City of Pataskala, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2013

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For the Year Ended December 31, 2013

James M. Nicholson
Finance Director

Introductory Section

City of Pataskala | CAFR

CITY OF PATASKALA, OHIO
2013 COMPREHENSIVE ANNUAL FINANCIAL REPORT

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Finance Department

James M. Nicholson
Finance Director

Janice A. Smith
Finance Manager

June 13, 2014

The Honorable Mayor, Members of City Council, and
The Citizens of the City of Pataskala, Ohio:

The Comprehensive Annual Financial Report (CAFR) of the City of Pataskala, Licking County, Ohio (the "City") is hereby presented. This CAFR represents the official report of' the City's operations and financial position for the year ended December 31, 2013, and has been developed to accurately detail the status of City finances to its more than fifteen thousand residents, elected officials, investment banks, underwriters and all other interested parties. This report includes the City's implementation of accounting principles generally accepted in the United States of America (GAAP) set forth by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. 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.

State statutes require the City to be subjected to an examination by the Auditor of State of Ohio. Upon the approval of the Auditor of State of Ohio, the City may select an independent public accountant to perform this annual examination and the City has accordingly selected the firm of Balestra, Harr & Scherer CPAs, Inc. Based on the results of their audit, an unmodified opinion was rendered on the City's basic financial statements and the Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the Independent Auditor's Report.

REPORTING ENTITY AND SERVICES PROVIDED

The City's reporting entity is comprised of the primary government and other organizations which are included to ensure that the financial statements are not misleading. The reporting entity has been defined in accordance with the principles established by the Governmental Accounting Standards Board (GASB) in Statement No. 14, "The Financial Reporting Entity", in GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus".

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Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and: (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization.

Component units also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. No potential component units met these criteria. The following potential component units have been excluded from the City's financial statements because the City is not financially accountable for them nor are the entities fiscally dependent on the City:

- Southwest Licking Local School District
- Licking Heights Local School District
- Pataskala Public Library

The City is associated with five jointly-governed organizations and one insurance purchasing pool. These organizations are the Mid-Ohio Regional Planning Commission (MORPC), the Southwest Licking Community Water & Sewer District, the West Licking Joint Fire District, the Pataskala Corporate Park Joint Economic Development District (JEDD), the Regional Income Tax Agency (RITA) and the Ohio Plan Risk Management.

The Municipal Charter, which was adopted in 1996, became effective January 1, 1996, and was most recently amended in 2011. This Charter provides for the Mayor-Council-Administrator 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 concurs on the Mayor's appointment of the City Administrator, Law Director, Finance Director, and City Engineer. Council also makes citizen appointments to several boards and commissions. There are nine standing Council Committees that Council appoints, and include the following: Agriculture, Finance, Buildings & Grounds, Safety, Street, Utilities, Parks Advisory, Technology and Development. Council sets the compensation guidelines for City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriations, indebtedness, building permits and licenses and other municipal purposes.

The Mayor, who is elected by popular vote, performs ceremonial functions, recommends appointment of and acts as supervisor of the City Administrator, is the presiding officer of Council and is an ex-officio member of all Council Committees.

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

The Finance Director is the chief fiscal and accounting officer of the City. The responsibilities of this office include: assisting the City Administrator in the preparation and management of the capital and operating budgets; managing the debt and treasury programs of the City; managing the City's procurement and risk management processes; and overall responsibility for the City financial and accounting records

The Law Director is the primary legal advisor, and also serves as prosecuting attorney and counsel for the City. The Director is subject to the direction of Council, and shall represent the City in all proceedings in Court or before any administrative board or body.

The City has engaged the services of an independent engineering firm for the provision of fundamental services, including plan review, project engineering, RFP document development and utility plan reviews. In addition, the City has developed an internal database of pre-qualified engineering firms which meet the City's stringent qualifications that can be retained for special project needs on an ad hoc basis.

The City provides the following services: public safety, operation of water and sewer utilities, and a planning and zoning department. Fire protection services are provided by the West Licking Joint Fire District, of which the City participates and has a seat on its board. Solid waste collection services in the City are awarded on a contract basis every three years. The City also contracts with the Licking County Board of Health for Health Department services. In 2008, the City elected to eliminate all parks and recreation programs as a cost-saving measure. In response, members of the community created several 501(c)(3) organizations in order to continue the youth soccer and softball programs. These organizations are governed by a Parks and Recreation Advisory Committee. This Committee then reports to the City Administrator for direction and guidance.

