2021	225,000	82,263	307,263
2022	230,000	77,762	307,762
2023-2027	1,235,000	305,163	1,540,163
2028-2032	1,410,000	129,450	1,539,450
Total	<u>\$3,740,000</u>	<u>\$880,813</u>	<u>\$4,620,813</u>

The various purpose general obligation bonds maturing on December 1, 2023, 2025, 2027, 2029, and 2031 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Year	Issue				
	\$465,000	\$485,000	\$515,000	\$540,000	\$570,000
2022	\$230,000	\$0	\$0	\$0	\$0
2024	0	240,000	0	0	0
2026	0	0	255,000	0	0
2028	0	0	0	265,000	0
2030	0	0	0	0	280,000
Total mandatory sinking fund payments	<u>230,000</u>	<u>240,000</u>	<u>255,000</u>	<u>265,000</u>	<u>280,000</u>
Amount due at stated maturity	<u>235,000</u>	<u>245,000</u>	<u>260,000</u>	<u>275,000</u>	<u>290,000</u>
Total	<u>\$465,000</u>	<u>\$485,000</u>	<u>\$515,000</u>	<u>\$540,000</u>	<u>\$570,000</u>
Stated Maturity	12/1/2023	12/1/2025	12/1/2027	12/1/2029	12/1/2031

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The bonds maturing on and after December 1, 2021 are subject to optional redemption, at the option of the City, in whole or in part in such order of maturity as the City shall determine, in integral multiples of \$5,000 and by lot within a maturity, on any date commencing December 1, 2020 at the redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the redemption date.

***Long-Term Bond Anticipation Notes Payable***

On February 8, 2017, the City issued \$3,300,000 in street improvement general obligation bond anticipation notes which will mature on February 8, 2018. These general obligation bond anticipation notes retired the \$2,300,000 street improvement general obligation bonds anticipation notes issued on February 10, 2016. On February 8, 2017, the City issued an additional \$1,000,000 in street improvement general obligation bond anticipation notes for the right-of-way and utility relocation phase of the Refugee Road Project. These general obligation bond anticipation notes were issued for the purpose of paying the costs to design, construct, improve, and widen Refugee Road, improve and widen the intersection of Refugee Road and State Route 256 including but not limited to the construction and addition of thru lanes and turn lanes, design, improve and construct the intersection of Refugee Road and Stonecreek Drive South extension including but not limited to the construction of thru lanes and turn lanes and sidewalks and curbs related thereto, the acquisition of right-of-way, landscaping, and other necessary street improvements.

At December 31, 2017, City had \$1,353,439 in unspent note proceeds.

***Net Pension Liability***

There is no repayment schedule for the net pension liability. However, employer pension contributions are made from the General Fund and the Street, Police, State Highway, and Parks and Recreation Special Revenue Funds. For additional information related to the net pension liability see Note 13.

***Compensated Absences Payable***

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

***Capital Leases Payable***

The City has outstanding capital leases for copiers and dump trucks. These leases will be repaid through the General Fund and Street and Police Special Revenue Funds.

**Business-Type Activities:**

***General Obligation Bonds***

The 2011 general obligation current refunding bonds originally were issued in the amount of \$1,955,000 with interest rates varying from 2.25 percent to 3.5 percent. The proceeds were used to refund \$1,920,000 of outstanding 1999 sanitary sewer improvement general obligation bonds. The general obligation bonds were sold at a premium of \$21,764, which will be amortized over the life of the bonds. The amount of premium amortized during 2017 was \$1,674. Issuance costs associated with the bond issue were \$50,331. The current refunding resulted in a difference between the net carrying amount of the debt and the acquisition price, in the

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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amount of \$28,453. This difference is being reported in the accompanying financial statements as deferred outflow of resources – deferred charge on refunding and is being amortized to interest expense over the life of the bonds using the straight-line method. The issuance resulted in a difference (savings) between the cash flows required to service the old debt and the cash flows required to service the new debt of \$265,385. The issuance resulted in a total economic gain of \$223,277. These general obligation bonds will be paid from Sewer Enterprise revenues.

The general obligation current refunding bonds maturing on December 1, 2019, 2021, and 2023 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Year	Issue		
	\$305,000	\$325,000	\$350,000
2018	\$150,000	\$0	\$0
2020	0	160,000	0
2022	0	0	170,000
Total mandatory sinking fund payments	150,000	160,000	170,000
Amount due at stated maturity	155,000	165,000	180,000
Total	<u>\$305,000</u>	<u>\$325,000</u>	<u>\$350,000</u>
Stated Maturity	12/1/2019	12/1/2021	12/1/2023

The bonds maturing on and after December 1, 2021 are subject to optional redemption, at the option of the City, in whole or in part in such order of maturity as the City shall determine, in integral multiples of \$5,000 and by lot within a maturity, on any date commencing December 1, 2020 at the redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the redemption date.

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

The \$2,410,000 various purpose general obligation bonds were sold at a premium of \$68,675 that is being amortized over the term of the bonds. The amount of premium amortized during 2017 was \$3,434. Issuance costs associated with the bond issue were \$43,683.

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2017**

Principal and interest requirements to retire the City's general obligation bonds payable from the Sewer and Water Enterprise Funds outstanding at December 31, 2017 were:

Year	Sewer General Obligation Bonds		Water General Obligation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$150,000	\$31,190	\$110,000	\$46,450	\$260,000	\$77,640
2019	155,000	26,990	110,000	44,250	265,000	71,240
2020	160,000	22,650	110,000	42,050	270,000	64,700
2021	165,000	17,530	115,000	39,850	280,000	57,380
2022	170,000	12,250	115,000	37,550	285,000	49,800
2023-2027	180,000	6,300	625,000	147,850	805,000	154,150
2028-2032	0	0	720,000	63,875	720,000	63,875
Total	<u>\$980,000</u>	<u>\$116,910</u>	<u>\$1,905,000</u>	<u>\$421,875</u>	<u>\$2,885,000</u>	<u>\$538,785</u>

**OWDA Loans**

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$1,573,855 in water system OWDA Loans issued in 2011. Proceeds from this loan provided financing for the water reverse osmosis system project. The loan is payable solely from water customer net revenues and is payable through 2021. Annual principal and interest payments on the loan are expected to require less than 59 percent of net revenues. The total principal and interest remaining to be paid on the loan is \$746,436 related to finalized terms and amortization schedules. Principal and interest paid for the current year and total customer net revenues were \$183,939 and \$314,372, respectively.

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay \$11,792,438 in sewer system OWDA Loans issued in 2001 and 2008. Proceeds from these loans provided financing for various sewer projects. The loans are payable solely from sewer customer net revenues and are payable through 2030. Annual principal and interest payments on the loans are expected to require less than 52 percent of net revenues. The total principal and interest remaining to be paid on the loans is \$9,873,260 related to finalized terms and amortization schedules. Principal and interest paid for the current year and total customer net revenues were \$787,941 and \$1,530,933, respectively.

Principal and interest requirements to retire the City's OWDA loans outstanding at December 31, 2017 were:

Year	Sewer OWDA		Water OWDA		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$549,969	\$240,270	\$165,248	\$19,721	\$715,217	\$259,991
2019	568,997	223,629	171,317	14,719	740,314	238,348
2020	588,691	206,413	177,610	9,532	766,301	215,945
2021	609,078	188,601	184,134	4,155	793,212	192,756
2022	566,124	170,646	0	0	566,124	170,646
2023-2027	3,126,015	584,691	0	0	3,126,015	584,691
2028-2030	2,136,444	113,692	0	0	2,136,444	113,692
Total	<u>\$8,145,318</u>	<u>\$1,727,942</u>	<u>\$698,309</u>	<u>\$48,127</u>	<u>\$8,843,627</u>	<u>\$1,776,069</u>

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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***Net Pension Liability***

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

***Compensated Absences Payable***

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

***Capital Leases Payable***

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

***Legal Debt Margin***

As of December 31, 2017, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$38,759,993.

**NOTE 19 - SIGNIFICANT COMMITMENTS**

**Encumbrances**

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

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

<u>Governmental Funds</u>	
General	\$291,470
Street	229,449
Police	56,902
Other Governmental Funds	410,400
Total Governmental Funds	<u>988,221</u>
<u>Proprietary Funds</u>	
Water	60,811
Sewer	276,335
Stormwater	48,211
Other Enterprise Funds	3,439
Total Proprietary Funds	<u>388,796</u>
Total	<u><u>\$1,377,017</u></u>

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

**Contractual Commitments**

As of December 31, 2017, the City had the following material contractual purchase commitments. The amount for each project is as follows:

Project	Fund	Purchase Commitments	Amount Paid as of December 31, 2017	Amount Remaining on Contracts
Annual Street Resurfacing	Street	\$1,881,500	\$1,836,572	\$44,928
Carnegie Building Elevator Project	General	49,154	21,917	27,237
Ohio Health Refugee Road	Ohio Health MOB TIF	314,044	58,654	255,390
Gravity Filters Replacement	Water	15,000	3,767	11,233
Water Plant Capacity Plan	Water	60,000	56,000	4,000
Sewer Plant Blowers	Sewer	196,616	196,616	0
Windmill Dam Engineering	Stormwater	75,000	56,960	18,040
Total		<u>\$2,591,314</u>	<u>\$2,230,486</u>	<u>\$360,828</u>

**NOTE 20 - JOINTLY GOVERNED ORGANIZATIONS**

**Fairfield, Hocking, and Athens Counties Council of Governments on Major Crimes Investigations**

The Fairfield, Hocking, and Athens Counties Council of Governments on Major Crimes Investigations was created in 2001 under Ohio Revised Code Section 167.01. Its stated purpose is to provide additional police protection to the citizens of Fairfield, Hocking, and Athens counties to reduce the influence and effects of illegal drug trafficking activities, as well as other major crimes activities. The Unit has a seven-member Governing Board that consists of one County Commissioner or designee from each county, and the Mayor, City Manager, or designee from the cities of Lancaster, Pickerington, Logan, and Athens. The Unit also has a twelve member Operating Board that handles the daily operations and reports to the Governing Board. The Operating Board is made up of the Fairfield, Hocking, and Athens County Sheriffs and Prosecuting Attorneys, as well as the Chiefs of Police from the four cities listed above, and the Chiefs of Police from the City of Nelsonville and of the Ohio University. The Unit's revenues will consist of an annual grant applied for by the Fairfield County Commissioners, which is in turn given to the Unit, along with local matches from each of the involved entities. In 2017, the City made no contributions to the Unit. Continued existence of the Board is not dependent upon the City's continued participation, no equity interest exists, and no debt is outstanding.

**Fairfield County Regional Planning Commission**

The City is a participant in the Fairfield County Regional Planning Commission, a statutorily created political subdivision of the State. Fairfield County, its municipalities, and its townships jointly govern the Commission. There are 42 board members that govern the Commission. The City of Pickerington has one member on the Board. Each member's control over the operation of the Commission is limited to its representation of the board. The Commission makes studies, maps, plans, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the County. The City contributed \$4,551 to the Commission during 2017. Continued existence of



**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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

Mid-Ohio Regional Planning Commission (MORPC)

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. The organization is composed of 74 representatives appointed by member governments who make up the Commission, the policy-making body of the organization, and the oversight board. MORPC is a voluntary association of local governments in central and south central Ohio and a regional planning agency whose membership includes 42 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members. Each participant's degree of control is limited to its representation on the Board. The City contributed \$10,598 in membership dues to the Mid-Ohio Regional Planning Commission during 2017.

NOTE 21 - POOLS

Central Ohio Risk Management Association Inc. (CORMA)

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

CORMA was formed as an Ohio non-profit corporation for the purpose of establishing the CORMA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Each member has a representative on the Board of Trustees that approves bylaws, establish policies and contract with service providers for the best savings. Member cities agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORMA. Coverage includes comprehensive general liability, property insurance, crime insurance, employee benefits liability, law enforcement liability, public officials' liability, automotive liability, and healthcare professional liability.

Ohio Municipal League Workers' Compensation Group Rating Program

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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**NOTE 22 - CONTINGENT LIABILITIES**

**Litigation**

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

**Federal and State Grants**

For the period January 1, 2017 to December 31, 2017 the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

**NOTE 23 - INTERFUND ACTIVITY**

Interfund transfers during 2017, consisted of the following:

	Transfer to				
	Major Funds			Other Nonmajor Governmental	Totals
	Street	Police	Debt Service		
<u>Transfer from</u>					
Major Funds:					
General Fund	\$600,000	\$3,100,000	\$259,299	\$752,500	\$4,711,799
Other Nonmajor Governmental	0	0	668,040	0	668,040
Totals	\$600,000	\$3,100,000	\$927,339	\$752,500	\$5,379,839

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

**NOTE 24 – DONOR RESTRICTED ENDOWMENTS**

The City's permanent fund includes donor restricted endowments for the perpetual care of certain cemetery lots which are located in the City. The net position-non-expendable amounts of \$1,545 represent the principal portion of the endowments. The net position-expendable amount of \$2,830 represents the interest earnings on donor-restricted investments and is available for expenditure by the City, for purposes consistent with the endowment's intent. State law permits the City to appropriate, for purposes consistent with the endowment's intent, net appreciation realized and unrealized unless the endowment terms specify otherwise.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017

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**NOTE 25 – SUBSEQUENT EVENT**

On February 7, 2018, the City issued \$4,400,000 in street improvement general obligation bond anticipation notes. These bond anticipation notes retired the \$3,300,000 street improvement general obligation bond anticipation notes issued on February 8, 2017. On February 8, 2018, the City issued an additional \$1,100,000 in street improvement general obligation bond anticipation notes for the construction phase of the Refugee Road Project. These notes were issued for the purpose of paying the costs to design, construct, improve, and widen Refugee Road, improve and widen the intersection of Refugee Road and State Route 256 including but not limited to the construction and addition of thru lanes and turn lanes, design, improve and construct the intersection of Refugee Road and Stonecreek Drive South extension including but not limited to the construction of thru lanes and turn lanes and sidewalks and curbs related thereto, the acquisition of right-of-way, landscaping and other necessary street improvements.

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# **Required Supplementary Information**

**City of Pickerington, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Ohio Public Employees Retirement System - Traditional Plan*  
*Last Four Years (1) \**

	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.026534%	0.027238%	0.027656%	0.027656%
City's Proportionate Share of the Net Pension Liability	\$6,025,419	\$4,717,964	\$3,335,622	\$3,260,282
City's Covered Payroll	\$3,430,075	\$3,390,029	\$3,390,642	\$3,196,831
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	175.66%	139.17%	98.38%	101.98%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.25%	81.08%	86.45%	86.36%

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

\*Amounts presented each fiscal year were determined as of the City's measurement date which is the prior year end.

**City of Pickerington, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Ohio Police and Fire Pension Fund*  
*Last Four Years (1) \**

	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.0961720%	0.0969940%	0.0979014%	0.0979014%
City's Proportionate Share of the Net Pension Liability	\$6,091,459	\$6,239,692	\$5,071,701	\$4,768,105
City's Covered Payroll	\$2,075,263	\$2,189,706	\$2,156,374	\$2,086,027
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	293.53%	284.96%	235.20%	228.57%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.36%	66.77%	71.71%	73.00%

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

\*Amounts presented for each fiscal year were determined as of the City's measurement date which is the prior year end.

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**City of Pickerington, Ohio**  
*Required Supplementary Information*  
*Schedule of City Contributions*  
*Ohio Public Employees Retirement System - Traditional Plan*  
*Last Five Years (1)*

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$468,394	\$411,609	\$406,804	\$406,877	\$415,588
Contributions in Relation to the Contractually Required Contribution	<u>(468,394)</u>	<u>(411,609)</u>	<u>(406,804)</u>	<u>(406,877)</u>	<u>(415,588)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$3,603,031	\$3,430,075	\$3,390,029	\$3,390,642	\$3,196,831
Contributions as a Percentage of Covered Payroll	13.00%	12.00%	12.00%	12.00%	13.00%

(1) Although this schedule is intended to show information for ten years, information prior to 2013 is not available.  
An additional column will be added each year.

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$365,067	\$394,300	\$416,044	\$409,711
Contributions in Relation to the Contractually Required Contribution	<u>(365,067)</u>	<u>(394,300)</u>	<u>(416,044)</u>	<u>(409,711)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$1,921,405	\$2,075,263	\$2,189,706	\$2,156,374
Contributions as a Percentage of Covered Payroll:	19.00%	19.00%	19.00%	19.00%

2013	2012	2011	2010	2009	2008
\$331,332	\$252,738	\$244,601	\$245,279	\$248,202	\$229,456
(331,332)	(252,738)	(244,601)	(245,279)	(248,202)	(229,456)
\$0	\$0	\$0	\$0	\$0	\$0
\$2,086,027	\$1,982,259	\$1,918,439	\$1,923,757	\$1,946,682	\$1,799,655
15.88%	12.75%	12.75%	12.75%	12.75%	12.75%

**City of Pickerington, Ohio**  
Notes to Required Supplementary Information  
For the Year Ended December 31, 2017

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**Changes in Assumptions - OPERS**

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

	December 31, 2017	December 31, 2016 and Prior
Wage Inflation	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

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

# **Combining Statements and Individual Fund Schedules**

## **GENERAL FUND**

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

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Year Ended December 31, 2017

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Taxes	\$1,126,700	\$1,126,700	\$1,131,417	\$4,717
Municipal Income Taxes	6,508,335	6,508,335	7,063,528	555,193
Franchise Taxes	257,000	257,000	228,969	(28,031)
Charges for Services	350,991	350,991	412,405	61,414
Licenses and Permits	781,412	781,412	792,392	10,980
Fines and Forfeitures	170,000	170,000	176,649	6,649
Intergovernmental	311,405	311,405	309,180	(2,225)
Interest	75,000	75,000	208,819	133,819
Contributions and Donations	17,500	17,500	49,576	32,076
Other	55,459	55,459	89,178	33,719
<i>Total Revenues</i>	<u>9,653,802</u>	<u>9,653,802</u>	<u>10,462,113</u>	<u>808,311</u>
<b>Expenditures</b>				
Current:				
General Government				
Council				
Personal Services	141,421	144,121	109,611	34,510
Contractual Services	10,000	10,521	8,608	1,913
Materials and Supplies	1,300	1,300	36	1,264
Total Council	<u>152,721</u>	<u>155,942</u>	<u>118,255</u>	<u>37,687</u>
Mayor				
Personal Services	59,330	59,330	55,399	3,931
Contractual Services	2,250	3,050	2,954	96
Materials and Supplies	3,450	3,674	1,987	1,687
Total Mayor	<u>65,030</u>	<u>66,054</u>	<u>60,340</u>	<u>5,714</u>
City Manager				
Personal Services	136,456	136,480	129,250	7,230
Contractual Services	2,500	2,500	1,937	563
Materials and Supplies	750	750	70	680
Total City Manager	<u>139,706</u>	<u>139,730</u>	<u>131,257</u>	<u>8,473</u>
Receptionist				
Personal Services	17,240	17,240	16,498	742
Materials and Supplies	750	750	0	750
Total Receptionist	<u>17,990</u>	<u>17,990</u>	<u>16,498</u>	<u>1,492</u>
Facilities Operations Administration				
Personal Services	97,573	97,598	91,855	5,743
Contractual Services	750	750	676	74
Materials and Supplies	750	750	606	144
Total Facilities Operations Administration	<u>99,073</u>	<u>99,098</u>	<u>93,137</u>	<u>5,961</u>
Human Resources Department				
Personal Services	65,823	77,823	67,912	9,911
Contractual Services	31,600	32,675	24,064	8,611
Materials and Supplies	950	950	932	18
Total Human Resources Department	<u>\$98,373</u>	<u>\$111,448</u>	<u>\$92,908</u>	<u>\$18,540</u>

(continued)

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2017

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive (Negative)
Public Information				
Contractual Services	\$21,250	\$21,250	\$14,388	\$6,862
Total Public Information	21,250	21,250	14,388	6,862
Land and Buildings				
Personal Services	3,000	3,000	0	3,000
Contractual Services	209,378	218,441	200,157	18,284
Materials and Supplies	73,100	89,726	84,277	5,449
Capital Outlay	88,400	123,400	107,499	15,901
Total Land and Buildings	373,878	434,567	391,933	42,634
Engineer				
Personal Services	50,548	50,958	43,905	7,053
Contractual Services	577,500	636,273	593,078	43,195
Materials and Supplies	1,750	1,958	1,010	948
Total Engineer	629,798	689,189	637,993	51,196
Law Director				
Contractual Services	297,500	312,661	236,765	75,896
Mayor's Court Clerk				
Personal Services	107,351	107,351	99,937	7,414
Contractual Services	35,800	39,000	32,540	6,460
Materials and Supplies	5,800	5,800	5,583	217
Total Mayor's Court Clerk	148,951	152,151	138,060	14,091
Administrative Assistant				
Personal Services	50,670	50,670	45,127	5,543
Materials and Supplies	500	500	0	500
Total Administrative Assistant	51,170	51,170	45,127	6,043
Finance Director				
Personal Services	383,593	386,643	353,706	32,937
Contractual Services	318,880	421,982	393,756	28,226
Materials and Supplies	14,500	14,574	14,367	207
Total Finance Director	716,973	823,199	761,829	61,370
Municipal Clerk				
Personal Services	172,769	172,769	126,725	46,044
Contractual Services	750	750	630	120
Materials and Supplies	3,000	3,000	2,012	988
Total Municipal Clerk	\$176,519	\$176,519	\$129,367	\$47,152

(continued)



**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2017

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive (Negative)
Miscellaneous				
Personal Services	\$24,918	\$25,418	\$25,377	\$41
Contractual Services	9,300	64,022	57,657	6,365
Capital Outlay	25,000	25,000	0	25,000
Total Miscellaneous	59,218	114,440	83,034	31,406
Other General Government				
Election Expenses	5,000	5,000	0	5,000
Auditor and Treasurer Fees	33,000	33,000	32,894	106
Miscellaneous Dues	42,743	42,743	42,728	15
Total Other General Government	80,743	80,743	75,622	5,121
<i>Total General Government</i>	<u>3,128,893</u>	<u>3,446,151</u>	<u>3,026,513</u>	<u>419,638</u>
Security of Persons and Property				
Street Lighting				
Contractual Services	119,678	119,914	95,907	24,007
Materials and Supplies	250	250	0	250
<i>Total Security of Persons and Property</i>	<u>119,928</u>	<u>120,164</u>	<u>95,907</u>	<u>24,257</u>
Leisure Time Activities				
Contractual Services	47,400	47,400	45,145	2,255
<i>Total Leisure Time Activities</i>	<u>47,400</u>	<u>47,400</u>	<u>45,145</u>	<u>2,255</u>
Public Health Services				
Contractual Services	174,419	174,419	171,960	2,459
Materials and Supplies	7,000	7,000	0	7,000
<i>Total Public Health Services</i>	<u>181,419</u>	<u>181,419</u>	<u>171,960</u>	<u>9,459</u>
Community Environment				
Development Department				
Personal Services	144,058	146,370	143,010	3,360
Contractual Services	227,000	627,000	466,418	160,582
Materials and Supplies	2,900	2,979	1,982	997
Total Development Department	373,958	776,349	611,410	164,939
Building Inspection				
Personal Services	192,612	298,064	285,349	12,715
Contractual Services	339,246	358,354	310,831	47,523
Materials and Supplies	1,800	1,808	1,722	86
Total Building Inspection	<u>\$533,658</u>	<u>\$658,226</u>	<u>\$597,902</u>	<u>\$60,324</u>

(continued)

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Planning and Zoning				
Personal Services	\$180,615	\$204,627	\$178,443	\$26,184
Contractual Services	29,000	32,205	23,240	8,965
Materials and Supplies	3,000	3,024	2,561	463
Total Planning and Zoning	<u>212,615</u>	<u>239,856</u>	<u>204,244</u>	<u>35,612</u>
<i>Total Community Environment</i>	<u>1,120,231</u>	<u>1,674,431</u>	<u>1,413,556</u>	<u>260,875</u>
<i>Total Expenditures</i>	<u>4,597,871</u>	<u>5,469,565</u>	<u>4,753,081</u>	<u>716,484</u>
<i>Excess of Revenues Over Expenditures</i>	<u>5,055,931</u>	<u>4,184,237</u>	<u>5,709,032</u>	<u>1,524,795</u>
<b>Other Financing Sources (Use)</b>				
Proceeds from the Sale of Capital Assets	0	0	3,051	3,051
Advances In	150,000	150,000	150,000	0
Transfers Out	<u>(5,773,725)</u>	<u>(6,074,686)</u>	<u>(4,711,799)</u>	<u>1,362,887</u>
<i>Total Other Financing Sources (Use)</i>	<u>(5,623,725)</u>	<u>(5,924,686)</u>	<u>(4,558,748)</u>	<u>1,365,938</u>
<i>Net Change in Fund Balance</i>	<u>(567,794)</u>	<u>(1,740,449)</u>	<u>1,150,284</u>	<u>2,890,733</u>
Fund Balance at Beginning of Year	4,650,309	4,650,309	4,650,309	0
Prior Year Encumbrances Appropriated	<u>133,656</u>	<u>133,656</u>	<u>133,656</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$4,216,171</u></u>	<u><u>\$3,043,516</u></u>	<u><u>\$5,934,249</u></u>	<u><u>\$2,890,733</u></u>

## NONMAJOR GOVERNMENTAL FUNDS

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### Special Revenue Funds

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

### Capital Projects Funds

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

### Permanent Fund

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

**City of Pickerington, Ohio**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2017

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$541,295	\$3,023,489	\$2,830	\$3,567,614
Cash and Cash Equivalents in with Fiscal Agents	0	389,636	0	389,636
Receivables:				
Permissive Motor Vehicle Registration Fees	0	11,845	0	11,845
Payments in Lieu of Taxes	0	315,617	0	315,617
Accounts	125	0	0	125
Intergovernmental	42,137	94,652	0	136,789
Materials and Supplies Inventory	24,451	0	0	24,451
Prepaid Items	9,327	0	0	9,327
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	0	1,545	1,545
<i>Total Assets</i>	<u>\$617,335</u>	<u>\$3,835,239</u>	<u>\$4,375</u>	<u>\$4,456,949</u>
<b>Liabilities</b>				
Accrued Wages and Benefits	\$10,326	\$0	\$0	\$10,326
Accounts Payable	3,748	102,806	0	106,554
Contracts Payable	0	2,637	0	2,637
Intergovernmental Payable	7,065	0	0	7,065
<i>Total Liabilities</i>	<u>21,139</u>	<u>105,443</u>	<u>0</u>	<u>126,582</u>
<b>Deferred Inflows of Resources</b>				
Payment in Lieu of Taxes	0	315,617	0	315,617
Unavailable Revenue	20,287	70,916	0	91,203
<i>Total Deferred Inflows of Resources</i>	<u>20,287</u>	<u>386,533</u>	<u>0</u>	<u>406,820</u>
<b>Fund Balances</b>				
Fund Balances:				
Nonspendable	33,778	0	1,545	35,323
Restricted	195,376	1,822,441	2,830	2,020,647
Committed	346,755	1,612,172	0	1,958,927
Unassigned (Deficit)	0	(91,350)	0	(91,350)
<i>Total Fund Balances</i>	<u>575,909</u>	<u>3,343,263</u>	<u>4,375</u>	<u>3,923,547</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$617,335</u>	<u>\$3,835,239</u>	<u>\$4,375</u>	<u>\$4,456,949</u>

**City of Pickerington, Ohio**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2017

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Permissive Motor Vehicle Registration Fees	\$0	\$143,068	\$0	\$143,068
Charges for Services	153,297	13,050	0	166,347
Licenses and Permits	63,566	0	0	63,566
Impact Fees	0	1,036,500	0	1,036,500
Fines and Forfeitures	11,253	0	0	11,253
Intergovernmental	71,942	1,496,549	0	1,568,491
Interest	113	3,368	4	3,485
Payments in Lieu of Taxes	0	252,208	0	252,208
Contributions and Donations	6,500	0	0	6,500
Other	8,927	21,668	0	30,595
<i>Total Revenues</i>	<u>315,598</u>	<u>2,966,411</u>	<u>4</u>	<u>3,282,013</u>
<b>Expenditures</b>				
Current:				
General Government	9,232	0	0	9,232
Security of Persons and Property	13,834	0	0	13,834
Transportation	48,100	0	0	48,100
Leisure Time Activities	945,929	0	0	945,929
Capital Outlay	0	2,082,630	0	2,082,630
<i>Total Expenditures</i>	<u>1,017,095</u>	<u>2,082,630</u>	<u>0</u>	<u>3,099,725</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(701,497)</u>	<u>883,781</u>	<u>4</u>	<u>182,288</u>
<b>Other Financing Sources (Use)</b>				
Proceeds from the Sale of Capital Assets	4,010	0	0	4,010
Insurance Recoveries	155,818	0	0	155,818
Bond Anticipation Notes Issued	0	1,000,000	0	1,000,000
Transfers In	605,000	147,500	0	752,500
Transfers Out	0	(668,040)	0	(668,040)
<i>Total Other Financing Sources (Use)</i>	<u>764,828</u>	<u>479,460</u>	<u>0</u>	<u>1,244,288</u>
<i>Net Changes in Fund Balances</i>	<u>63,331</u>	<u>1,363,241</u>	<u>4</u>	<u>1,426,576</u>
Fund Balances at Beginning of Year	<u>512,578</u>	<u>1,980,022</u>	<u>4,371</u>	<u>2,496,971</u>
<i>Fund Balances at End of Year</i>	<u>\$575,909</u>	<u>\$3,343,263</u>	<u>\$4,375</u>	<u>\$3,923,547</u>

## SPECIAL REVENUE FUNDS

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

The following are reported as special revenue funds:

**Major Special Revenue Funds:**

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

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

**Nonmajor Special Revenue Funds:**

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

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

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

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

Law Enforcement Assistance Fund – To account for funds received from the Attorney General that are restricted to pay for reimbursements for continuing professional training programs for peace officers and troopers as established by section 109.802, Ohio Revised Code.

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

Mandatory Drug Law Enforcement Fund - To account for fine monies collected and restricted for subsidizing law enforcement efforts that pertain to drug offenses.

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

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

Community Development Block Grant Revolving Loan Fund - To account for restricted federal grant monies received and expenditures incurred associated with commercial development projects. No budgetary schedule was presented because no activity occurred during 2017.

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

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Indigent Drivers Interlock and Alcohol Monitoring Fund – To account for restricted driver license reinstatement fees collected and disbursed by the Ohio Department of Public Safety to be used for an immobilizing or disabling device, including a certified ignition interlock device, or an alcohol monitoring device used by an offender or juvenile offender who is ordered to use the device and determined by a county, juvenile, or municipal court judge not to have the means to pay for the person's use of the device. No budgetary schedule was presented because no activity occurred during 2017.

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Fund  
For the Year Ended December 31, 2017

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive (Negative)
<b>Revenues</b>				
Permissive Motor Vehicle Registration Fees	\$87,000	\$87,000	\$95,021	\$8,021
Intergovernmental	680,000	680,000	730,733	50,733
Interest	250	250	1,074	824
Other	7,857	7,857	18,116	10,259
<i>Total Revenues</i>	<u>775,107</u>	<u>775,107</u>	<u>844,944</u>	<u>69,837</u>
<b>Expenditures</b>				
Current:				
Transportation				
Personal Services	412,024	412,124	345,879	66,245
Contractual Services	1,407,236	1,482,332	1,421,475	60,857
Materials and Supplies	218,500	242,403	118,454	123,949
Capital Outlay	81,173	81,173	78,023	3,150
<i>Total Expenditures</i>	<u>2,118,933</u>	<u>2,218,032</u>	<u>1,963,831</u>	<u>254,201</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,343,826)</u>	<u>(1,442,925)</u>	<u>(1,118,887)</u>	<u>324,038</u>
<b>Other Financing Sources</b>				
Proceeds from the Sale of Capital Assets	0	0	1,051	1,051
Transfers In	<u>1,225,000</u>	<u>1,225,000</u>	<u>600,000</u>	<u>(625,000)</u>
Total Other Financing Sources	<u>1,225,000</u>	<u>1,225,000</u>	<u>601,051</u>	<u>(623,949)</u>
<i>Net Change in Fund Balance</i>	<u>(118,826)</u>	<u>(217,925)</u>	<u>(517,836)</u>	<u>(299,911)</u>
Fund Balance at Beginning of Year	894,195	894,195	894,195	0
Prior Year Encumbrances Appropriated	<u>99,099</u>	<u>99,099</u>	<u>99,099</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$874,468</u></u>	<u><u>\$775,369</u></u>	<u><u>\$475,458</u></u>	<u><u>(\$299,911)</u></u>



**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Police Fund  
For the Year Ended December 31, 2017

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$1,612,500	\$1,612,500	\$1,659,225	\$46,725
Charges for Services	195,035	195,035	230,656	35,621
Intergovernmental	188,750	188,750	203,557	14,807
Contributions and Donations	0	0	2,243	2,243
Other	121,266	121,266	39,740	(81,526)
<i>Total Revenues</i>	<u>2,117,551</u>	<u>2,117,551</u>	<u>2,135,421</u>	<u>17,870</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Personal Services	4,643,372	4,678,102	4,376,760	301,342
Contractual Services	536,539	553,880	484,514	69,366
Materials and Supplies	194,810	205,503	177,882	27,621
Capital Outlay	226,671	232,071	223,425	8,646
<i>Total Expenditures</i>	<u>5,601,392</u>	<u>5,669,556</u>	<u>5,262,581</u>	<u>406,975</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(3,483,841)</u>	<u>(3,552,005)</u>	<u>(3,127,160)</u>	<u>424,845</u>
<b>Other Financing Sources</b>				
Proceeds from the Sale of Capital Assets	0	0	3,600	3,600
Transfers In	3,448,000	3,448,000	3,100,000	(348,000)
<i>Total Other Financing Sources</i>	<u>3,448,000</u>	<u>3,448,000</u>	<u>3,103,600</u>	<u>(344,400)</u>
<i>Net Change in Fund Balance</i>	<u>(35,841)</u>	<u>(104,005)</u>	<u>(23,560)</u>	<u>80,445</u>
Fund Balance at Beginning of Year	545,729	545,729	545,729	0
Prior Year Encumbrances Appropriated	38,164	38,164	38,164	0
<i>Fund Balance at End of Year</i>	<u>\$548,052</u>	<u>\$479,888</u>	<u>\$560,333</u>	<u>\$80,445</u>

**City of Pickerington, Ohio**  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2017

	State Highway	Parks and Recreation	Computer	Operation of a Motor Vehicle Under the Influence Enforcement and Education	Law Enforcement Assistance
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$130,844	\$307,804	\$26,401	\$5,247	\$4,062
Receivables:					
Accounts	0	125	0	0	0
Intergovernmental	30,199	43	0	0	11,860
Materials and Supplies Inventory	0	24,451	0	0	0
Prepaid Items	1,004	8,024	299	0	0
<i>Total Assets</i>	<u>\$162,047</u>	<u>\$340,447</u>	<u>\$26,700</u>	<u>\$5,247</u>	<u>\$15,922</u>
<b>Liabilities</b>					
Accrued Wages and Benefits	\$436	\$9,890	\$0	\$0	\$0
Accounts Payable	1,487	2,199	62	0	0
Intergovernmental Payable	248	5,555	0	0	1,262
<i>Total Liabilities</i>	<u>2,171</u>	<u>17,644</u>	<u>62</u>	<u>0</u>	<u>1,262</u>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue	<u>20,287</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>					
Nonspendable	1,004	32,475	299	0	0
Restricted	138,585	0	26,339	5,247	14,660
Committed	0	290,328	0	0	0
<i>Total Fund Balances</i>	<u>139,589</u>	<u>322,803</u>	<u>26,638</u>	<u>5,247</u>	<u>14,660</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$162,047</u>	<u>\$340,447</u>	<u>\$26,700</u>	<u>\$5,247</u>	<u>\$15,922</u>

Law Enforcement Trust	Mandatory Drug Law Enforcement	Immobilization	Urban Forestry	Community Development Block Grant Revolving Loan	Indigent Drivers Interlock and Alcohol Monitoring	Total Nonmajor Special Revenue Funds
\$4,464	\$1,521	\$2,000	\$56,427	\$370	\$2,155	\$541,295
0	0	0	0	0	0	125
0	0	35	0	0	0	42,137
0	0	0	0	0	0	24,451
0	0	0	0	0	0	9,327
<u>\$4,464</u>	<u>\$1,521</u>	<u>\$2,035</u>	<u>\$56,427</u>	<u>\$370</u>	<u>\$2,155</u>	<u>\$617,335</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$10,326
0	0	0	0	0	0	3,748
0	0	0	0	0	0	7,065
0	0	0	0	0	0	21,139
0	0	0	0	0	0	20,287
0	0	0	0	0	0	33,778
4,464	1,521	2,035	0	370	2,155	195,376
0	0	0	56,427	0	0	346,755
<u>4,464</u>	<u>1,521</u>	<u>2,035</u>	<u>56,427</u>	<u>370</u>	<u>2,155</u>	<u>575,909</u>
<u>\$4,464</u>	<u>\$1,521</u>	<u>\$2,035</u>	<u>\$56,427</u>	<u>\$370</u>	<u>\$2,155</u>	<u>\$617,335</u>

**City of Pickerington, Ohio**  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017

	State Highway	Parks and Recreation	Computer	Operation of a Motor Vehicle Under the Influence Enforcement and Education	Law Enforcement Assistance	Law Enforcement Trust
<b>Revenues</b>						
Charges for Services	\$0	\$153,297	\$0	\$0	\$0	\$0
Licenses and Permits	0	0	0	0	0	0
Fines and Forfeitures	0	0	10,004	1,249	0	0
Intergovernmental	59,667	0	0	0	11,860	0
Interest	113	0	0	0	0	0
Contributions and Donations	0	6,500	0	0	0	0
Other	1,119	7,808	0	0	0	0
<i>Total Revenues</i>	<u>60,899</u>	<u>167,605</u>	<u>10,004</u>	<u>1,249</u>	<u>11,860</u>	<u>0</u>
<b>Expenditures</b>						
Current:						
General Government	0	0	9,232	0	0	0
Security of Persons and Property	0	0	0	1,351	4,020	8,295
Transportation	48,100	0	0	0	0	0
Leisure Time Activities	0	901,988	0	0	0	0
<i>Total Expenditures</i>	<u>48,100</u>	<u>901,988</u>	<u>9,232</u>	<u>1,351</u>	<u>4,020</u>	<u>8,295</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>12,799</u>	<u>(734,383)</u>	<u>772</u>	<u>(102)</u>	<u>7,840</u>	<u>(8,295)</u>
<b>Other Financing Sources</b>						
Proceeds from the Sale of Capital Assets	0	1,560	0	0	0	2,450
Insurance Recoveries	0	155,818	0	0	0	0
Transfers In	0	590,000	0	0	0	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>747,378</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,450</u>
<i>Net Changes in Fund Balances</i>	<u>12,799</u>	<u>12,995</u>	<u>772</u>	<u>(102)</u>	<u>7,840</u>	<u>(5,845)</u>
Fund Balances at Beginning of Year	<u>126,790</u>	<u>309,808</u>	<u>25,866</u>	<u>5,349</u>	<u>6,820</u>	<u>10,309</u>
<i>Fund Balances at End of Year</i>	<u><u>\$139,589</u></u>	<u><u>\$322,803</u></u>	<u><u>\$26,638</u></u>	<u><u>\$5,247</u></u>	<u><u>\$14,660</u></u>	<u><u>\$4,464</u></u>