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 city departments are required to submit requests for appropriation to the Finance Director on an annual basis. The Finance Director uses these requests as the starting point for developing a proposed budget.

The Finance Director presents the proposed estimated revenue budget for the City Administrator's review and approval and appropriations are then finalized. The City Administrator and the Finance Director then present the proposed budget to the City Council for review before the end of the current year. Council may elect to hold public hearings on the proposed budget and to adopt the budget by no later than December 31, the close of the City's fiscal year. State law provides that municipalities may adopt a temporary budget if the governing body is unable to adopt a permanent budget prior to January 1st. If a governing body adopts a temporary budget, a permanent budget must be adopted and sent to the County Auditor no later than April 1st of that year.

A jurisdiction's 'basis of budgeting' refers to when revenues and expenditures are recognized in the accounts. The City's budget basis is a cash/encumbrance basis, wherein transactions are recorded when cash is received or disbursed, or when a commitment has been recorded as an encumbrance against and applicable appropriation. All annual appropriations lapse at year-end to the extent that they have not been expended or lawfully encumbered. Fund balances are shown as unencumbered fund balances. This basis is used for all interim financial statements during the year.

Ohio Revised Code (ORC) §5705.38(c) requires each municipality to present their annual operating budget to their legislative authority, at minimum, at the level of fund, department, and within department, identifying personal services and other expenditures. The City adopts its annual budget in the format of fund, function to categories such as personal services, contractual services, materials and supplies and capital outlay. *Fund* is the individual fund number and description established by the authority to separate and control expenditures of specific monies. While all governmental funds are included in the annual appropriation ordinance, agency and fiduciary funds are not included. *Program/Department* represents groupings of functionally similar tasks performed by the jurisdiction and is the local equivalent of the ORC-required department. There are twelve major programs/departments identified by the City Finance Director and include the following:

- General Government
- Police
- Public Service
- Planning & Zoning
- Finance
- Legal
- Mayor's Court
- Land's & Buildings
- Office of the Mayor
- City Council
- Boards & Commissions
- Transfers & Advances

The final ORC required component is *Object*. The object code is the lowest level of control provided for in the appropriation legislation. The current format provides the level of detail required by the ORC while not unduly restricting the ability of the Finance Director to manage the budget without submitting numerous supplemental appropriations to provide for minor budget transfers. In this budget structure, similar types of account numbers are grouped together into higher-level summary accounts. These summary groups include:

- Salary & Related
- Contractual Services
- General Operating
- Capital Outlay
- Debt Service
- Transfers & Advances

Amendments to authorized appropriations at the legal level of control may be made periodically as changing circumstances dictate. These will be recommended to City Council by either the City Administrator or the Director of Finance, along with the rationale supporting the requests. Such budget amendments must be formally approved by ordinance of Council. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted.

PROFILE OF THE CITY

The Pataskala area was settled in the 1800's and incorporated as a village in 1891. In the 1970's, the village added 240 acres to the east. A major part of this annexation was land along Blacks Road, the railroad tracks, and Township Road. A Newark Advocate article from 1971 described the site as the future location for single and multi-family residences, warehouses, light manufacturing, and commercial industry. The development was originally expected to be completed by 1976. Portions of the single-family, multi-family and light manufacturing components of the project have been completed.

The 1980's saw the Village of Pataskala grow by 404 acres. The territory located north and east of the village, was brought in through three annexations. This annexed territory was developed as the Bright Waters subdivision on Township Road, and the Dehlendorf development (which includes commercial and office development).

From the 1800's until 1995, the former Village of Pataskala grew in all directions except south. In the 1960's, the village added territory north and south of State Route 16. One 627 acre annexation added several residential subdivisions to the village, plus some commercial development.

The adjacent Lima Township had grown and developed over the last fifty years, as well. The 1980's were a time of moderate increases in land subdivision and construction activity. The average annual number of permits issued from 1980-1990 were 17.9 residential zoning permits and 13 subdivision permits.