<u>Mandatory Drug Law Enforcement</u>	<u>Immobilization</u>	<u>Urban Forestry</u>	<u>Community Development Block Grant Revolving Loan</u>	<u>Indigent Drivers Interlock and Alcohol Monitoring</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$0	\$0	\$0	\$0	\$0	\$153,297
0	0	63,566	0	0	63,566
0	0	0	0	0	11,253
0	415	0	0	0	71,942
0	0	0	0	0	113
0	0	0	0	0	6,500
0	0	0	0	0	8,927
<u>0</u>	<u>415</u>	<u>63,566</u>	<u>0</u>	<u>0</u>	<u>315,598</u>
0	0	0	0	0	9,232
168	0	0	0	0	13,834
0	0	0	0	0	48,100
0	0	43,941	0	0	945,929
<u>168</u>	<u>0</u>	<u>43,941</u>	<u>0</u>	<u>0</u>	<u>1,017,095</u>
<u>(168)</u>	<u>415</u>	<u>19,625</u>	<u>0</u>	<u>0</u>	<u>(701,497)</u>
0	0	0	0	0	4,010
0	0	0	0	0	155,818
0	0	15,000	0	0	605,000
<u>0</u>	<u>0</u>	<u>15,000</u>	<u>0</u>	<u>0</u>	<u>764,828</u>
(168)	415	34,625	0	0	63,331
<u>1,689</u>	<u>1,620</u>	<u>21,802</u>	<u>370</u>	<u>2,155</u>	<u>512,578</u>
<u>\$1,521</u>	<u>\$2,035</u>	<u>\$56,427</u>	<u>\$370</u>	<u>\$2,155</u>	<u>\$575,909</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
State Highway Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$51,750	\$59,249	\$7,499
Interest	50	113	63
Other	264	1,430	1,166
<i>Total Revenues</i>	<u>52,064</u>	<u>60,792</u>	<u>8,728</u>
<b>Expenditures</b>			
Current:			
Transportation			
State Highway			
Personal Services	16,357	15,372	985
Contractual Services	14,236	12,707	1,529
Materials and Supplies	21,500	19,685	1,815
<i>Total Expenditures</i>	<u>52,093</u>	<u>47,764</u>	<u>4,329</u>
<i>Net Change in Fund Balance</i>	(29)	13,028	13,057
Fund Balance at Beginning of Year	117,581	117,581	0
Prior Year Encumbrances Appropriated	<u>236</u>	<u>236</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$117,788</u></u>	<u><u>\$130,845</u></u>	<u><u>\$13,057</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Parks and Recreation Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$122,000	\$153,089	\$31,089
Contributions and Donations	3,500	6,500	3,000
Other	8,459	7,975	(484)
<i>Total Revenues</i>	<u>133,959</u>	<u>167,564</u>	<u>33,605</u>
<b>Expenditures</b>			
Current:			
Leisure Time Activities			
Parks and Recreation			
Personal Services	361,314	323,010	38,304
Contractual Services	273,507	225,535	47,972
Materials and Supplies	86,507	40,903	45,604
Capital Outlay	341,386	331,445	9,941
<i>Total Expenditures</i>	<u>1,062,714</u>	<u>920,893</u>	<u>141,821</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(928,755)</u>	<u>(753,329)</u>	<u>175,426</u>
<b>Other Financing Sources</b>			
Proceeds from the Sale of Capital Assets	0	1,560	1,560
Insurance Recoveries	0	155,818	155,818
Transfers In	660,000	590,000	(70,000)
<i>Total Other Financing Sources</i>	<u>660,000</u>	<u>747,378</u>	<u>87,378</u>
<i>Net Change in Fund Balance</i>	(268,755)	(5,951)	262,804
Fund Balance at Beginning of Year	281,776	281,776	0
Prior Year Encumbrances Appropriated	<u>11,717</u>	<u>11,717</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$24,738</u></u>	<u><u>\$287,542</u></u>	<u><u>\$262,804</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Computer Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$9,000	\$10,045	\$1,045
<b>Expenditures</b>			
Current:			
General Government			
Computer			
Contractual Services	10,100	9,127	973
Materials and Supplies	1,500	363	1,137
<i>Total Expenditures</i>	<u>11,600</u>	<u>9,490</u>	<u>2,110</u>
<i>Net Change in Fund Balance</i>	(2,600)	555	3,155
Fund Balance at Beginning of Year	<u>25,174</u>	<u>25,174</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$22,574</u></u>	<u><u>\$25,729</u></u>	<u><u>\$3,155</u></u>



**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Operation of a Motor Vehicle Under the Influence Enforcement and Education Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$750	\$1,252	\$502
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Operation of a Motor Vehicle Under the Influence Enforcement and Education			
Contractual Services	835	500	335
Materials and Supplies	1,584	883	701
<i>Total Expenditures</i>	<u>2,419</u>	<u>1,383</u>	<u>1,036</u>
<i>Net Change in Fund Balance</i>	(1,669)	(131)	1,538
Fund Balance at Beginning of Year	5,203	5,203	0
Prior Year Encumbrances Appropriated	<u>84</u>	<u>84</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$3,618</u></u>	<u><u>\$5,156</u></u>	<u><u>\$1,538</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Law Enforcement Assistance Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$11,820	\$6,820	(\$5,000)
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Law Enforcement Assistance			
Personal Services	7,440	7,440	0
<i>Net Change in Fund Balance</i>	4,380	(620)	(5,000)
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	620	620	0
<i>Fund Balance at End of Year</i>	<u>\$5,000</u>	<u>\$0</u>	<u>(\$5,000)</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Law Enforcement Trust Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Law Enforcement Trust			
Materials and Supplies	10,000	8,533	1,467
<i>Excess of Revenues Under Expenditures</i>	(10,000)	(8,533)	1,467
<b>Other Financing Source</b>			
Proceeds from the Sale of Capital Assets	0	2,450	2,450
<i>Net Change in Fund Balance</i>	(10,000)	(6,083)	3,917
Fund Balance at Beginning of Year	10,309	10,309	0
Prior Year Encumbrances Appropriated	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$309</u>	<u>\$4,226</u>	<u>\$3,917</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Mandatory Drug Law Enforcement Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Mandatory Drug Law Enforcement			
Materials and Supplies	1,250	168	1,082
<i>Net Change in Fund Balance</i>	(1,250)	(168)	1,082
Fund Balance at Beginning of Year	1,439	1,439	0
Prior Year Encumbrances Appropriated	250	250	0
<i>Fund Balance at End of Year</i>	<u>\$439</u>	<u>\$1,521</u>	<u>\$1,082</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Immobilization Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$150	\$415	\$265
<b>Expenditures</b>			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	150	415	265
Fund Balance at Beginning of Year	<u>1,585</u>	<u>1,585</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,735</u></u>	<u><u>\$2,000</u></u>	<u><u>\$265</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Urban Forestry Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Licenses and Permits	\$32,095	\$63,566	\$31,471
<b>Expenditures</b>			
Current:			
Leisure Time Activities			
Urban Forestry			
Contractual Services	46,350	31,195	15,155
Materials and Supplies	37,500	36,901	599
<i>Total Expenditures</i>	<u>83,850</u>	<u>68,096</u>	<u>15,754</u>
<i>Excess of Revenues Under Expenditures</i>	(51,755)	(4,530)	47,225
<b>Other Financing Source</b>			
Transfers In	30,000	15,000	(15,000)
<i>Net Change in Fund Balance</i>	(21,755)	10,470	32,225
Fund Balance at Beginning of Year	15,452	15,452	0
Prior Year Encumbrances Appropriated	<u>6,350</u>	<u>6,350</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$47</u></u>	<u><u>\$32,272</u></u>	<u><u>\$32,225</u></u>

## DEBT SERVICE FUND

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

The following is included in the debt service fund:

**Major Debt Service Fund:**

Debt Service Fund - To account for revenue restricted for the retirement of principal, interest, and related costs for general obligation bonds, general obligation refunding bonds, and loans.

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Debt Service Fund  
For the Year Ended December 31, 2017

	Final	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Payment in Lieu of Taxes	\$0	\$3,086	\$3,086
Interest	0	24,420	24,420
<i>Total Revenues</i>	<u>0</u>	<u>27,506</u>	<u>27,506</u>
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	3,035,000	3,035,000	0
Interest and Fiscal Charges	269,975	256,923	13,052
<i>Total Expenditures</i>	<u>3,304,975</u>	<u>3,291,923</u>	<u>13,052</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(3,304,975)</u>	<u>(3,264,417)</u>	<u>40,558</u>
<b>Other Financing Sources</b>			
Bond Anticipation Notes Issued	2,300,000	2,300,000	0
Transfers In	930,675	927,339	(3,336)
<i>Total Other Financing Sources</i>	<u>3,230,675</u>	<u>3,227,339</u>	<u>(3,336)</u>
<i>Net Change in Fund Balance</i>	(74,300)	(37,078)	37,222
Fund Balance at Beginning of Year	<u>129,537</u>	<u>129,537</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$55,237</u></u>	<u><u>\$92,459</u></u>	<u><u>\$37,222</u></u>



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## CAPITAL PROJECTS FUNDS

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

### **Nonmajor Capital Projects Funds:**

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

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

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

Park Capital Improvement Fund - To account for building permit monies committed for capital improvements to the City's parks.

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

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

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

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

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

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

Park Impact Fee Fund - To account for park impact fee revenues committed by the City for expenditures related to park capital improvements.

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

(continued)

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

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Ohio Health Medical Office Building Tax Increment Financing Fund – A tax increment financing agreement with Ohio Health restricted for the purpose of constructing a left turn lane and a right turn lane and to install traffic signals at the intersection of Refugee Road and the Stonecreek Drive Extension.

Hill/Diley Roads Tax Increment Financing Fund – A tax increment financing fund to account for payment in lieu of taxes received from Fairfield County restricted for the purpose of paying for costs associated with public infrastructure improvements within the designated area.

**City of Pickerington, Ohio**  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2017

	State Route 256 Highway	Street Construction	Street Impact Fee	Park Capital Improvement
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$356,270	\$61,505	\$391,831	\$625
Cash and Cash Equivalents with Fiscal Agents	0	0	0	0
Receivables:				
Permissive Motor Vehicle Registration Fees	11,845	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Intergovernmental	70,916	23,736	0	0
<i>Total Assets</i>	<u>\$439,031</u>	<u>\$85,241</u>	<u>\$391,831</u>	<u>\$625</u>
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>				
Payment in Lieu of Taxes	0	0	0	0
Unavailable Revenue	70,916	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>70,916</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>				
Restricted	368,115	85,241	0	0
Committed	0	0	391,831	625
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>368,115</u>	<u>85,241</u>	<u>391,831</u>	<u>625</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$439,031</u>	<u>\$85,241</u>	<u>\$391,831</u>	<u>\$625</u>

<u>Police Impact Fee</u>	<u>State Route 256 Safety Grant</u>	<u>Tax Increment Financing Agreement Equity Construction</u>	<u>Street Improvement Trust</u>	<u>Sidewalk Improvement Trust</u>
\$258,335	\$11,011	\$0	\$186,590	\$1,716
0	0	0	0	0
0	0	0	0	0
0	0	91,350	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$258,335</u>	<u>\$11,011</u>	<u>\$91,350</u>	<u>\$186,590</u>	<u>\$1,716</u>
\$0	\$0	\$91,350	\$0	\$0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>91,350</u>	<u>0</u>	<u>0</u>
0	0	91,350	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>91,350</u>	<u>0</u>	<u>0</u>
0	11,011	0	0	0
258,335	0	0	186,590	1,716
<u>0</u>	<u>0</u>	<u>(91,350)</u>	<u>0</u>	<u>0</u>
<u>258,335</u>	<u>11,011</u>	<u>(91,350)</u>	<u>186,590</u>	<u>1,716</u>
<u>\$258,335</u>	<u>\$11,011</u>	<u>\$91,350</u>	<u>\$186,590</u>	<u>\$1,716</u>

(continued)

**City of Pickerington, Ohio**  
Combining Balance Sheet  
Nonmajor Capital Projects Funds (Continued)  
December 31, 2017

	Park Impact Fee	Municipal Facility Impact Fee	Ohio Health Medical Office Building Tax Increment Financing	Hill/Diley Roads Tax Increment Financing	Total Nonmajor Capital Projects Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$436,267	\$337,346	\$969,628	\$12,365	\$3,023,489
Cash and Cash Equivalents with Fiscal Agents	0	0	389,636	0	389,636
Receivables:					
Permissive Motor Vehicle Registration Fees	0	0	0	0	11,845
Payments in Lieu of Taxes	0	0	172,692	51,575	315,617
Intergovernmental	0	0	0	0	94,652
<i>Total Assets</i>	<u>\$436,267</u>	<u>\$337,346</u>	<u>\$1,531,956</u>	<u>\$63,940</u>	<u>\$3,835,239</u>
<b>Liabilities</b>					
Accounts Payable	\$538	\$0	\$10,918	\$0	\$102,806
Contracts Payable	0	0	2,637	0	2,637
<i>Total Liabilities</i>	<u>538</u>	<u>0</u>	<u>13,555</u>	<u>0</u>	<u>105,443</u>
<b>Deferred Inflows of Resources</b>					
Payment in Lieu of Taxes	0	0	172,692	51,575	315,617
Unavailable Revenue	0	0	0	0	70,916
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>172,692</u>	<u>51,575</u>	<u>386,533</u>
<b>Fund Balances</b>					
Restricted	0	0	1,345,709	12,365	1,822,441
Committed	435,729	337,346	0	0	1,612,172
Unassigned (Deficit)	0	0	0	0	(91,350)
<i>Total Fund Balances (Deficit)</i>	<u>435,729</u>	<u>337,346</u>	<u>1,345,709</u>	<u>12,365</u>	<u>3,343,263</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$436,267</u>	<u>\$337,346</u>	<u>\$1,531,956</u>	<u>\$63,940</u>	<u>\$3,835,239</u>

**City of Pickerington, Ohio**  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2017

	State Route 256 Highway	Street Construction	Street Impact Fee	Park Capital Improvement	Police Impact Fee
<b>Revenues</b>					
Permissive Motor Vehicle Registration Fees	\$143,068	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0
Impact Fees	0	0	246,341	0	208,789
Intergovernmental	68,339	1,107,030	0	150,000	0
Interest	0	0	455	0	285
Payment in Lieu of Taxes	0	0	0	0	0
Other	0	0	0	0	0
<i>Total Revenues</i>	<u>211,407</u>	<u>1,107,030</u>	<u>246,796</u>	<u>150,000</u>	<u>209,074</u>
<b>Expenditures</b>					
Capital Outlay	<u>68,339</u>	<u>1,213,368</u>	<u>0</u>	<u>131,252</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>143,068</u>	<u>(106,338)</u>	<u>246,796</u>	<u>18,748</u>	<u>209,074</u>
<b>Other Financing Sources (Use)</b>					
Bond Anticipation Notes Issued	0	0	0	0	0
Transfers In	0	147,500	0	0	0
Transfers Out	<u>(50,000)</u>	<u>0</u>	<u>(261,050)</u>	<u>0</u>	<u>(165,000)</u>
<i>Total Other Financing Sources (Use)</i>	<u>(50,000)</u>	<u>147,500</u>	<u>(261,050)</u>	<u>0</u>	<u>(165,000)</u>
<i>Net Changes in Fund Balances</i>	<u>93,068</u>	<u>41,162</u>	<u>(14,254)</u>	<u>18,748</u>	<u>44,074</u>
Fund Balances (Deficits) at Beginning of Year	<u>275,047</u>	<u>44,079</u>	<u>406,085</u>	<u>(18,123)</u>	<u>214,261</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$368,115</u></u>	<u><u>\$85,241</u></u>	<u><u>\$391,831</u></u>	<u><u>\$625</u></u>	<u><u>\$258,335</u></u>

(continued)

**City of Pickerington, Ohio**  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Capital Projects Funds (Continued)  
For the Year Ended December 31, 2017

	Safe Routes to Schools	State Route 256 Safety Grant	Tax Increment Financing Agreement Equity Construction	Street Improvement Trust	Sidewalk Improvement Trust
<b>Revenues</b>					
Permissive Motor Vehicle Registration Fees	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0
Impact Fees	0	0	0	0	0
Intergovernmental	70,631	100,549	0	0	0
Interest	0	0	0	1,870	2
Payment in Lieu of Taxes	0	0	89,359	0	0
Other	0	0	0	21,668	0
<i>Total Revenues</i>	<u>70,631</u>	<u>100,549</u>	<u>89,359</u>	<u>23,538</u>	<u>2</u>
<b>Expenditures</b>					
Capital Outlay	<u>70,631</u>	<u>100,549</u>	<u>91,350</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>0</u>	<u>(1,991)</u>	<u>23,538</u>	<u>2</u>
<b>Other Financing Sources (Use)</b>					
Bond Anticipation Notes Issued	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Other Financing Sources (Use)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	<u>0</u>	<u>0</u>	<u>(1,991)</u>	<u>23,538</u>	<u>2</u>
Fund Balances (Deficits) at Beginning of Year	<u>0</u>	<u>11,011</u>	<u>(89,359)</u>	<u>163,052</u>	<u>1,714</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$0</u>	<u>\$11,011</u>	<u>(\$91,350)</u>	<u>\$186,590</u>	<u>\$1,716</u>



Park Impact Fee	Municipal Facility Impact Fee	Ohio Health Medical Office Building Tax Increment Financing	Hill/Diley Roads Tax Increment Financing	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$0	\$143,068
0	0	13,050	0	13,050
417,271	164,099	0	0	1,036,500
0	0	0	0	1,496,549
413	343	0	0	3,368
0	0	156,588	6,261	252,208
0	0	0	0	21,668
<u>417,684</u>	<u>164,442</u>	<u>169,638</u>	<u>6,261</u>	<u>2,966,411</u>
 340,740	 0	 66,319	 82	 2,082,630
<u>76,944</u>	<u>164,442</u>	<u>103,319</u>	<u>6,179</u>	<u>883,781</u>
 0	 0	 1,000,000	 0	 1,000,000
0	0	0	0	147,500
0	(138,900)	(53,090)	0	(668,040)
<u>0</u>	<u>(138,900)</u>	<u>946,910</u>	<u>0</u>	<u>479,460</u>
76,944	25,542	1,050,229	6,179	1,363,241
<u>358,785</u>	<u>311,804</u>	<u>295,480</u>	<u>6,186</u>	<u>1,980,022</u>
<u>\$435,729</u>	<u>\$337,346</u>	<u>\$1,345,709</u>	<u>\$12,365</u>	<u>\$3,343,263</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
State Route 256 Highway Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Permissive Motor Vehicle Registration Fees	\$135,000	\$142,531	\$7,531
Intergovernmental	0	68,339	68,339
<i>Total Revenues</i>	<u>135,000</u>	<u>210,870</u>	<u>75,870</u>
<b>Expenditures</b>			
Current:			
State Route 256 Highway			
Capital Outlay	68,339	68,339	0
Debt Service:			
Principal Retirement	70,917	70,917	0
<i>Total Expenditures</i>	<u>139,256</u>	<u>139,256</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(4,256)	71,614	75,870
<b>Other Financing Use</b>			
Transfers Out	(50,000)	(50,000)	0
<i>Net Change in Fund Balance</i>	(54,256)	21,614	75,870
Fund Balance at Beginning of Year	192,822	192,822	0
Prior Year Encumbrances Appropriated	70,917	70,917	0
<i>Fund Balance at End of Year</i>	<u><u>\$209,483</u></u>	<u><u>\$285,353</u></u>	<u><u>\$75,870</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Construction Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$2,400,000	\$1,083,294	(\$1,316,706)
<b>Expenditures</b>			
Current:			
Capital Outlay			
Street Construction			
Capital Outlay	2,553,379	1,231,230	1,322,149
<i>Excess of Revenues Under Expenditures</i>	(153,379)	(147,936)	5,443
<b>Other Financing Source</b>			
Transfers In	150,000	147,500	(2,500)
<i>Net Change in Fund Balance</i>	(3,379)	(436)	2,943
Fund Balance at Beginning of Year	40,700	40,700	0
Prior Year Encumbrances Appropriated	3,379	3,379	0
<i>Fund Balance at End of Year</i>	<u>\$40,700</u>	<u>\$43,643</u>	<u>\$2,943</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Impact Fee Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Impact Fees	\$67,739	\$246,341	\$178,602
Interest	150	455	305
<i>Total Revenues</i>	<u>67,889</u>	<u>246,796</u>	<u>178,907</u>
<b>Expenditures</b>			
Capital Outlay			
Street Impact Fee			
Contractual Services	<u>1,000</u>	<u>0</u>	<u>1,000</u>
<i>Excess of Revenues Over Expenditures</i>	66,889	246,796	179,907
<b>Other Financing Use</b>			
Transfers Out	<u>(261,050)</u>	<u>(261,050)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(194,161)	(14,254)	179,907
Fund Balance at Beginning of Year	<u>406,085</u>	<u>406,085</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$211,924</u></u>	<u><u>\$391,831</u></u>	<u><u>\$179,907</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Park Capital Improvement Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$150,000	\$150,000	\$0
<b>Expenditures</b>			
Capital Outlay			
Park Capital Improvement			
Capital Outlay	131,252	131,252	0
<i>Excess of Revenues Over Expenditures</i>	18,748	18,748	0
<b>Other Financing Use</b>			
Advances Out	(150,000)	(150,000)	0
<i>Net Change in Fund Balance</i>	(131,252)	(131,252)	0
Fund Balance at Beginning of Year	625	625	0
Prior Year Encumbrances Appropriated	131,252	131,252	0
<i>Fund Balance at End of Year</i>	\$625	\$625	\$0

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Police Impact Fee Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Impact Fees	\$66,344	\$208,789	\$142,445
Interest	80	285	205
<i>Total Revenues</i>	<u>66,424</u>	<u>209,074</u>	<u>142,650</u>
<b>Expenditures</b>			
Capital Outlay			
Police Impact Fee			
Contractual Services	<u>1,000</u>	<u>0</u>	<u>1,000</u>
<i>Excess of Revenues Over Expenditures</i>	65,424	209,074	143,650
<b>Other Financing Use</b>			
Transfers Out	<u>(165,000)</u>	<u>(165,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(99,576)	44,074	143,650
Fund Balance at Beginning of Year	<u>214,261</u>	<u>214,261</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$114,685</u></u>	<u><u>\$258,335</u></u>	<u><u>\$143,650</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Safe Routes to Schools Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$65,000	\$45,770	(\$19,230)
<b>Expenditures</b>			
Capital Outlay			
Safe Routes to Schools			
Capital Outlay	65,000	45,770	19,230
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
State Route 256 Safety Grant Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$114,273	\$124,025	\$9,752
<b>Expenditures</b>			
Capital Outlay			
State Route 256 Safety Grant			
Capital Outlay	125,284	125,283	1
<i>Net Change in Fund Balance</i>	(11,011)	(1,258)	9,753
Fund Balance at Beginning of Year	9,753	9,753	0
Prior Year Encumbrances Appropriated	1,258	1,258	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$9,753</u>	<u>\$9,753</u>



**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Tax Increment Financing Agreement Equity Construction Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Payment in Lieu of Taxes	\$89,389	\$89,360	(\$29)
<b>Expenditures</b>			
Capital Outlay			
Tax Increment Financing Agreement Equity Construction			
Contractual Services	89,389	89,360	29
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Improvement Trust Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$100	\$1,870	\$1,770
Other	0	21,668	21,668
<i>Total Revenues</i>	100	23,538	23,438
<b>Expenditures</b>			
<i>Total Expenditures</i>	0	0	0
<i>Net Change in Fund Balance</i>	100	23,538	23,438
Fund Balance at Beginning of Year	163,052	163,052	0
<i>Fund Balance at End of Year</i>	<u>\$163,152</u>	<u>\$186,590</u>	<u>\$23,438</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Sidewalk Improvement Trust Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$2	\$2	\$0
<b>Expenditures</b>			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	2	2	0
Fund Balance at Beginning of Year	<u>1,714</u>	<u>1,714</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,716</u></u>	<u><u>\$1,716</u></u>	<u><u>\$0</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Park Impact Fee Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Impact Fees	\$159,025	\$417,271	\$258,246
Interest	200	413	213
<i>Total Revenues</i>	<u>159,225</u>	<u>417,684</u>	<u>258,459</u>
<b>Expenditures</b>			
Capital Outlay			
Park Impact Fee			
Contractual Services	2,500	0	2,500
Capital Outlay	465,143	343,827	121,316
<i>Total Expenditures</i>	<u>467,643</u>	<u>343,827</u>	<u>123,816</u>
<i>Net Change in Fund Balance</i>	(308,418)	73,857	382,275
Fund Balance at Beginning of Year	44,411	44,411	0
Prior Year Encumbrances Appropriated	<u>315,143</u>	<u>315,143</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$51,136</u></u>	<u><u>\$433,411</u></u>	<u><u>\$382,275</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Municipal Facility Impact Fee Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Impact Fees	\$48,133	\$164,099	\$115,966
Interest	100	343	243
<i>Total Revenues</i>	<u>48,233</u>	<u>164,442</u>	<u>116,209</u>
<b>Expenditures</b>			
Capital Outlay			
Municipal Facility Impact Fee			
Contractual Services	<u>1,100</u>	<u>0</u>	<u>1,100</u>
<i>Excess of Revenues Over Expenditures</i>	47,133	164,442	117,309
<b>Other Financing Use</b>			
Transfers Out	<u>(138,900)</u>	<u>(138,900)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(91,767)	25,542	117,309
Fund Balance at Beginning of Year	<u>311,804</u>	<u>311,804</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$220,037</u></u>	<u><u>\$337,346</u></u>	<u><u>\$117,309</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Ohio Health Medical Office Building Tax Increment Financing Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$0	\$13,050	\$13,050
Payment in Lieu of Taxes	188,790	156,588	(32,202)
<i>Total Revenues</i>	<u>188,790</u>	<u>169,638</u>	<u>(19,152)</u>
<b>Expenditures</b>			
Current:			
Capital Outlay			
Ohio Health Medical Office Building			
Tax Increment Financing			
Contractual Services	17,452	2,051	15,401
Capital Outlay	740,270	719,405	20,865
<i>Total Expenditures</i>	<u>757,722</u>	<u>721,456</u>	<u>36,266</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(568,932)</u>	<u>(551,818)</u>	<u>17,114</u>
<b>Other Financing Source (Use)</b>			
Bond Anticipation Notes Issued	2,100,000	1,000,000	1,100,000
Transfers Out	(55,000)	(53,090)	1,910
<i>Total Other Financing Source (Use)</i>	<u>2,045,000</u>	<u>946,910</u>	<u>(1,098,090)</u>
<i>Net Change in Fund Balance</i>	1,476,068	395,092	(1,080,976)
Fund Balance at Beginning of Year	195,321	195,321	0
Prior Year Encumbrances Appropriated	110,270	110,270	0
<i>Fund Balance at End of Year</i>	<u><u>\$1,781,659</u></u>	<u><u>\$700,683</u></u>	<u><u>(\$1,080,976)</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Hill/Diley Road Tax Increment Financing Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Payment in Lieu of Taxes	\$12,536	\$6,261	(\$6,275)
<b>Expenditures</b>			
Current:			
Capital Outlay			
Hill/Diley Road Tax Increment Financing			
Contractual Services	2,500	82	2,418
<i>Net Change in Fund Balance</i>	10,036	6,179	(3,857)
Fund Balance at Beginning of Year	6,186	6,186	0
<i>Fund Balance at End of Year</i>	\$16,222	\$12,365	(\$3,857)

## **PERMANENT FUND**

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

Cemetery Fund – To account for receiving and disbursing funds restricted for the perpetual care of certain cemetery lots which are located in the City. The Cemetery Fund was not budgeted because the City did not anticipate any financial activity but activity did occur.



**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Cemetery Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest Income	\$0	\$4	\$4
<b>Expenditures</b>			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	4	4
Fund Balance at Beginning of Year	<u>4,371</u>	<u>4,371</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$4,371</u></u>	<u><u>\$4,375</u></u>	<u><u>\$4</u></u>

## ENTERPRISE FUNDS

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

### **Major Enterprise Funds:**

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

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

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

### **Nonmajor Enterprise Fund:**

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

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenses, and Changes  
In Fund Equity - Budget (Non-GAAP Basis) and Actual  
Water Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$2,360,432	\$2,360,493	\$61
Tap-in Fees	150,863	443,007	292,144
Utility Deposits Received	1,750	2,349	599
Interest	5,000	10,375	5,375
Other Non-Operating Revenues	24,673	13,150	(11,523)
<i>Total Revenues</i>	<u>2,542,718</u>	<u>2,829,374</u>	<u>286,656</u>
<b>Expenses</b>			
Current:			
Personal Services	993,130	886,361	106,769
Contractual Services	804,836	729,387	75,449
Materials and Supplies	410,895	273,707	137,188
Utility Deposits Applied	5,050	2,411	2,639
Utility Deposits Returned	2,500	908	1,592
Capital Outlay	871,936	568,772	303,164
Debt Service:			
Principal Retirement	264,393	264,393	0
Interest and Fiscal Charges	73,098	73,096	2
<i>Total Expenses</i>	<u>3,425,838</u>	<u>2,799,035</u>	<u>626,803</u>
<i>Net Change in Fund Equity</i>	(883,120)	30,339	913,459
Fund Equity at Beginning of Year	3,161,633	3,161,633	0
Prior Year Encumbrances Appropriated	<u>401,204</u>	<u>401,204</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$2,679,717</u></u>	<u><u>\$3,593,176</u></u>	<u><u>\$913,459</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenses, and Changes  
In Fund Equity - Budget (Non-GAAP Basis) and Actual  
Sewer Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$3,510,940	\$3,692,138	\$181,198
Tap-in Fees	186,528	473,980	287,452
Utility Deposits Received	1,750	2,349	599
Interest	750	3,186	2,436
Grants	0	5,100	5,100
Other Non-Operating Revenues	26,423	13,516	(12,907)
<i>Total Revenues</i>	<u>3,726,391</u>	<u>4,190,269</u>	<u>463,878</u>
<b>Expenses</b>			
Current:			
Personal Services	970,945	888,468	82,477
Contractual Services	1,211,055	1,093,622	117,433
Materials and Supplies	173,832	170,469	3,363
Utility Deposits Applied	5,050	2,410	2,640
Utility Deposits Returned	2,500	909	1,591
Capital Outlay	330,032	279,824	50,208
Debt Service:			
Principal Retirement	681,587	681,587	0
Interest and Fiscal Charges	290,919	290,919	0
<i>Total Expenses</i>	<u>3,665,920</u>	<u>3,408,208</u>	<u>257,712</u>
<i>Net Change in Fund Equity</i>	60,471	782,061	721,590
Fund Equity at Beginning of Year	4,125,176	4,125,176	0
Prior Year Encumbrances Appropriated	46,810	46,810	0
<i>Fund Equity at End of Year</i>	<u><u>\$4,232,457</u></u>	<u><u>\$4,954,047</u></u>	<u><u>\$721,590</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenses, and Changes  
In Fund Equity - Budget (Non-GAAP Basis) and Actual  
Stormwater Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$680,815	\$700,766	\$19,951
Tap-in Fees	38,513	228,945	190,432
Interest	125	981	856
Other Non-Operating Revenues	9,354	1,692	(7,662)
<i>Total Revenues</i>	<u>728,807</u>	<u>932,384</u>	<u>203,577</u>
<b>Expenses</b>			
Current:			
Personal Services	343,365	316,260	27,105
Contractual Services	204,483	168,503	35,980
Materials and Supplies	27,182	21,373	5,809
Capital Outlay	152,500	138,590	13,910
<i>Total Expenses</i>	<u>727,530</u>	<u>644,726</u>	<u>82,804</u>
<i>Net Change in Fund Equity</i>	1,277	287,658	286,381
Fund Equity at Beginning of Year	1,086,791	1,086,791	0
Prior Year Encumbrances Appropriated	<u>23,915</u>	<u>23,915</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$1,111,983</u></u>	<u><u>\$1,398,364</u></u>	<u><u>\$286,381</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenses, and Changes  
In Fund Equity - Budget (Non-GAAP Basis) and Actual  
Aquatic Recreation Center Fund  
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$175,509	\$193,273	\$17,764
Other Non-Operating Revenues	1,335	5,734	4,399
<i>Total Revenues</i>	<u>176,844</u>	<u>199,007</u>	<u>22,163</u>
<b>Expenses</b>			
Current:			
Personal Services	105,200	99,660	5,540
Contractual Services	94,606	81,438	13,168
Materials and Supplies	35,151	32,522	2,629
Capital Outlay	65,000	28,595	36,405
<i>Total Expenses</i>	<u>299,957</u>	<u>242,215</u>	<u>57,742</u>
<i>Net Change in Fund Equity</i>	(123,113)	(43,208)	79,905
Fund Equity at Beginning of Year	114,288	114,288	0
Prior Year Encumbrances Appropriated	<u>110</u>	<u>110</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>(\$8,715)</u></u>	<u><u>\$71,190</u></u>	<u><u>\$79,905</u></u>

## **AGENCY FUND**

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

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

**City of Pickerington, Ohio**  
Statement of Changes in Assets and Liabilities  
Agency Fund  
For the Year Ended December 31, 2017

	<u>Balance</u> <u>1/1/17</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/17</u>
<b>Mayor's Court</b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	<u>\$8,781</u>	<u>\$77,801</u>	<u>\$71,335</u>	<u>\$15,247</u>
<i>Total Assets</i>	<u><u>\$8,781</u></u>	<u><u>\$77,801</u></u>	<u><u>\$71,335</u></u>	<u><u>\$15,247</u></u>
<b>Liabilities</b>				
Undistributed Monies	<u>\$8,781</u>	<u>\$77,801</u>	<u>\$71,335</u>	<u>\$15,247</u>
<i>Total Liabilities</i>	<u><u>\$8,781</u></u>	<u><u>\$77,801</u></u>	<u><u>\$71,335</u></u>	<u><u>\$15,247</u></u>





## Statistical Section

# Statistical Section

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

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

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

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

	2017	2016	2015	2014 (2)
Governmental Activities				
Net Investment in Capital Assets	\$55,036,788	\$51,952,725	\$49,930,677	\$43,834,353
Restricted:				
Capital Projects	2,152,090	2,133,092	1,858,666	2,033,368
Debt Service	0	0	7,900	99,644
Security of Persons and Property	54,193	96,531	32,162	0
Transportation Services	1,003,242	1,290,591	1,183,287	833,903
Other Purposes	662,511	618,637	587,152	423,148
Perpetual Care:				
Expendable	2,830	2,826	2,823	2,819
Non-Expendable	1,545	1,545	1,545	1,545
Unrestricted	(356,825)	(946,516)	(914,172)	(1,448,335)
<i>Total Governmental Activities Net Position</i>	<u>58,556,374</u>	<u>55,149,431</u>	<u>52,690,040</u>	<u>45,780,445</u>
Business-Type-Activities				
Net Investment in Capital Assets	51,147,010	49,701,418	48,321,170	45,510,929
Unrestricted	9,363,993	8,264,895	6,584,879	6,839,295
<i>Total Business-Type Activities Net Position</i>	<u>60,511,003</u>	<u>57,966,313</u>	<u>54,906,049</u>	<u>52,350,224</u>
Primary Government				
Net Investment in Capital Assets	106,183,798	101,654,143	98,251,847	89,345,282
Restricted	3,876,411	4,143,222	3,673,535	3,394,427
Unrestricted	9,007,168	7,318,379	5,670,707	5,390,960
<i>Total Primary Government Net Position</i>	<u>\$119,067,377</u>	<u>\$113,115,744</u>	<u>\$107,596,089</u>	<u>\$98,130,669</u>

(1) Restated net position.

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

<u>2013</u>	<u>2012</u>	<u>2011 (1)</u>	<u>2010</u>	<u>2009 (1)</u>	<u>2008 (1)</u>
\$43,715,619	\$44,046,257	\$42,835,157	\$41,960,655	\$43,487,617	\$39,034,496
1,866,186	1,730,788	2,090,799	1,758,477	2,050,326	2,127,980
111,923	250,962	0	0	0	0
10,347	8,298	218,989	233,528	198,648	18,540
768,366	751,177	652,107	621,243	765,398	628,181
510,120	373,339	710,710	274,748	278,252	291,614
2,814	2,810	2,804	2,798	0	0
1,545	1,545	1,545	1,545	0	0
<u>4,006,167</u>	<u>3,712,593</u>	<u>4,103,182</u>	<u>3,535,264</u>	<u>3,565,295</u>	<u>2,989,047</u>
<u>50,993,087</u>	<u>50,877,769</u>	<u>50,615,293</u>	<u>48,388,258</u>	<u>50,345,536</u>	<u>45,089,858</u>
43,755,897	42,935,198	41,184,090	39,844,968	35,699,418	34,996,281
<u>7,367,724</u>	<u>6,084,632</u>	<u>6,112,319</u>	<u>6,220,761</u>	<u>5,653,899</u>	<u>4,837,129</u>
<u>51,123,621</u>	<u>49,019,830</u>	<u>47,296,409</u>	<u>46,065,729</u>	<u>41,353,317</u>	<u>39,833,410</u>
87,471,516	86,981,455	84,019,247	81,805,623	79,187,035	74,030,777
3,271,301	3,118,919	3,676,954	2,892,339	3,292,624	3,066,315
<u>11,373,891</u>	<u>9,797,225</u>	<u>10,215,501</u>	<u>9,756,025</u>	<u>9,219,194</u>	<u>7,826,176</u>
<u>\$102,116,708</u>	<u>\$99,897,599</u>	<u>\$97,911,702</u>	<u>\$94,453,987</u>	<u>\$91,698,853</u>	<u>\$84,923,268</u>

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

	2017	2016	2015 (1)	2014
<b><u>Program Revenues</u></b>				
Governmental Activities:				
Charges for Services:				
General Government	\$139,754	\$133,906	\$17,647	\$15,521
Security of Persons and Property	403,282	369,618	343,811	345,909
Transportation	251,497	337,449	267,513	219,272
Leisure Time Activities	216,863	165,222	178,356	164,588
Community Environment	982,770	825,577	565,992	846,025
Subtotal Charges for Services	1,994,166	1,831,772	1,373,319	1,591,315
Operating Grants and Contributions:				
General Government	49,576	18,644	41,428	62,461
Security of Persons and Property	222,579	209,315	201,595	215,055
Transportation	813,652	783,583	771,002	738,003
Leisure Time Activities	6,500	6,000	4,200	21,425
Subtotal Operating Grants and Contributions	1,092,307	1,017,542	1,018,225	1,036,944
Capital Grants and Contributions:				
Transportation	2,678,078	1,895,619	6,761,252	1,027,826
Leisure Time Activities	191,066	0	43,527	0
Community Environment	0	0	0	0
Subtotal Capital Grants and Contributions	2,869,144	1,895,619	6,804,779	1,027,826
<i>Total Governmental Activities Program Revenues</i>	<i>5,955,617</i>	<i>4,744,933</i>	<i>9,196,323</i>	<i>3,656,085</i>
Business-Type Activities:				
Charges for Services:				
Water	2,392,308	2,414,289	2,345,456	2,294,327
Sewer	3,740,292	3,654,726	3,473,543	3,433,951
Stormwater	702,085	683,101	663,249	646,971
Aquatic Recreation	193,273	183,814	161,777	161,743
Subtotal Charges for Services	7,027,958	6,935,930	6,644,025	6,536,992
Operating Grants and Contributions:				
Stormwater	0	0	0	0
Subtotal Operating Grants and Contributions	0	0	0	0
Capital Grants and Contributions:				
Water	795,232	1,012,297	846,676	1,079,407
Sewer	404,003	1,074,315	463,182	507,182
Stormwater	1,281,590	614,513	238,495	326,173
Aquatic Recreation	0	0	0	0
Subtotal Capital Grants and Contributions	2,480,825	2,701,125	1,548,353	1,912,762
<i>Total Business-Type Activities Program Revenues</i>	<i>9,508,783</i>	<i>9,637,055</i>	<i>8,192,378</i>	<i>8,449,754</i>
<i>Total Primary Government Program Revenues</i>	<i>\$15,464,400</i>	<i>\$14,381,988</i>	<i>\$17,388,701</i>	<i>\$12,105,839</i>

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

(2) Restated payment in lieu of taxes.