Just prior to 1996, the Village of Pataskala was a small rural community situated on the borders of Lima Township and Harrison Township in southwest Licking County. The village had approximately 3,346 residents in 1990, while Lima Township had approximately 4,398 residents. Both the township and the village were experiencing rapid growth, influenced by the expansion of the cities of Reynoldsburg and Columbus directly to the west. Facing strong development pressures from these western municipalities, the Village of Pataskala and Lima Township determined they had three future interests in common. First, most citizens from both entities were satisfied with their community and did not want major change or expansion. Secondly, the citizens enjoyed the rural nature of their living environment. Finally, if changes had to occur within their community (such as increased industrial or residential development), the citizens wanted to be able to control and have a voice in the manner of such expansion.

These common beliefs led the Village of Pataskala and Lima Township to propose a merger, which was approved by the voters on November 8th, 1994, and went into effect on January 1st, 1996. At that point in time, Lima Township ceased to exist; the resulting municipality was simply known as Pataskala.

The City has a population of 15,125 residents based on the 2013 annual population estimate by the Mid-Ohio Regional Planning Commission (MORPC), which makes the City the 2nd largest City in the county.

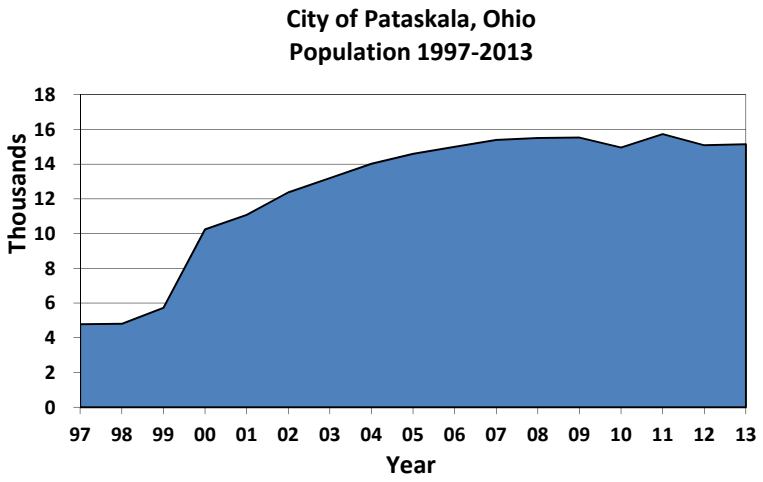
City residents have easy access to downtown Columbus and the entire central Ohio area via Interstate 270 and Interstate 70, U.S. Route 40 and State Routes 16 and 310. Commercial passenger air service is available at Port Columbus International Airport and Rickenbacker International Airport in the City of Columbus. The Licking County Heath Airport is located approximately 15 miles to the east of the City in Heath, Ohio and provides private commuter service.

The City is served by the Southwest Licking and Licking Heights Local School Districts, which are independent political subdivisions not under the control or supervision of the City in any respect. The geographic boundaries of the School Districts are different than those of the City. Both school districts estimate that between 95-96 percent of students in their school systems reside in the City.

ECONOMIC CONDITION AND OUTLOOK

Growth and development within the City is expected to increase due to the City's strategic location between the Interstate 70 and State Route 161 corridors in the growing eastern gateway area of the Columbus Region. The United States Census Bureau officially counted population in the City in 2010 as 14,962, an increase of 4,713 (46%) since the 2000 Census count. It is projected that the current 2013 population exceeds 15,100. The main factor contributing to this growth over a sustained period has been the small-town atmosphere and the rural character of Pataskala along with relatively close proximity to the region's core city, Columbus.

Within the past 13 years the City has seen major commercial development occurring within the eastern portion of the City along Broad Street with the development of a Kroger store and adjacent strip retail center, the Hazelwood Shopping Center. In addition to the construction of Kroger in 2000, the first phase of the Hazelwood Shopping Center was also constructed with approximately 19 additional retail units ranging from 1,400 square feet to 4,800 square feet and totaling 28,800 square feet. In the years following, another small retail center was built to the east of the Kroger/Hazelwood Shopping Center on the opposite side of Corylus Drive. Along with the retail center there is a car wash and a two-story bank, Bremen Bank of Pataskala. There was also enough additional residential growth in the area that Kroger came back in 2006 to ask for approval to expand their existing store by approximately 22,000 square feet. In addition to this expansion, Phase II of the Hazelwood Shopping Center totaling 22,000 square feet was also completed. This development offers an additional 12 retail units ranging from 1,400 to 10,200 square feet.