2013	2012	2011 (2)	2010	2009	2008
\$16,001	\$15,192	\$11,684	\$14,495	\$13,206	\$12,153
360,825	345,660	358,371	333,103	238,185	227,099
211,518	205,874	198,064	196,698	192,112	199,872
173,020	158,116	125,161	120,889	132,472	168,184
835,911	803,697	677,077	668,879	471,434	473,219
1,597,275	1,528,539	1,370,357	1,334,064	1,047,409	1,080,527
48,934	39,007	12,743	14,136	17,289	7,144
196,721	201,495	185,062	253,854	270,211	251,683
720,682	722,616	672,226	677,532	665,735	730,654
14,050	24,690	27,420	24,419	20,460	21,351
980,387	987,808	897,451	969,941	973,695	1,010,832
368,548	946,086	2,203,576	1,351,949	4,631,410	10,128,435
0	0	0	0	0	36,875
0	0	30,800	0	0	0
368,548	946,086	2,234,376	1,351,949	4,631,410	10,165,310
2,946,210	3,462,433	4,502,184	3,655,954	6,652,514	12,256,669
2,341,402	2,386,759	2,193,255	2,007,822	1,807,976	1,636,814
3,445,634	3,432,059	3,456,645	3,311,157	2,787,985	2,238,365
630,931	590,771	561,066	427,243	209,067	206,463
169,595	191,108	184,833	201,063	239,937	268,511
6,587,562	6,600,697	6,395,799	5,947,285	5,044,965	4,350,153
139,537	0	0	0	0	0
139,537	0	0	0	0	0
760,559	518,251	271,787	747,029	363,969	447,058
395,887	280,917	143,271	139,507	189,811	209,471
582,008	172,822	59,242	133,383	750,078	177,259
0	0	0	0	0	288,970
1,738,454	971,990	474,300	1,019,919	1,303,858	1,122,758
8,465,553	7,572,687	6,870,099	6,967,204	6,348,823	5,472,911
\$11,411,763	\$11,035,120	\$11,372,283	\$10,623,158	\$13,001,337	\$17,729,580

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

	2017	2016	2015 (1)	2014
<b><u>Expenses</u></b>				
Governmental Activities:				
General Government	\$3,041,585	\$2,539,460	\$2,344,441	\$2,580,590
Security of Persons and Property	5,850,092	5,596,622	4,958,894	4,815,421
Transportation	3,678,218	3,152,322	3,018,986	3,123,529
Leisure Time Activities	344,442	727,661	741,811	762,756
Public Health Services	171,960	167,789	158,281	151,150
Community Environment	1,346,118	947,600	713,456	755,498
Interest and Fiscal Charges	279,674	253,014	276,826	239,011
<i>Total Governmental Activities Expenses</i>	<u>14,712,089</u>	<u>13,384,468</u>	<u>12,212,695</u>	<u>12,427,955</u>
Business-Type Activities:				
Water	2,689,472	2,553,612	2,540,304	2,413,968
Sewer	3,350,807	3,127,684	2,672,994	2,891,843
Stormwater	711,749	708,486	641,289	640,955
Aquatic Recreation	249,072	227,495	166,278	159,850
<i>Total Business-Type Activities Expenses</i>	<u>7,001,100</u>	<u>6,617,277</u>	<u>6,020,865</u>	<u>6,106,616</u>
<i>Total Primary Government Program Expenses</i>	<u>21,713,189</u>	<u>20,001,745</u>	<u>18,233,560</u>	<u>18,534,571</u>
<b>Net (Expense)/ Revenue</b>				
Governmental Activities	(8,756,472)	(8,639,535)	(3,016,372)	(8,771,870)
Business-Type Activities	2,507,683	3,019,778	2,171,513	2,343,138
<i>Total Primary Government Net Expense</i>	<u>(\$6,248,789)</u>	<u>(\$5,619,757)</u>	<u>(\$844,859)</u>	<u>(\$6,428,732)</u>

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

(2) Restated payment in lieu of taxes.

<u>2013</u>	<u>2012</u>	<u>2011 (2)</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$2,580,817	\$2,675,205	\$2,345,620	\$3,000,709	\$2,486,109	\$2,436,997
4,613,122	4,462,428	4,218,379	4,239,816	4,151,605	4,009,308
3,056,389	3,232,743	3,480,642	2,952,265	2,279,416	5,441,557
715,567	647,569	588,605	561,867	679,915	816,074
121,588	127,888	99,439	93,643	103,452	139,550
638,098	777,125	547,932	614,957	565,244	775,088
291,767	353,602	378,619	419,544	556,662	577,476
<u>12,017,348</u>	<u>12,276,560</u>	<u>11,659,236</u>	<u>11,882,801</u>	<u>10,822,403</u>	<u>14,196,050</u>
2,460,768	2,219,353	1,980,410	2,202,930	1,963,643	1,993,851
3,032,690	2,870,268	2,853,379	2,374,695	2,235,878	2,358,467
738,935	612,881	643,564	447,488	474,946	427,739
130,794	200,923	196,381	181,941	274,966	219,399
<u>6,363,187</u>	<u>5,903,425</u>	<u>5,673,734</u>	<u>5,207,054</u>	<u>4,949,433</u>	<u>4,999,456</u>
<u>18,380,535</u>	<u>18,179,985</u>	<u>17,332,970</u>	<u>17,089,855</u>	<u>15,771,836</u>	<u>19,195,506</u>
(9,071,138)	(8,814,127)	(7,157,052)	(8,226,847)	(4,169,889)	(1,939,381)
<u>2,102,366</u>	<u>1,669,262</u>	<u>1,196,365</u>	<u>1,760,150</u>	<u>1,399,390</u>	<u>473,455</u>
<u>(\$6,968,772)</u>	<u>(\$7,144,865)</u>	<u>(\$5,960,687)</u>	<u>(\$6,466,697)</u>	<u>(\$2,770,499)</u>	<u>(\$1,465,926)</u>



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

	2017	2016	2015 (1)	2014
<b><u>General Revenues and Other Changes in Net Position</u></b>				
Governmental Activities:				
Property and Other Taxes Levied for General Purposes	\$1,125,961	\$1,045,437	\$1,023,641	\$959,759
Property Taxes Levied for Security of Persons and Property	1,651,147	1,619,111	1,592,716	1,494,333
Income Taxes Levied for General Purposes	7,348,344	6,478,485	5,931,529	5,760,828
Franchise Taxes	223,141	244,610	257,515	242,630
Grants and Entitlements not Restricted to Specific Programs	328,677	306,616	406,475	303,657
Investment Earnings	250,502	93,295	97,950	58,193
Payment in Lieu of Taxes	252,208	384,545	115,174	133,817
Impact Fees	784,292	675,793	415,319	414,332
Gain on Sale of Capital Assets	24,126	1,151	5,799	5,573
Miscellaneous	175,017	249,883	427,916	228,009
<i>Total Governmental Activities</i>	<u>12,163,415</u>	<u>11,098,926</u>	<u>10,274,034</u>	<u>9,601,131</u>
Business-Type Activities:				
Investment Earnings	10,253	17,603	7,872	4,414
Gain on Sale of Capital Assets	0	107	11,352	14,326
Miscellaneous	26,754	22,776	17,021	34,621
<i>Total Business-Type Activities</i>	<u>37,007</u>	<u>40,486</u>	<u>36,245</u>	<u>53,361</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>12,200,422</u>	<u>11,139,412</u>	<u>10,310,279</u>	<u>9,654,492</u>
<b>Increase Before Transfers</b>				
Governmental Activities	3,406,943	2,459,391	7,257,662	829,261
Business-Type Activities	2,544,690	3,060,264	2,207,758	2,396,499
<i>Total Primary Government Increase Before Transfers</i>	<u>5,951,633</u>	<u>5,519,655</u>	<u>9,465,420</u>	<u>3,225,760</u>
<b>Transfers In (Out)</b>				
Governmental Activities	0	0	(348,067)	0
Business-Type Activities	0	0	348,067	0
<b>Increase (Decrease) After Transfers</b>				
Governmental Activities	3,406,943	2,459,391	6,909,595	829,261
Business-Type Activities	2,544,690	3,060,264	2,555,825	2,396,499
<i>Total Primary Government Increase After Transfers</i>	<u>\$5,951,633</u>	<u>\$5,519,655</u>	<u>\$9,465,420</u>	<u>\$3,225,760</u>

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

(2) Restated payment in lieu of taxes.

<u>2013</u>	<u>2012</u>	<u>2011 (2)</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$1,017,220	\$960,929	\$966,394	\$984,192	\$972,149	\$979,584
1,528,904	1,470,711	1,484,938	1,453,677	1,423,744	1,399,961
5,220,794	5,029,644	5,117,727	4,643,326	4,527,504	4,671,505
250,997	265,146	256,095	245,377	189,705	93,439
321,059	387,648	498,744	496,743	595,467	960,300
19,398	66,069	59,449	92,724	145,561	336,461
71,004	212,666	528,809	738,217	939,085	655,079
547,854	553,211	367,399	264,926	323,888	485,964
0	0	8,200	0	0	0
186,992	130,579	96,332	244,404	322,661	234,740
<u>9,164,222</u>	<u>9,076,603</u>	<u>9,384,087</u>	<u>9,163,586</u>	<u>9,439,764</u>	<u>9,817,033</u>
4,646	28,563	28,740	58,010	78,236	122,874
0	0	0	0	0	0
19,013	25,596	5,575	235	28,084	73,928
<u>23,659</u>	<u>54,159</u>	<u>34,315</u>	<u>58,245</u>	<u>106,320</u>	<u>196,802</u>
<u>9,187,881</u>	<u>9,130,762</u>	<u>9,418,402</u>	<u>9,221,831</u>	<u>9,546,084</u>	<u>10,013,835</u>
93,084	262,476	2,227,035	936,739	5,269,875	7,877,652
2,126,025	1,723,421	1,230,680	1,818,395	1,505,710	670,257
<u>2,219,109</u>	<u>1,985,897</u>	<u>3,457,715</u>	<u>2,755,134</u>	<u>6,775,585</u>	<u>8,547,909</u>
22,234	0	0	(2,894,017)	(14,197)	(805,000)
(22,234)	0	0	2,894,017	14,197	805,000
115,318	262,476	2,227,035	(1,957,278)	5,255,678	7,072,652
2,103,791	1,723,421	1,230,680	4,712,412	1,519,907	1,475,257
<u>\$2,219,109</u>	<u>\$1,985,897</u>	<u>\$3,457,715</u>	<u>\$2,755,134</u>	<u>\$6,775,585</u>	<u>\$8,547,909</u>

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

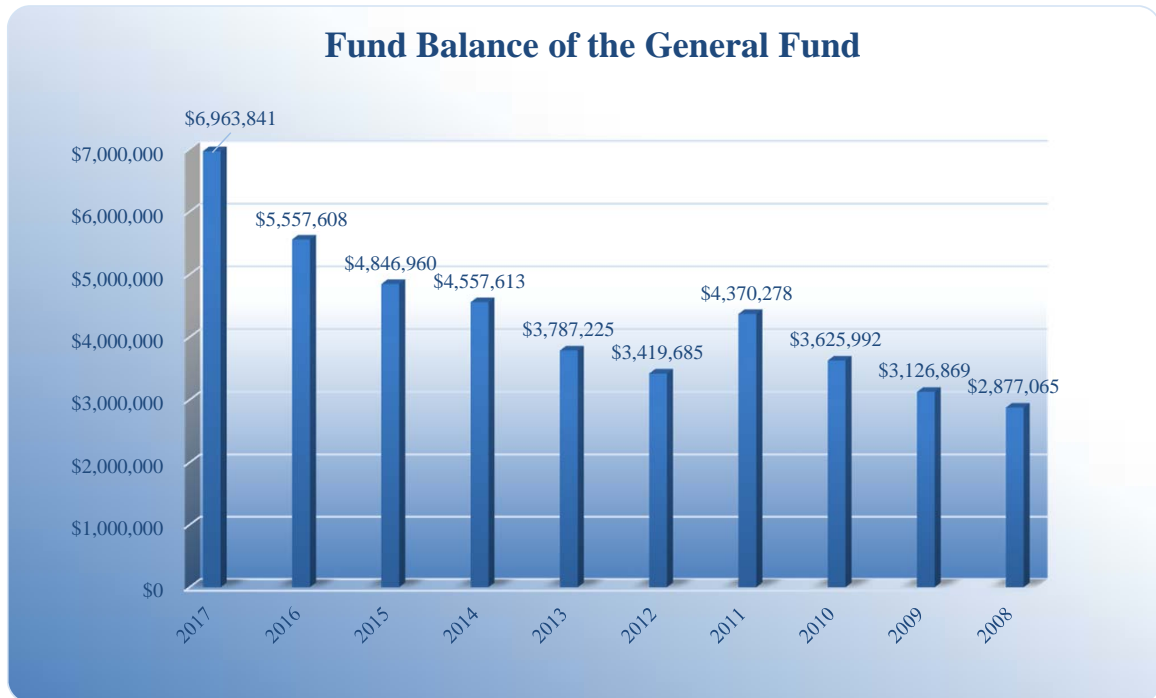
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b><u>Program Revenues</u></b>				
Governmental Activities:				
General Government	\$189,330	\$152,550	\$59,075	\$77,982
Security of Persons and Property	625,861	578,933	545,406	560,964
Transportation	3,743,227	3,016,651	7,799,767	1,985,101
Leisure Time Activities	414,429	171,222	226,083	186,013
Community Environment	982,770	825,577	565,992	846,025
	<u>5,955,617</u>	<u>4,744,933</u>	<u>9,196,323</u>	<u>3,656,085</u>
Total Governmental Activities				
Business-Type Activities:				
Water	3,187,540	3,426,586	3,192,132	3,373,734
Sewer	4,144,295	4,729,041	3,936,725	3,941,133
Stormwater	1,983,675	1,297,614	901,744	973,144
Aquatic Recreation	193,273	183,814	161,777	161,743
	<u>9,508,783</u>	<u>9,637,055</u>	<u>8,192,378</u>	<u>8,449,754</u>
Total Business-Type Activities				
<i>Total Primary Government</i>	<u><u>\$15,464,400</u></u>	<u><u>\$14,381,988</u></u>	<u><u>\$17,388,701</u></u>	<u><u>\$12,105,839</u></u>

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$64,935	\$54,199	\$24,427	\$28,631	\$30,495	\$19,297
557,546	547,155	543,433	586,957	508,396	478,782
1,300,748	1,874,576	3,073,866	2,226,179	5,489,257	11,058,961
187,070	182,806	152,581	145,308	152,932	226,410
<u>835,911</u>	<u>803,697</u>	<u>707,877</u>	<u>668,879</u>	<u>471,434</u>	<u>473,219</u>
<u>2,946,210</u>	<u>3,462,433</u>	<u>4,502,184</u>	<u>3,655,954</u>	<u>6,652,514</u>	<u>12,256,669</u>
3,101,961	2,905,010	2,465,042	2,754,851	2,171,945	2,083,872
3,841,521	3,712,976	3,599,916	3,450,664	2,977,796	2,447,836
1,352,476	763,593	620,308	560,626	959,145	383,722
<u>169,595</u>	<u>191,108</u>	<u>184,833</u>	<u>201,063</u>	<u>239,937</u>	<u>557,481</u>
<u>8,465,553</u>	<u>7,572,687</u>	<u>6,870,099</u>	<u>6,967,204</u>	<u>6,348,823</u>	<u>5,472,911</u>
<u><u>\$11,411,763</u></u>	<u><u>\$11,035,120</u></u>	<u><u>\$11,372,283</u></u>	<u><u>\$10,623,158</u></u>	<u><u>\$13,001,337</u></u>	<u><u>\$17,729,580</u></u>

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

	2017	2016	2015	2014	2013
<b><u>General Fund</u></b>					
Nonspendable	\$174,396	\$186,999	\$184,221	\$112,377	\$128,029
Committed	0	0	0	0	8,465
Assigned	1,600,219	551,284	648,280	955,515	124,946
Unassigned	5,189,226	4,819,325	4,014,459	3,489,721	3,525,785
Reserved	0	0	0	0	0
Unreserved	0	0	0	0	0
<i>Total General Fund</i>	<u>6,963,841</u>	<u>5,557,608</u>	<u>4,846,960</u>	<u>4,557,613</u>	<u>3,787,225</u>
<b><u>All Other Governmental Funds</u></b>					
Nonspendable	213,608	188,283	188,919	157,057	157,577
Restricted	3,175,098	2,335,170	2,866,274	1,466,933	1,482,237
Committed	1,958,927	1,758,690	1,293,928	1,598,878	1,483,958
Unassigned (Deficits)	(91,350)	(107,482)	(89,453)	(300,872)	(80,410)
Reserved	0	0	0	0	0
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	0	0	0	0	0
Debt Service Funds	0	0	0	0	0
Capital Projects Funds (Deficits)	0	0	0	0	0
<i>Total All Other Governmental Funds</i>	<u>5,256,283</u>	<u>4,174,661</u>	<u>4,259,668</u>	<u>2,921,996</u>	<u>3,043,362</u>
<b><i>Total Governmental Funds</i></b>	<u><u>\$12,220,124</u></u>	<u><u>\$9,732,269</u></u>	<u><u>\$9,106,628</u></u>	<u><u>\$7,479,609</u></u>	<u><u>\$6,830,587</u></u>

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



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

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

	2017 (2)	2016 (2)	2015 (2)	2014 (2)	2013 (2)
<b>Revenues</b>					
Property and Other Taxes	\$2,649,515	\$2,531,831	\$2,506,630	\$2,398,110	\$2,428,550
Hotel and Motel Taxes	140,404	140,788	130,927	131,414	123,573
Permissive Motor Vehicle Registration Fees	238,447	237,449	229,371	219,272	211,518
Municipal Income Taxes	7,215,093	6,522,957	5,950,233	5,629,111	5,160,857
Franchise Taxes (3)	222,795	222,193	0	0	0
Charges for Services	729,314	704,239	439,364	655,088	578,885
Licenses and Permits	856,237	579,921	526,674	552,266	635,913
Impact Fees	1,036,500	675,793	415,319	414,332	547,854
Fines and Forfeitures	190,103	172,947	170,056	163,208	168,184
Intergovernmental	2,815,637	2,335,972	6,876,217	1,437,964	1,622,373
Interest	253,491	96,683	93,073	57,178	19,330
Payments in Lieu of Taxes	255,294	233,456	176,696	80,223	171,537
Rent	0	0	0	0	0
Contributions and Donations	58,319	26,639	45,928	91,461	49,084
Other	175,017	366,585	685,431	486,846	459,624
<b>Total Revenues</b>	<b>16,836,166</b>	<b>14,847,453</b>	<b>18,245,919</b>	<b>12,316,473</b>	<b>12,177,282</b>
<b>Expenditures</b>					
Current:					
General Government	2,859,932	2,435,430	2,310,224	2,518,065	2,521,939
Security of Persons and Property	5,341,366	5,082,397	4,860,311	4,746,507	4,563,421
Transportation	1,892,940	1,906,604	1,354,746	1,076,791	1,448,963
Leisure Time Activities	991,074	756,445	758,162	762,477	678,486
Public Health Services	171,960	167,789	158,281	151,150	121,588
Community Environment	1,263,434	923,284	740,544	753,043	676,204
Capital Outlay	2,082,630	2,078,347	7,764,998	716,828	485,257
Debt Service:					
Refunded Notes/ Bonds/ Loans Redeemed	2,300,000	2,300,000	0	0	4,875,204
Current Refunding Principal Retirement	0	0	0	0	0
Principal Retirement	791,898	731,883	727,601	717,704	704,276
Interest and Fiscal Charges	261,216	264,098	273,382	256,424	329,249
Bond Issuance Costs	0	0	0	0	59,840
<b>Total Expenditures</b>	<b>17,956,450</b>	<b>16,646,277</b>	<b>18,948,249</b>	<b>11,698,989</b>	<b>16,464,427</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(1,120,284)</b>	<b>(1,798,824)</b>	<b>(702,330)</b>	<b>617,484</b>	<b>(4,287,145)</b>
<b>Other Financing Sources (Uses):</b>					
Proceeds from the Sale of Capital Assets	24,512	2,111	15,351	23,341	33,075
Insurance Recoveries	155,818	0	0	0	0
Inception of a Capital Lease	127,809	122,354	13,998	8,197	0
Refunding Bonds Issued	0	0	0	0	4,740,000
Payment to Refunded Bond Escrow Agent	0	0	0	0	0
Premium on Refunding Bond Issuance	0	0	0	0	226,032
General Obligation Bonds Issued	0	0	0	0	0
Premium on General Obligation Bond Issuance	0	0	0	0	0
Notes Issued	3,300,000	2,300,000	2,300,000	0	0
Loans Issued	0	0	0	0	0
Transfers In	5,379,839	5,457,378	5,474,568	4,352,066	4,447,291
Transfers Out	(5,379,839)	(5,457,378)	(5,474,568)	(4,352,066)	(4,447,291)
<b>Total Other Financing Sources (Uses)</b>	<b>3,608,139</b>	<b>2,424,465</b>	<b>2,329,349</b>	<b>31,538</b>	<b>4,999,107</b>
<b>Net Change in Fund Balances</b>	<b>\$2,487,855</b>	<b>\$625,641</b>	<b>\$1,627,019</b>	<b>\$649,022</b>	<b>\$711,962</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>23.2%</b>	<b>24.6%</b>	<b>9.5%</b>	<b>9.1%</b>	<b>38.7%</b>

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

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

The City established the Permanent Fund during 2010.

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

2012 (2)	2011 (2)	2010 (2)	2009 (1)	2008 (1)
\$2,323,491	\$2,441,729	\$2,292,735	\$2,265,277	\$2,239,984
108,149	101,141	104,494	99,378	116,672
205,874	198,064	196,698	192,112	187,372
5,058,025	5,040,931	4,753,299	4,545,475	4,604,900
0	0	0	0	0
630,293	545,526	535,238	356,126	399,134
515,134	434,901	429,038	335,713	367,840
553,211	367,399	264,926	323,888	485,964
177,238	191,866	172,465	154,033	129,921
1,401,522	1,699,146	2,851,331	6,222,723	9,999,439
68,904	60,493	99,328	160,969	333,264
728,745	889,381	588,786	655,079	499,189
0	0	850	9,200	3,605
66,222	40,413	39,305	51,317	59,790
371,625	338,685	489,781	513,194	327,351
12,208,433	12,349,675	12,818,274	15,884,484	19,754,425

2,766,970	2,473,392	2,604,829	2,388,797	2,348,840
4,384,265	4,087,623	4,035,685	4,100,220	3,955,781
1,547,483	706,954	990,005	732,827	714,092
597,519	549,167	532,160	605,402	780,295
127,888	99,073	93,643	103,446	139,550
757,051	505,464	653,044	585,665	751,771
377,048	588,452	1,992,242	5,801,436	11,976,399

5,892,000	2,025,000	2,295,000	2,780,000	3,205,000
0	270,000	485,000	695,000	240,000
2,162,302	835,877	913,707	792,868	885,687
355,737	383,495	446,075	565,608	628,717
125,157	0	0	0	0
19,093,420	12,524,497	15,041,390	19,151,269	25,626,132
(6,884,987)	(174,822)	(2,223,116)	(3,266,785)	(5,871,707)

23,600	8,200	0	0	0
0	0	0	0	0
92,959	32,724	16,249	0	655,000
1,045,000	0	0	0	0
(1,085,273)	0	0	0	0
38,621	0	0	0	0
5,660,000	0	0	0	0
191,089	0	0	0	0
2,365,000	2,025,000	2,295,000	2,780,000	3,475,000
0	58,068	258,967	893,061	1,855,822
5,852,225	4,106,860	4,416,872	4,580,968	3,895,862
(5,852,225)	(4,106,860)	(4,416,872)	(4,595,165)	(4,045,862)

8,330,996	2,123,992	2,570,216	3,658,864	5,835,822
\$1,446,009	\$1,949,170	\$347,100	\$392,079	(\$35,885)

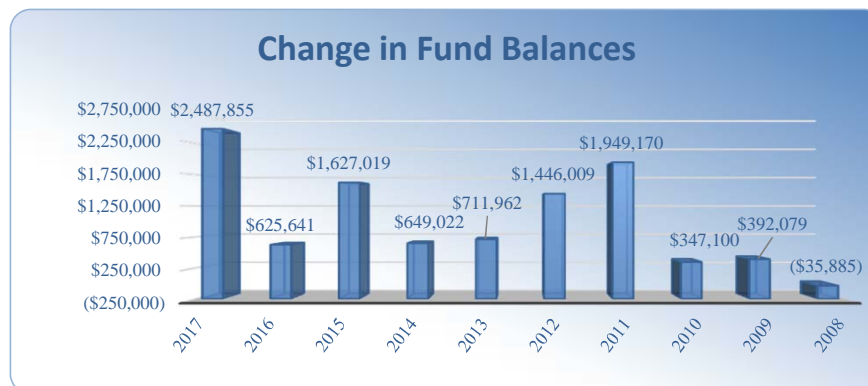
49.6%

33.6%

31.5%

36.2%

35.3%





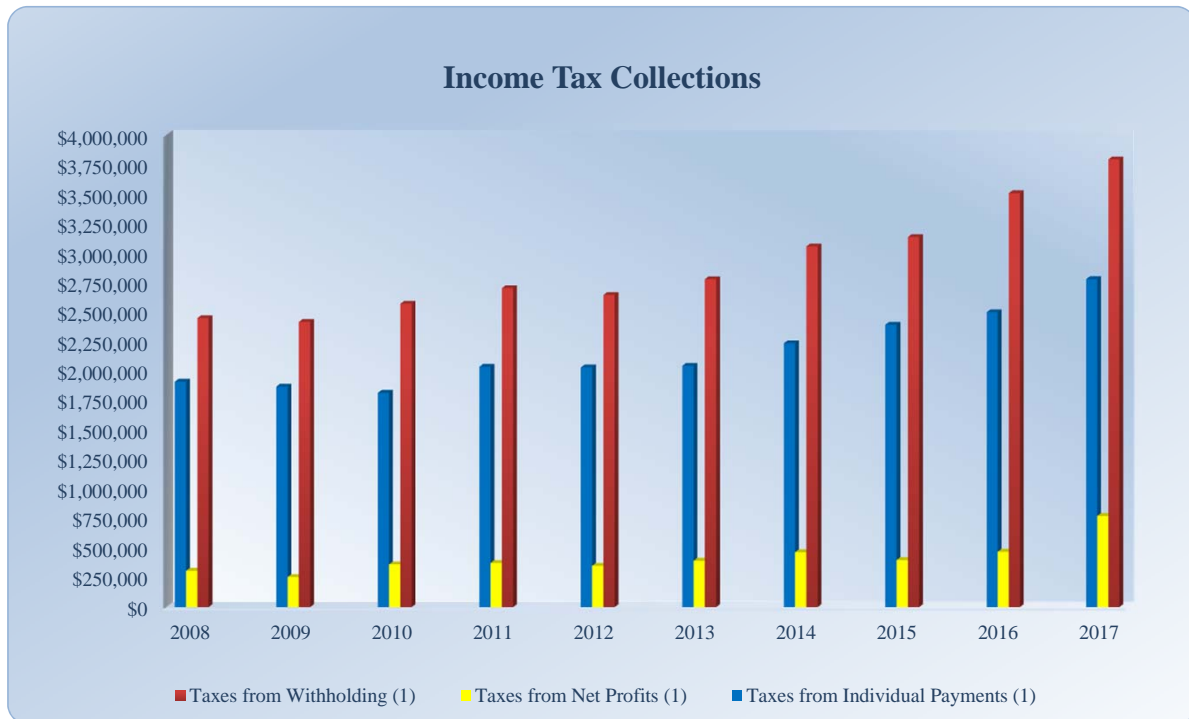
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**City of Pickerington, Ohio**  
Income Tax Revenue Base and Collections  
Last Ten Years

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding (1)	Percentage of Taxes from Withholding	Taxes from Net Profits (1)	Percentage of Taxes from Net Profits	Taxes from Individual Payments (1)	Percentage of Taxes from Individual Payments
2017	1%	\$7,348,344	\$3,793,273	51.62%	\$774,498	10.54%	\$2,780,573	37.84%
2016	1%	6,478,485	3,508,026	54.15%	470,084	7.26%	2,500,375	38.60%
2015	1%	5,931,529	3,137,199	52.89%	399,681	6.74%	2,394,649	40.37%
2014	1%	5,760,828	3,057,322	53.07%	466,037	8.09%	2,237,469	38.84%
2013	1%	5,220,794	2,779,983	53.25%	393,592	7.54%	2,047,219	39.21%
2012	1%	5,029,644	2,646,137	52.61%	350,288	6.96%	2,033,219	40.42%
2011	1%	5,117,727	2,704,270	52.84%	374,826	7.32%	2,038,631	39.83%
2010	1%	4,643,326	2,571,767	55.39%	363,204	7.82%	1,818,328	39.16%
2009	1%	4,527,504	2,418,654	53.42%	255,503	5.64%	1,871,318	41.33%
2008	1%	4,671,505	2,450,369	52.45%	308,373	6.60%	1,912,763	40.95%

(1) Cash basis of accounting.

Source: Income Tax Reports, City Income Tax Department



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

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
2017	\$370,106,780	\$103,560,110	\$1,353,333,971	\$2,881,050	\$11,524,200
2016	330,813,860	115,660,780	1,275,641,829	2,544,370	10,177,480
2015	322,316,580	106,107,190	1,224,067,914	2,432,110	9,728,440
2014	316,206,460	101,475,730	1,193,377,686	2,354,830	9,419,320
2013	330,707,500	100,510,450	1,232,051,286	2,194,040	8,776,160
2012	328,205,010	88,973,120	1,191,937,514	2,128,700	8,514,800
2011	325,334,960	90,181,070	1,187,188,657	2,034,220	8,136,880
2010	336,705,590	88,760,630	1,215,617,771	1,829,700	7,318,800
2009	333,329,450	87,299,750	1,201,797,714	1,798,870	7,195,480
2008	323,467,550	94,060,140	1,192,936,257	1,798,370	7,193,480

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property has been phased out, and during the phase out period, all general business tangible personal property was assessed at 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies, at 5 percent for 2010. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax was 2010).

The tangible personal property values associated with each year were the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Values are shown net of exempt property.

Source: Fairfield County, Ohio; County Auditor

Tangible Personal Property General Business		Total			Weighted Average Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	
\$0	\$0	\$476,547,940	\$1,364,858,171	35%	\$6.148970
0	0	449,019,010	1,285,819,309	35%	\$6.419270
0	0	430,855,880	1,233,796,354	35%	\$6.410920
0	0	420,037,020	1,202,797,006	35%	\$6.426140
0	0	433,411,990	1,240,827,446	35%	\$6.245325
0	0	419,306,830	1,200,452,314	35%	\$6.251845
0	0	417,550,250	1,195,325,537	35%	\$6.235038
160,660	3,213,200	427,456,580	1,226,149,771	35%	\$6.079482
301,040	3,010,400	422,729,110	1,212,003,594	35%	\$6.075933
366,870	5,869,920	419,692,930	1,205,999,657	35%	\$6.018366

### Assessed Value of Real Property Millions of Dollars



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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Unvoted Millage</b>					
Operating	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>
<b>Voted Millage - by levy</b>					
2000 Police					
Residential/Agricultural Real	3.816890	4.179654	4.183113	4.188839	3.949935
Commercial/Industrial/Public Utility/Mineral Real	3.917689	3.916187	3.859785	3.898884	3.896222
General Business/Public Utility Personal	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>
<b><u>Total Millage By Type of Property</u></b>					
Residential/Agricultural Real	6.116890	6.479654	6.483113	6.488839	6.249935
Commercial/Industrial/Public Utility/Mineral Real	6.217689	6.216187	6.159785	6.198884	6.196222
General Business/Public Utility Personal	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>
<b>Total Direct Rate</b>	<u>6.148970</u>	<u>6.419270</u>	<u>6.410920</u>	<u>6.426140</u>	<u>6.245325</u>
<b>Overlapping Rates by Taxing District</b>					
Fairfield County					
Residential/Agricultural Real	9.330501	9.702280	7.859879	7.857379	7.940718
Commercial/Industrial/Public Utility/Mineral Real	9.751416	9.780568	7.901993	7.768445	7.796534
General Business/Public Utility Personal	10.400000	10.400000	8.550000	8.550000	8.550000
Violet Township					
Residential/Agricultural Real	10.950420	11.722621	11.741320	7.951975	7.711161
Commercial/Industrial/Public Utility/Mineral Real	10.854558	10.857629	10.806266	6.877246	6.897248
General Business/Public Utility Personal	16.150000	16.150000	16.150000	12.350000	12.350000
Pickerington Local School District					
Residential/Agricultural Real	43.590731	46.209015	47.347988	47.362613	47.352162
Commercial/Industrial/Public Utility/Mineral Real	44.068755	44.462280	45.314184	44.732973	46.307840
General Business/Public Utility Personal	83.200000	83.600000	84.700000	84.700000	85.500000
Eastland Joint Vocational School					
Residential/Agricultural Real	2.000000	2.000000	2.000000	2.000000	2.000000
Commercial/Industrial/Public Utility/Mineral Real	2.000000	2.000000	2.000000	2.000000	2.000000
General Business/Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000

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

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

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

Source: Fairfield County, Ohio; County Auditor

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>
3.930394	3.921990	3.735578	3.729792	3.724974
3.993935	3.946811	3.907448	3.910638	3.654629
<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>
6.230394	6.221990	6.035578	6.029792	6.024974
6.293935	6.246811	6.207448	6.210638	5.954629
<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>
<u>6.251845</u>	<u>6.235038</u>	<u>6.079482</u>	<u>6.075933</u>	<u>6.018366</u>
7.935674	7.933207	7.833735	6.752542	6.759145
7.834249	7.832841	7.774519	6.569894	6.388102
8.550000	8.550000	8.550000	7.550000	7.550000
7.691960	7.680260	7.366401	7.364177	7.174830
6.972694	6.827467	6.555080	6.466813	6.115701
12.350000	12.350000	12.350000	12.350000	12.150000
47.688395	42.555875	40.828533	40.400605	40.924329
46.719990	41.097131	40.291587	39.210458	38.406104
85.900000	80.820000	80.250000	79.850000	80.350000
2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000

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**City of Pickerington, Ohio**  
Principal Taxpayers  
Real Estate Tax  
2017 and 2008 (1)

Name of Taxpayer	2017	
	Assessed Value	Percent of Real Property Assessed Value
Pickerington Ridge	\$5,946,260	1.26%
Lakepoint Ohio Partners LLC	4,963,410	1.05%
The Kroger Company	4,704,350	0.99%
AERC Turnberry Holdings LLC	4,685,330	0.99%
Pickerington Plaza Limited Partnership	3,691,120	0.78%
B&G Realty LLC	3,675,790	0.78%
CRI Pickerington Square LLC	3,101,260	0.65%
Walker's Corner II LLC	2,478,720	0.52%
Pickerington Assisted Living LLC	2,436,010	0.51%
Ohio Health Corporation	2,361,740	0.50%
Totals	<u>\$38,043,990</u>	<u>8.03%</u>
Total Assessed Valuation	<u>\$473,666,890</u>	

Name of Taxpayer	2008	
	Assessed Value	Percent of Real Property Assessed Value
Pickerington Apartments LLC	\$6,232,070	1.49%
Lakes Edge Partnership	5,320,320	1.27%
B & G Realty Inc.	4,323,240	1.04%
Pickerington Square	4,157,730	1.00%
AERC Turnberry Inc.	3,683,990	0.88%
Stonecreek Office LLC	2,874,170	0.69%
Dominion Homes	2,923,660	0.70%
Homewood Corporation	2,560,140	0.61%
Hill Road Plaza	2,423,580	0.58%
DDR Commercial LP	2,397,530	0.57%
Totals	<u>\$36,896,430</u>	<u>8.83%</u>
Total Assessed Valuation	<u>\$417,527,690</u>	

(1) The amounts presented represent the assessed values upon which 2017 and 2008 collections were based.

Source: Fairfield County, Ohio; County Auditor



**City of Pickerington, Ohio**

Principal Taxpayers

Public Utilities Tax

2017 and 2008 (1)

Name of Taxpayer	2017	
	Assessed Value	Percent of Public Utility Assessed Value
Columbia Gas of Ohio Inc.	\$1,390,620	48.27%
South Central Power Co.	651,010	22.60%
Ohio Power Company	541,190	18.78%
Total	<u>\$2,582,820</u>	<u>89.65%</u>
Total Assessed Valuation	<u>\$2,881,050</u>	

Name of Taxpayer	2008	
	Assessed Value	Percent of Public Utility Assessed Value
Columbia Gas of Ohio Inc.	\$577,260	32.10%
South Central Power Co.	547,990	30.47%
Columbus Southern Power Company	433,050	24.08%
Ohio Bell Telephone Company	201,800	11.22%
Total	<u>\$1,760,100</u>	<u>97.87%</u>
Total Assessed Valuation	<u>\$1,798,370</u>	

(1) The amounts presented represent the assessed values upon which 2017 and 2008 collections were based.