The City also approved development plans for a mixed-use project along State Route 310 just south of the old Village area. This project has retail/office development located along the west and east frontages, along with a nursing facility on the west side which has space for 100 individual units with future plans of expansion. A retail center located on the west side of State Route 310 has three separate buildings totaling approximately 37,500 square feet for local retail business uses. A ten (10) year Tax Increment Financing district was established along the SR310 Corridor with the intent to generate payment in lieu of tax revenues for future infrastructure improvements in this development area.

In early 2007, the City rezoned property located at the northeast corner of State Route 310 and Refugee Road for another mixed use project with approximately 30 acres each of commercial, condominium, and apartments/assisted living units. This action is consistent with the Comprehensive Plan for the City and will allow commercial development to occur in areas planned for such development. It is anticipated that such development will provide new jobs and income tax revenue to the City.

In late 2006, the Ohio Department of Development designated an approximately 521 acre site in the City as eligible for $3.4 million in Job Ready Sites (JRS) funding to construct an access road to open up the site, known as the Pataskala Corporate Park, for development. As such, this JRS site, at the southeast corner of State Route 16 (Broad Street) and Mink Street is recognized as one of the premier sites for manufacturing and industrial development in the State of Ohio. This new road, linking State Route 16 (Broad Street) and U.S. 40 (The National Road), and providing improved access to Interstate 70 offers unparalleled access for commerce. The roadway is one of the initial projects funded under Ohio's Job Ready Sites (JRS) program, and is critical in order for the City to create jobs and investment. Phase I of this development was a two-lane roadway, with a future Phase II to add an additional 3rd and 4th lane, as well as other associated infrastructure improvements. The total cost of Phase I of the project was approximately $5 million. Phase II of the project is anticipated to cost an additional $6.3 million. The Phase I roadway was completed in late 2011 and the City has been actively marketing the Pataskala Corporate Park to attract advanced manufacturing, logistics, research & development, and corporate headquarters facility uses.

The Pataskala Corporate Park currently has all utilities and infrastructure in place and is prepared to support new development. In January 2012, the Austen Company, in conjunction with the Ohio Development Service Agency (formerly known as the Ohio Department of Development), designated the site with the Corporate Park as a certified JRS site. While the JRS site is nearly 521 acres in size, the new road potentially opens up over 1,000 acres of prime development land for manufacturing, distribution, corporate office and technology-oriented companies. The Pataskala Corporate Park is served by dual electric, open access rail service, planned fiber optic networking, and has all utilities available. The site is within 3 miles of US-40 and I-70, and 8 miles of I-270 and SR-161.

In 2008, the City, Licking County, City of Newark, and Harrison Township and property owners/Development Corporation (Red Chip Farms, Inc.) agreed to a partnership agreement setting the stage for development of the JRS Roadway, and establishment of a Joint Economic Development District (JEDD) overlaying the Pataskala Corporate Park.

The strategy for the partnership and job creation is a multifaceted approach combining four key economic development tools consisting of: (i) the creation of the JEDD; (ii) utilization of grant funding from the Department of Development's (ODOD) JRS program; (iii) utilization of Community Reinvestment Area (CRA) property tax exemptions; and (iv) utilization of an existing Tax Increment Financing (TIF) area, in order to attract hundreds of jobs and millions of dollars in new investment.

The JRS area is intended to be developed into a planned industrial park resulting in the construction of new buildings and related site improvements. Strong job creation is anticipated, with an estimated 150–300 construction jobs and 1,000-1,800 new manufacturing, technology and logistics employment opportunities generating $28-49 million in new annual payroll being created. The cost of the private investments to be made is estimated at between $100-250 million for construction of new buildings containing approximately 5-8 million square feet of commercial & industrial space; approximately $10-300 million invested in new machinery & equipment; approximately $5-300 million for acquisition of furniture and fixtures; and approximately $25-300 million for acquisition of inventory at the park.