Source: Fairfield County, Ohio; County Auditor

**City of Pickerington, Ohio**  
Principal Taxpayers  
Tangible Personal Property Tax  
2010 and 2008 (1)

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

Name of Taxpayer	2008	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Ohio Bell Telephone Company	\$174,140	47.47%
New Par	52,720	14.37%
Cincinnati SMSA LTD Partnership	39,260	10.70%
T-Mobile Central LLC	31,930	8.70%
Sprint Nextel Corporation	2,960	0.81%
Total	<u>\$301,010</u>	<u>82.05%</u>
Total Assessed Valuation	<u><u>\$366,870</u></u>	

(1) The amounts presented represent the assessed values upon which 2010 and 2008 collections were based. 2010 was the final year of collection for tangible personal property taxes.

Source: Fairfield County, Ohio; County Auditor

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

	2017	2016	2015	2014	2013
<b><u>Real and Public Utility Property</u></b>					
Current Tax Levy	\$2,925,430	\$2,879,015	\$2,758,980	\$2,696,129	\$2,688,390
Current Tax Collections	2,895,330	2,764,518	2,717,953	2,619,187	2,626,923
Percent of Current Collections to Levy	98.97%	96.02%	98.51%	97.15%	97.71%
Delinquent Tax Collections (2)	58,467	57,220	73,859	59,347	63,832
Total Tax Collections	2,953,797	2,821,738	2,791,812	2,678,534	2,690,755
Ratio of Total Collections to Levy	100.97%	98.01%	101.19%	99.35%	100.09%
Outstanding Delinquent Taxes (4)	34,844	47,655	55,727	76,927	132,697
Ratio of Outstanding Delinquent Taxes to Tax Levy	1.19%	1.66%	2.02%	2.85%	4.94%
<b><u>Tangible Personal Property</u></b>					
Current Tax Levy	\$0	\$0	\$0	\$0	\$0
Current Tax Collections	0	0	0	0	0
Percent of Current Collections to Levy	0.00%	0.00%	0.00%	0.00%	0.00%
Delinquent Tax Collections (2)	0	0	0	0	0
Total Tax Collections	0	0	0	0	0
Ratio of Total Collections to Levy	0.00%	0.00%	0.00%	0.00%	0.00%
Outstanding Delinquent Taxes	0	0	0	0	0
Ratio of Outstanding Delinquent Taxes to Tax Levy	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Fairfield County, Ohio; County Auditor

- (1) Includes State reimbursements of homestead and rollback exemptions.
- (2) Delinquent tax collections include amounts collected from penalties, interest, and other delinquent collections.  
The County does not identify delinquent tax collections by tax year.
- (3) The year presented represents the collection year.
- (4) Outstanding Delinquent Taxes exclude penalties and other additional delinquent charges.

Note: Fairfield County's current reporting system does not track delinquency tax collections by tax year.  
Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent.  
Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

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

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

Governmental Activities				
Year	General Obligation Bonds (5) & (6)	Bond Anticipation Notes (5) & (7)	State Infrastructure Bank Loan (3) & (6)	Capital Leases (4) & (5)
2017	\$8,405,372	\$3,300,000	\$0	\$212,236
2016	9,164,446	2,300,000	0	141,325
2015	9,913,520	2,300,000	0	25,854
2014	10,632,594	0	0	44,457
2013	11,342,171	0	0	68,964
2012 (2)	7,075,716	0	4,875,204	98,240
2011	1,187,077	2,025,000	5,480,929	2,998,858
2010	1,252,974	2,295,000	5,997,677	3,162,195
2009	1,313,871	2,780,000	6,283,561	3,454,802
2008	1,369,768	3,475,000	6,070,951	3,746,958

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

- (1) See S36 and S37 for personal income and population data
- (2) The City implemented Governmental Accounting Standards Board Statement No. 63 in 2012.
- (3) During 2005, the City entered into a State Infrastructure Bank Loan agreement with the Ohio Department of Transportation in the amount of \$7,737,113 for the purpose of financing the Diley Road Widening and Realignment Project.
- (4) During 2002, the City entered into a lease with First Star Bank for the construction of a new police facility.
- (5) During 2012, the City retired all outstanding bond anticipation notes, and the police facility capital lease with proceeds from the issuance of general obligation bonds.
- (6) During 2013, the City retired the outstanding State Infrastructure Bank Loan with proceeds from the issuance of general obligation bonds.
- (7) During 2015, the City issued \$2,300,000 in general obligation bond anticipation notes for the Refugee Road widening project. During 2017, the City issued an additional \$1,000,000 in general obligation bond anticipation notes for the Refugee Road widening project.

Business-Type Activities

General Obligation Bonds	Bond Anticipation Notes	OWDA Loan	Issue Two Notes	Capital Leases	Total Debt	Percentage of Personal Income (1)	Per Capita (1)
\$2,946,551	\$0	\$8,843,627	\$0	\$13,880	\$23,721,666	3.62%	\$1,182
3,206,659	0	9,534,607	0	18,345	24,365,382	3.82%	1,234
3,461,767	0	10,202,178	0	22,667	25,925,986	4.20%	1,336
3,903,131	0	10,847,143	0	1,627	25,428,952	4.25%	1,332
4,464,996	0	11,470,272	0	2,765	27,349,168	4.73%	1,463
5,006,375	0	12,087,014	0	12,173	29,154,722	5.07%	1,584
2,960,645	2,780,000	12,565,368	0	25,152	30,023,029	5.54%	1,641
3,160,584	3,989,000	11,530,965	0	31,678	31,420,073	5.96%	1,767
3,506,230	3,682,000	7,596,594	0	42,123	28,659,181	7.59%	1,960
3,846,876	4,325,000	974,369	6,299	75,563	23,890,784	6.28%	1,650

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

<u>Year</u>	<u>Population (1)</u>	<u>Estimated Actual Property Value</u>	<u>General Obligation Bonded Debt (2) (3)</u>	<u>General Obligation Bonded Debt to Estimated Actual Property Value</u>	<u>General Obligation Bonded Debt Per Capita</u>
2017	20,069	\$1,364,858,171	\$11,351,923	0.83%	\$565.64
2016	19,745	1,285,819,309	12,371,105	0.96%	626.54
2015	19,408	1,233,796,354	13,375,287	1.08%	689.16
2014	19,085	1,202,797,006	14,535,725	1.21%	761.63
2013	18,692	1,240,827,446	15,807,167	1.27%	845.66
2012	18,408	1,200,452,314	12,082,091	1.01%	656.35
2011	18,291	1,195,325,537	4,147,722	0.35%	226.76
2010	17,780	1,226,149,771	4,413,558	0.36%	248.23
2009	14,621	1,212,003,594	4,820,101	0.40%	329.67
2008	14,476	1,205,999,657	5,216,644	0.43%	360.37

- (1) Population estimates from Mid Ohio Regional Planning Commission for years 2008 and 2009.  
Population estimates from the U.S. Census Bureau for years 2010-2017.  
(2) The City implemented Governmental Accounting Standards Board Statement No. 63 in 2012.  
(3) Although the general obligation debt service fund is restricted for debt service, it is not specifically restricted to the payment of principal; therefore, these resources are not shown as a deduction from general obligation bonded debt.

Source: City financial records

**City of Pickerington, Ohio**  
Computation of Direct and Overlapping Governmental Activities Debt  
December 31, 2017

<u>Jurisdiction</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to City of Pickerington</u>	<u>Amount Applicable to the City of Pickerington</u>
<b><u>Direct - City of Pickerington</u></b>			
General Obligation Bonds	\$8,405,372	100%	\$8,405,372
Bond Anticipation Notes	3,300,000	100%	3,300,000
Capital Leases	212,236	100%	212,236
Total Direct Debt	<u>11,917,608</u>		<u>11,917,608</u>
<b><u>Overlapping Debt</u></b>			
Fairfield County	38,784,598	13.20%	5,119,567
Violet Township	6,725,000	43.57%	2,930,083
Pickerington Local School District	<u>99,990,623</u>	39.20%	<u>39,196,324</u>
Total Overlapping Debt	<u>145,500,221</u>		<u>47,245,974</u>
Total Direct and Overlapping Debt	<u><u>\$157,417,829</u></u>		<u><u>\$59,163,582</u></u>

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



**City of Pickerington, Ohio**  
**Pledged Revenue Coverage**  
**Revenue Debt - Water**  
**Last Ten Years**

Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Issue Two (3) Debt Service	OWDA Debt Service		Total Debt Service		Coverage
				Principal	Principal	Interest	Principal	Interest	
2017	\$2,408,333	\$2,093,961	\$314,372	\$0	\$159,393	\$24,546	\$159,393	\$24,546	1.71
2016	2,438,526	1,968,980	469,546	0	153,746	29,201	153,746	29,201	2.57
2015	2,355,625	1,953,712	401,913	0	148,299	40,877	148,299	40,877	2.12
2014	2,311,279	1,807,845	503,434	0	143,044	46,132	143,044	46,132	2.66
2013	2,351,312	1,840,132	511,180	0	137,976	51,200	137,976	51,200	2.70
2012	2,417,945	1,548,311	869,634	0	133,088	56,088	133,088	56,088	4.60
2011 (4)	0	0	0	0	0	0	0	0	0.00
2010	0	0	0	0	0	0	0	0	0.00
2009	1,855,965	1,343,124	512,841	6,299	0	0	6,299	0	81.42
2008	1,711,350	1,349,980	361,370	12,604	0	0	12,604	0	28.67

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

(2) Direct operating expenses does not include depreciation.

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

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

**City of Pickerington, Ohio**  
Pledged Revenue Coverage  
Revenue Debt - Sewer  
Last Ten Years

Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Sewer OWDA Debt Service		Coverage
				Principal	Interest	
2017	\$3,752,874	\$2,221,941	\$1,530,933	\$531,587	\$256,354	1.94
2016	3,662,584	1,849,766	1,812,818	513,825	271,902	2.31
2015	3,479,463	1,880,252	1,599,211	496,666	320,490	1.96
2014	3,449,685	2,096,017	1,353,668	480,085	337,070	1.66
2013	3,456,971	2,176,523	1,280,448	478,766	353,503	1.54
2012	3,454,126	1,947,285	1,506,841	425,366	325,049	2.01
2011	3,464,112	1,736,827	1,727,285	510,394	433,953	1.83
2010	3,327,414	1,466,376	1,861,038	61,373	32,173	19.89
2009	2,831,561	1,495,676	1,335,885	58,280	35,266	14.28
2008	2,327,131	1,571,812	755,319	55,345	38,201	8.07

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

(2) Direct operating expenses does not include depreciation.

**City of Pickerington, Ohio**  
Legal Debt Margin  
Last Ten Years

	2017	2016	2015	2014
Total Assessed Property Value	<u>\$476,547,940</u>	<u>\$449,019,010</u>	<u>\$430,855,880</u>	<u>\$420,037,020</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>50,037,534</u>	<u>47,146,996</u>	<u>45,239,867</u>	<u>44,103,887</u>
Debt Outstanding:				
General Obligation Bonds Payable	\$10,955,000	\$11,945,000	\$12,920,000	\$14,050,000
Notes Payable	3,300,000	2,300,000	2,300,000	0
Loans Payable (1)	0	0	0	0
Issue Two Notes Payable	0	0	0	0
OWDA Loans Payable	<u>8,843,627</u>	<u>9,534,607</u>	<u>10,202,178</u>	<u>10,847,143</u>
Total Gross Indebtedness Outstanding	23,098,627	23,779,607	25,422,178	24,897,143
Less: Debt Exempt from Limitation				
General Obligation Bonds Payable	(2,885,000)	(3,140,000)	(3,390,000)	(3,825,000)
Notes Payable	0	0	0	0
Issue Two Notes Payable	0	0	0	0
OWDA Loans Payable	(8,843,627)	(9,534,607)	(10,202,178)	(10,847,143)
Amount Available in Debt Service Fund for General Obligations	<u>(92,459)</u>	<u>(129,537)</u>	<u>(194,339)</u>	<u>(207,093)</u>
Total Net Debt Applicable to Debt Limit	<u>11,277,541</u>	<u>10,975,463</u>	<u>11,635,661</u>	<u>10,017,907</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$38,759,993</u>	<u>\$36,171,533</u>	<u>\$33,604,206</u>	<u>\$34,085,980</u>
Legal Debt Margin as a Percentage of the Debt Limit	77.46%	76.72%	74.28%	77.29%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$26,210,137</u>	<u>\$24,696,046</u>	<u>\$23,697,073</u>	<u>\$23,102,036</u>
Total Gross Indebtedness	23,098,627	23,779,607	25,422,178	24,897,143
Less:				
General Obligation Bonds Payable	(2,885,000)	(3,140,000)	(3,390,000)	(3,825,000)
Notes Payable	0	0	0	0
Issue Two Notes Payable	0	0	0	0
OWDA Loans Payable	(8,843,627)	(9,534,607)	(10,202,178)	(10,847,143)
Amount Available in Debt Service Fund for General Obligations	<u>(92,459)</u>	<u>(129,537)</u>	<u>(194,339)</u>	<u>(207,093)</u>
Net Debt Within 5 ½ % Limitations	<u>11,277,541</u>	<u>10,975,463</u>	<u>11,635,661</u>	<u>10,017,907</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$14,932,596</u>	<u>\$13,720,583</u>	<u>\$12,061,412</u>	<u>\$13,084,129</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	56.97%	55.56%	50.90%	56.64%

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

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

2013	2012	2011	2010	2009	2008
<u>\$433,411,990</u>	<u>\$419,306,830</u>	<u>\$417,550,250</u>	<u>\$427,456,580</u>	<u>\$422,729,110</u>	<u>\$419,692,930</u>
<u>45,508,259</u>	<u>44,027,217</u>	<u>43,842,776</u>	<u>44,882,941</u>	<u>44,386,557</u>	<u>44,067,758</u>
\$15,290,000	\$11,760,000	\$4,110,000	\$4,535,000	\$4,965,000	\$5,385,000
0	0	8,373,750	10,720,500	10,966,250	11,801,000
0	4,875,204	5,480,929	5,997,677	6,283,561	6,070,951
0	0	0	0	0	6,299
<u>11,470,272</u>	<u>12,087,014</u>	<u>12,565,368</u>	<u>11,530,965</u>	<u>7,596,594</u>	<u>974,369</u>
<u>26,760,272</u>	<u>28,722,218</u>	<u>30,530,047</u>	<u>32,784,142</u>	<u>29,811,405</u>	<u>24,237,619</u>
(4,380,000)	(4,915,000)	(2,935,000)	(3,295,000)	(3,665,000)	(4,030,000)
0	0	(3,989,000)	(5,682,000)	(4,864,000)	(5,150,000)
0	0	0	0	0	(6,299)
<u>(11,470,272)</u>	<u>(12,087,014)</u>	<u>(12,565,368)</u>	<u>(11,530,965)</u>	<u>(7,596,594)</u>	<u>(974,369)</u>
<u>(274,430)</u>	<u>(347,654)</u>	<u>(44,039)</u>	<u>(18,122)</u>	<u>(68,407)</u>	<u>(64,721)</u>
<u>10,635,570</u>	<u>11,372,550</u>	<u>10,996,640</u>	<u>12,258,055</u>	<u>13,617,404</u>	<u>14,012,230</u>
<u>\$34,872,689</u>	<u>\$32,654,667</u>	<u>\$32,846,136</u>	<u>\$32,624,886</u>	<u>\$30,769,153</u>	<u>\$30,055,528</u>
76.63%	74.17%	74.92%	72.69%	69.32%	68.20%
<u>\$23,837,659</u>	<u>\$23,061,876</u>	<u>\$22,965,264</u>	<u>\$23,510,112</u>	<u>\$23,250,101</u>	<u>\$23,083,111</u>
<u>26,760,272</u>	<u>28,722,218</u>	<u>30,530,047</u>	<u>32,784,142</u>	<u>29,811,405</u>	<u>24,237,619</u>
(4,380,000)	(4,915,000)	(2,935,000)	(3,295,000)	(3,665,000)	(4,030,000)
0	0	(3,989,000)	(5,682,000)	(4,864,000)	(5,150,000)
0	0	0	0	0	(6,299)
<u>(11,470,272)</u>	<u>(12,087,014)</u>	<u>(12,565,368)</u>	<u>(11,530,965)</u>	<u>(7,596,594)</u>	<u>(974,369)</u>
<u>(274,430)</u>	<u>(347,654)</u>	<u>(44,039)</u>	<u>(18,122)</u>	<u>(68,407)</u>	<u>(64,721)</u>
<u>10,635,570</u>	<u>11,372,550</u>	<u>10,996,640</u>	<u>12,258,055</u>	<u>13,617,404</u>	<u>14,012,230</u>
<u>\$13,202,089</u>	<u>\$11,689,326</u>	<u>\$11,968,624</u>	<u>\$11,252,057</u>	<u>\$9,632,697</u>	<u>\$9,070,881</u>
55.38%	50.69%	52.12%	47.86%	41.43%	39.30%

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

Year	Population (1)	Total Personal Income (6)	Personal Income Per Capita (2)	Median Household Income (2)	Median Age (2)
2017	20,069	\$654,771,194	\$32,626	\$84,410	35.5
2016	19,745	637,368,600	32,280	82,569	35.9
2015	19,408	616,922,096	31,787	82,247	35.3
2014	19,085	598,257,495	31,347	81,540	36
2013	18,692	578,087,484	30,927	81,480	35.3
2012	18,408	574,826,616	31,227	80,783	32.9
2011	18,291	542,072,076	29,636	75,985	34
2010	17,780	526,928,080	29,636	75,985	34
2009	14,621	377,792,019	25,839	63,664	32.7
2008	14,476	374,045,364	25,839	63,664	32.7

(1) Population estimates from Mid Ohio Regional Planning Commission for years 2008-2009.  
Population estimates from the U.S. Census Bureau for years 2010-2017.

(2) Source: U.S. Census Estimates

(3) Source: Ohio Department of Education.

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

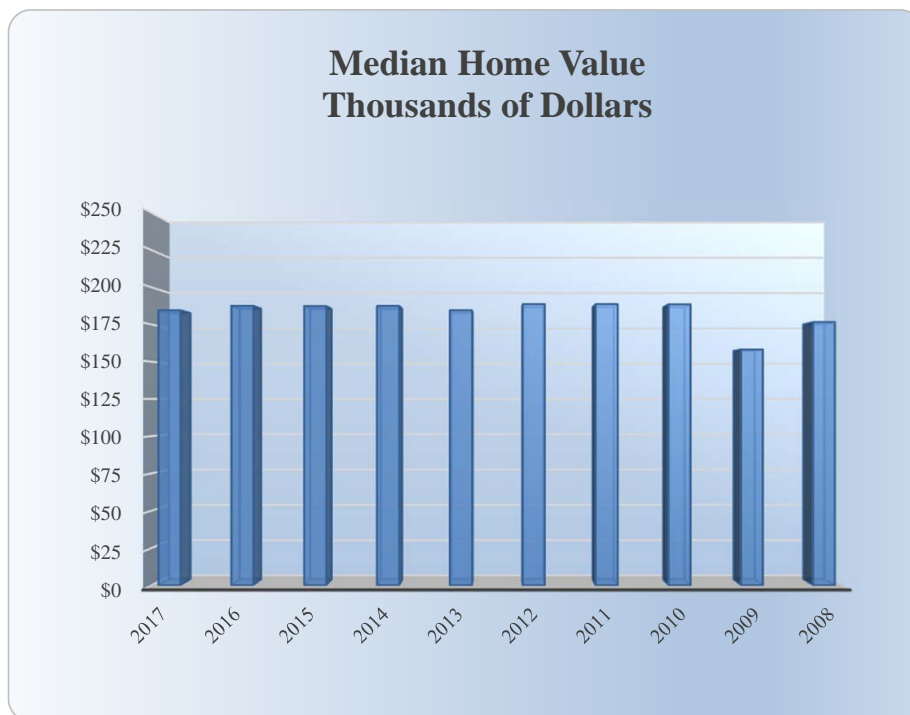
(5) Source: Fairfield County, Ohio; County Auditor for years 2008-2009.

Source: U.S. Census Bureau for years 2010-2017.

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



Educational Attainment: Bachelor's Degree or Higher (2)	School Enrollment (3)	Fairfield County Unemployment Rate (4)	Median Home Value (5)	Total Assessed Property Value (5)
38.6%	10,468	4.3%	\$184,500	\$476,547,940
36.3	10,236	4.2	187,500	449,019,010
39.3	10,042	4.3	187,300	430,855,880
38.8	10,080	4.8	187,400	420,037,020
40.1	10,116	5.6	184,500	433,411,990
41.2	10,285	5.8	188,600	419,306,830
41.0	10,326	7.7	188,600	417,550,250
41.0	10,287	7.9	188,500	427,456,580
31.6	9,867	8.5	158,224	422,729,110
31.6	9,820	5.8	176,570	419,692,930



**City of Pickerington, Ohio**  
Principal Employers  
2017 and 2008

2017			
Employer	Nature of Business	Employees	Percentage of Total City Employment
Pickerington Local School District	School System	1,323	13.78%
Ohio Health Corporation	Health Care Facility	457	4.76%
Kohl's Department Stores	Retail	359	3.74%
Kroger Company, Inc.	Supermarket	350	3.65%
Cracker Barrel Restaurant	Restaurant	245	2.55%
Roosters	Restaurant	228	2.37%
Tamarkin Co Inc.	Supermarket	195	2.03%
Wendys	Restaurant	191	1.99%
Pivot Sports Bar & Grill	Restaurant	183	1.91%
Steak N Shake Inc.	Restaurant	173	1.80%
Total		3,704	38.58%
Total Employment within the City		9,602	

2008			
Employer	Nature of Business	Employees	Percentage of Total City Employment
Pickerington Local School District	School System	1,141	12.80%
Kroger Company, Inc.	Supermarket	298	3.34%
Cracker Barrel Restaurant	Restaurant	292	3.28%
Kohl's Department Stores	Retail	263	2.95%
Max & Erma's Restaurants, Inc.	Restaurant	173	1.94%
City of Pickerington	Government	127	1.42%
Marcus Cinemas of Ohio, LLC	Entertainment	122	1.37%
Bob Evans Farms, Inc.	Restaurant	116	1.30%
R.G. Barry Corporation	Manufacturing	109	1.22%
American Motorcycle Association	Museum and Organization	107	1.20%
Total		2,748	30.82%
Total Employment within the City		8,916	

Source: City Income Tax Department and US Census.

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

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

Source: City financial records

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

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
7.00	7.00	7.00	7.00	7.00	7.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
1.50	1.00	1.00	1.00	1.00	1.00
3.50	4.50	4.00	3.00	3.00	4.00
2.00	2.00	2.00	1.00	1.00	1.50
2.00	2.00	2.00	2.00	2.00	2.00
2.00	1.00	1.00	1.00	1.00	1.00
2.50	2.50	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00	0.00
0.00	1.00	1.00	1.00	1.00	0.00
0.00	2.00	2.00	2.00	2.00	0.00
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
22.00	21.00	19.00	20.00	19.00	20.00
3.00	3.00	3.00	3.00	2.00	3.00
11.00	8.50	10.50	9.50	11.50	10.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	0.50	2.00	2.00	2.00
2.00	2.00	2.00	2.00	3.00	3.00
2.00	2.00	3.00	3.00	3.00	7.00
4.00	3.00	2.50	3.00	3.00	4.00
0.00	0.00	0.00	0.00	0.00	1.00
5.00	5.00	5.00	5.00	5.00	5.00
1.00	1.00	1.00	1.00	1.00	1.00
0.00	0.00	0.00	0.00	0.00	0.00
4.00	4.00	3.00	3.00	3.00	2.00
6.00	6.00	5.00	5.00	5.00	5.00
6.00	6.00	6.00	6.00	5.00	5.00
2.00	2.00	2.00	2.00	2.00	2.00
<u>98.50</u>	<u>96.50</u>	<u>94.50</u>	<u>94.50</u>	<u>94.50</u>	<u>97.50</u>

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

Function/Program	2017	2016	2015	2014
<b>General Government</b>				
<i><b>Council and Clerk</b></i>				
Number of Ordinances Passed	60	52	44	67
Number of Resolutions Passed	30	25	50	41
<i><b>Finance Department</b></i>				
Number of checks/ vouchers issued	4,078	4,139	4,286	4,346
Number of P.O.'s issued	3,337	2,570	3,255	3,279
Interest earnings for fiscal year (1)	\$226,409	\$141,459	\$74,285	\$60,953
General Fund Receipts (1)	\$10,615,164	\$9,314,280	\$9,019,315	\$8,376,598
General Fund Expenditures (1)	\$9,464,880	\$9,028,000	\$8,559,589	\$7,965,622
General Fund Cash Balances	\$6,097,300	\$4,624,365	\$4,223,426	\$3,726,214
<i><b>Income Tax Department</b></i>				
Forms Prepared/ Mailed				
Number of Tax Returns (3)	12,240	12,441	10,754	10,439
Withholding Forms (3)	2,695	1,655	1,535	3,005
Estimate Statements	2,539	2,552	2,986	3,007
Federal 1099-G	2,137	2,020	2,003	2,220
Collections				
Tax (2)	\$7,348,344	\$6,478,485	\$5,931,529	\$5,760,828
Refunds	\$333,523	\$278,748	\$245,768	\$298,232
<i><b>Utilities Billing</b></i>				
Shut-off notices processed	4,660	4,436	3,977	3,940
Work Orders Processed	1,412	1,456	1,744	1,808
New Accounts Added	111	161	137	138
Utility Bills Mailed	72,340	71,440	70,067	67,624
<i><b>Building Department Indicators</b></i>				
Construction Permits Issued				
New Residential	130	85	104	108
Commercial	224	213	165	213
Minor	402	322	396	335
Inspection Statistics				
Residential	3,290	2,361	2,970	2,564
Commercial	1,140	820	708	914
Contractor Registration Statistics				
Registrations	483	461	445	427

(1) Cash basis of accounting.

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

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

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

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

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

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

Source: City financial records

2013	2012	2011	2010	2009	2008
81	77	82	102	93	96
30	49	27	22	30	18
4,158	4,612	7,527	7,710	7,765	8,318
3,285	3,028	2,899	2,703	2,609	2,866
\$40,631	\$43,491	\$50,736	\$92,091	\$150,287	\$189,661
\$7,973,116	\$7,880,393	\$8,531,965	\$7,714,298	\$7,251,584	\$7,445,994
\$8,116,822	\$8,588,715	\$7,780,851	\$7,448,350	\$3,376,774	\$3,532,008
\$3,185,607	\$3,084,553	\$3,536,083	\$3,145,938	\$2,854,677	\$2,282,464
10,346	10,035	10,145	9,921	9,643	9,680
2,684	2,362	2,189	1,921	1,865	1,835
2,686	2,914	2,720	2,800	3,071	2,979
2,217	2,153	1,988	1,959	2,336	2,286
\$5,220,794	\$5,029,644	\$5,117,727	\$4,643,326	\$4,527,504	\$4,671,505
\$223,352	\$249,591	\$226,016	\$205,136	\$213,084	\$235,826
3,651	3,739	4,188	3,916	3,761	3,118
2,138	1,714	1,313	1,466	1,211	2,045
102	88	75	82	95	75
66,795	65,907	65,186	64,483	63,554	62,877
104	98	52	66	70	50
172	144	169	93	100	98
319	284	230	273	200	93
2,343	2,175	1,376	1,881	1,749	1,603
697	680	861	417	709	732
468	374	328	337	253	337

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

Function/Program	2017	2016	2015	2014
<b>Security of Persons &amp; Property</b>				
<i>Police</i>				
Total Calls for Services	33,291	32,972	32,735	34,488
Total Reports Taken	2,315	2,462	2,746	2,053
OMVI/DUI	75	112	53	66
Juvenile/ Adult Traffic Citations	3,382	3,082	2,603	2,626
Juvenile Education				
Enforcement Program	0	0	0	0
Serious Crime/ Incidents				
Accidents	510	554	595	560
Homicides	0	0	0	1
Fatal Accidents	0	0	1	2
Rapes	2	5	11	2
Auto Theft	21	13	12	17
Robbery	10	8	12	4
Burglary	20	36	39	41
Assaults	46	43	42	40
Suicides	0	4	0	3
<b>Leisure Time Activities</b>				
<i>Parks &amp; Recreation</i>				
Park Land and Acreage	158.13	158.13	157.33	157.33
Street Trees				
Number of trees planted	116	202	503	250
Number of trees pruned	195	280	600	138
Number of trees removed	112	53	233	52
Recreation Activities				
Basketball Leagues	0 teams	0 teams	0 teams	0 teams
Co-Rec Volleyball League	7 teams	8 teams	8 teams	5 teams
Softball Leagues	23 teams	27 teams	29 teams	24 teams
<b>Community Development</b>				
<i>Planning &amp; Zoning Indicators</i>				
Comprehensive Sign Plans	12	9	13	7
Rezoning	0	1	2	0
Annexations	0	0	1	0
Certificates of Appropriateness	8	25	9	8
Lot Splits	8	6	1	1
Subdivision Plats	5	6	3	0
Planned Unit Developments	2	2	1	1
Complaints Received	321	422	383	433
Inspections Completed	319	413	377	424
Unresolved Issues	2	9	6	9
<b>Streets and Equipment Maintenance</b>				
Storm Sewers				
Inlets	5	27	3	17
Collapsed Lines	0	0	0	70
Ditches	573	860	230	969

(1) Cash basis of accounting.

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

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

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

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

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

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

Source: City financial records

2013	2012	2011	2010	2009	2008
32,829	37,792	38,011	31,344	37,243	36,489
2,031	1,998	1,939	1,919	1,999	1,935
45	50	35	48	41	39
2,516	2,701	2,841	2,525	2,431	2,215
0	1	10	1	3	3
564	483	432	468	491	493
0	0	0	0	0	0
0	0	1	1	0	0
7	8	5	6	8	4
19	12	11	5	15	25
6	10	8	9	15	2
55	43	52	42	52	55
40	56	51	57	57	54
3	1	1	0	0	3
157.33	157.33	157.33	157.33	157.33	157.33
233	94	148	88	216	176
262	706	940	633	700	265
75	86	39	33	61	61
0 teams	0 teams	0 teams	5 teams	8 teams	8 teams
5 teams	7 teams	9 teams	9 teams	11 teams	11 teams
24 teams	32 teams	35 teams	40 teams	41 teams	41 teams
17	8	19	14	13	17
4	3	2	3	4	1
0	1	1	0	2	0
14	16	13	13	13	15
1	3	1	4	3	7
1	0	3	0	0	0
0	0	1	1	1	1
294	259	272	305	930	792
270	252	238	398	888	731
24	7	34	50	42	61
1	17	17	9	14	12
320	0	65	465	500	600
0	0	0	270	300	250

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

Function/Program	2017	2016	2015	2014
<b>Streets and Equipment Maintenance (continued)</b>				
Leaf Pick Up				
Loads	65	118	104	82
Days	51	45	33	44
Snow Removal				
Salt (tons)	1,136.00	1,023.20	1,600.00	1,123.75
Hours	369.0	647.0	1,125.5	661.0
Sand/Chloride (gallons)	0.00	0.00	0.00	0.00
Signs				
Repair/Replace	175	16	10	93
New	64	37	62	43
Mosquito Fogging (hrs)	104.00	78.00	176.00	104.00
Street Maintenance				
Striped (miles)	2.01	3.44	8.00	12.78
Street Sweeping (cu. yd.)	44	22	26	130
Berming (miles)	0.00	0.00	5.00	0.00
Crack Sealing (sq. yards or tons) (4)	72,017	50,554	153,662	137,703
<b>Water Department</b>				
Revenue Collected (1)	\$2,360,493	\$2,421,929	\$2,332,796	\$2,308,794
Water Processed (Million Gallons Per Day)				
Raw Water	792.58	757.87	693.72	678.22
Avg./Day	2.17	2.07	1.90	1.85
Water to System	529.59	500.53	459.93	483.80
Avg./Day	1.45	1.37	1.26	1.33
Chemical Usage (in 1000s)				
Chlorine	5,860	5,825	5,685	5,577
Avg./Day	16.05	15.91	15.57	15.28
Fluoride	22,479	21,816	20,444	20,290
Avg./Day	61.58	59.60	56.01	55.59
Phosphate	25,282	26,877	25,859	24,371
Avg./Day	69.27	73.43	70.84	66.77
Potassium	26,561	29,696	20,916	21,808
Avg./Day	72.77	81.13	57.30	59.75
Caustic (7)	15,000	14,281	12,930	n/a
Avg./Day	40.99	39.02	35.42	n/a
Bisulfite (7)	12,389	13,804	16,601	n/a
Avg./Day	33.94	37.72	45.48	n/a
Annual Water Pumpage (in 1000s)				
Raw Water	792.580	757.865	693.720	678.223
Treated Water	589.980	500.527	459.929	532.328
Plant Use	116.200	129.900	64.000	277.000
<b>Sewer Department</b>				
Revenue Collected (1)	\$3,692,138	\$3,652,695	\$3,489,617	\$3,430,884
Treated Water (total for year)	763.38	756.14	775.96	716.97
Average (Gallons Per Day)	2,091	2,072	2,130	1,964
Sludge Hauled (tons)	288.88	254.58	241.14	254.33
<b>Aquatic Recreation Center</b>				
Revenue Collected (1)	\$193,273	\$183,814	\$161,777	\$161,743
Number of Memberships Sold	544	427	387	457
Number of Day Passes Sold (6)	6,663	7,493	5,098	1,760
Number of Patrons (5)	1,593	1,335	1,300	1,588

(1) Cash basis of accounting.

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

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

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

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

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

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

Source: City financial records

2013	2012	2011	2010	2009	2008
98	127	95	86	141	115
31	98	44	40	43	42
1,284.62	558.00	2,616.00	2,514.33	1,170.00	1,800.00
698.5	149.5	374.8	863.5	644.0	389.5
0.00	0.00	0.00	34.28	20	0
153	99	89	58	63	93
19	22	17	25	13	27
31.50	9.90	32.50	98	68	120
10.80	2.00	0.44	0.59	18.44	6.00
21	98	121	52	211	110
0.00	2.00	2.00	1.50	5.00	2.00
60,737	87,621	143,890	1.90	3.05	0.00
\$2,327,814	\$2,385,321	\$2,174,947	\$1,994,091	\$1,796,125	\$1,604,908
720.03	721.16	576.69	557.00	549.90	576.40
1.97	1.98	1.58	1.53	1.51	1.58
499.60	508.51	477.90	503.10	501.71	521.72
1.37	1.39	1.30	1.38	1.37	1.43
6,090	5,733	7,247	8,316	7,846	7,813
16.68	15.71	19.85	22.79	21.49	21.40
20,736	20,656	16,798	17,382	16,699	17,535
56.81	56.59	46.02	47.62	45.75	48.04
24,537	26,812	26,134	27,428	26,714	25,420
67.22	73.45	71.60	75.15	73.18	69.64
19,967	18,874	18,632	19,111	19,249	14,499
54.70	51.71	51.04	52.36	52.74	39.72
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
720.033	721.164	576.694	557.004	549.900	569.530
546.520	606.241	517.123	503.100	501.709	515.860
68.000	156.500	4.861	61.250	46.538	58.110
\$3,428,190	\$3,423,016	\$3,463,565	\$3,260,014	\$2,735,204	\$2,177,967
795.42	793.90	703.00	440.41	420.74	498.55
2.180	2.170	1.920	1.210	1.152	1.370
183.69	266.00	183.26	278.66	308.27	376.50
\$169,595	\$191,108	\$185,440	\$201,701	\$267,661	\$269,419
559	624	585	636	684	672
0	n/a	n/a	n/a	n/a	n/a
1,887	2,119	2,091	0	0	0



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

Function/Program	2017	2016	2015	2014
<b>General Government</b>				
Square Footage of Municipal Building	9,280	9,280	9,280	9,280
Square Footage of Building Department	2,547	2,547	2,547	2,547
Vehicles	5	5	5	5
<b>Police</b>				
Stations	1	1	1	1
Square Footage of Building	20,531	20,531	20,531	20,531
Vehicles	18	18	17	16
Motorcycle	0	0	0	0
<b>Leisure Time Activities</b>				
Number of Parks	7	7	7	7
Number of Tennis Courts	3	3	3	3
Number of Skateboarding Areas	1	1	1	1
Number of Baseball and Softball Diamonds	4	4	4	4
Number of Soccer Fields	3	3	3	3
Disc Golf Course	1	1	1	1
Vehicles	1	2	2	2
Basketball Courts	3	3	3	3
<b>Transportation</b>				
Streets (miles)	76.95	75.54	74.49	73.80
Service Vehicles	16	16	17	20
<b>Service Complex</b>				
Square Footage of Cold Storage Building	4,368	4,368	4,368	4,368
<b>Sewer</b>				
Sanitary Sewers (feet)	431,236	431,236	424,618	423,945
Square Footage of Building	800	800	800	800
Vehicles	2	2	2	2
<b>Water</b>				
Square Footage of Building	13,667	13,667	13,667	13,667
Water Lines (feet)	354,008	350,921	346,857	345,094
Vehicles	5	5	5	3
<b>Stormwater</b>				
Storm Sewers (feet)	228,116	223,319	218,200	218,072
<b>Utilities</b>				
Square Footage of Utilities Complex	1,658	1,658	1,658	1,658
<b>Aquatic Recreation Center</b>				
Acreage	3.89	3.89	3.89	3.89
Square Footage of Adult Swimming Pool	9,350	9,350	9,350	9,350
Square Footage of Youth Swimming Pool (1)	0	0	0	250
Square Footage of Splashpad (2)	2,036	2,036	2,036	0

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

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

Source: City financial records

2013	2012	2011	2010	2009	2008
9,280	9,280	9,280	9,280	9,280	9,280
2,547	2,547	2,547	2,547	2,547	2,547
6	6	6	6	5	5
1	1	1	1	1	1
20,531	20,531	20,531	20,531	20,531	20,531
17	17	20	18	18	17
0	0	1	1	1	1
7	7	7	7	7	7
5	5	5	5	5	5
1	1	1	1	1	1
4	4	4	4	4	4
3	3	3	3	3	3
1	1	1	1	0	0
4	4	4	5	8	8
2	2	2	2	2	2
73.80	73.80	73.80	73.80	73.80	73.80
22	16	15	17	15	15
4,368	4,368	4,368	4,368	4,368	4,368
421,299	421,299	421,299	409,840	409,840	409,840
800	800	800	800	800	800
3	3	3	3	3	2
13,667	13,667	13,667	13,667	13,667	13,667
341,101	341,101	341,101	351,814	312,377	312,377
3	3	3	3	3	2
218,072	218,072	217,687	217,687	214,807	210,987
1,658	1,658	1,658	1,658	1,658	1,658
3.89	3.89	3.89	3.89	3.89	3.89
9,350	9,350	9,350	9,350	9,350	9,350
250	250	250	250	250	250
0	0	0	0	0	0

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