During 2011, the City formally accepted the Etna Parkway Job Ready Site Parkway extending from Broad Street to Refugee Road, or the portion within the corporate limits. Etna Township, which borders the City, also accepted their portion of the roadway thus opening the roadway from Broad Street to State Route 40 and the Etna Corporate Park. This Etna Parkway Extension Project (Phases I & II) will hopefully provide a tremendous stimulus for growth in Central Ohio.

A new small subdivision of upscale homes, Erickson Farms was completed and the City approved and accepted the related infrastructure improvements in 2011. This subdivision is located near Summit Road. Ryan Homes, Westport Homes and Fisher Homes have undertaken completion of the Barrington Ridge and Settlement Subdivisions as well as completing the expansion of the Taylor Glen Subdivision.

MAJOR INITIATIVES:

Planning and Zoning Department/Economic Development

The Planning and Zoning Department has developed a mission statement which works to enhance the quality of life offered to those who live or work in the City through long range comprehensive land use planning and management. The department's guiding principles are: 1) public engagement in planning discussions; 2) achievement of a balance of land uses that sustain the City; 3) enhancement of pedestrian connections to parks, schools, government, commercial, industrial and residential designations; 4) protection of the environment; 5) revitalization of the historic village centers; and 6) maintaining the City's identity with its agrarian and rail heritage.

The Department is comprised of a Director of Planning, Zoning Inspector, a part-time Assistant Zoning Inspector and a Zoning Clerk which are responsible for operations of the Department. The Department also serves as staff to the Board of Zoning Appeals and the Planning and Zoning Commission, comprised of 5 and 7 citizen members, respectively. The Director of Planning compiles business and industry information and data for the City, and assists the City in preparing information packets for businesses looking for sites for major expansions as well as assisting entrepreneurs navigate the requirements for zoning, signage and land development.

The business and development climate is clearly moving forward in a positive manner in Pataskala, as there was a definite upswing across the board on a year to year comparison standpoint. The city welcomed 24 new businesses in 2013, 85% more than the 13 in 2012. In addition, housing starts were significantly higher in 2013, with 57 new homes under construction in 2013 compared to 21 in 2012. A large, multi-family project has been proposed in the city which is currently going through the zoning and plan approval processes with construction anticipated to be commenced in 2014.

The Planning and Zoning Department was responsible for securing federal grant funding, and partnered with the Mid-Ohio Regional Planning Commission (MORPC) Housing Division for administrative services, housing rehabilitation specialist services, and other related services associated with the City's participation in the Community Housing Improvement Program (CHIP) grant funds passed through the Ohio Department of Development. In 2012, the City was awarded a second round (2012-2013 grant program) of this funding in the amount of $500,000 in federal funding to make improvements to low income housing areas within the City starting in 2013. A number of low-income single family residences have been significantly improved through this program. Participating homeowners are required to maintain the improved property as their primary residence for the following 10 years in order to have the entire improvement amount forgiven. In the event they sell the property prior to end of that period of time, they would be responsible for repaying a pro-rated amount of the improvements.

The Ohio Department of Transportation announced in 2012 that the City would be the beneficiary of a $273,000 Safe Routes to Schools (SRTS) grant to make improvements to the Licking Heights Local School District on Summit Road, and $508,000 in SRTS funding for Pataskala Elementary, which is in the Southwest Licking Local School District. The funding is designated for improvements such as flashing school zone sign areas, education and encouragement of safe pedestrian travel, and traffic enforcement. Design and engineering were completed in 2012, and construction began in 2013 with an expected completion in early-2014.

Police Department

The Police Department takes every opportunity to be involved in community events whenever possible. Through that growing relationship with the community, we are better able to serve the needs of our citizens, business owners, and visitors. It also brings allies that are more apt to notify us when they see issues that we need to be made aware of, which in turn helps us provide our services in a timely manner.

The Pataskala Division of Police has recently upgraded to the Multi-Agency Radio Communication System (MARCS) network. Through our partnership with MARCS we were able to construct a new communications tower on city property that provides to our officers a nearly 100% radio communication coverage area city-wide. Upgrading to MARCS also allows us to be better prepared in the event we experience a critical incident, such as a hostage situation or natural disaster. MARCS enables us to communicate with all other emergency service providers during a unified command incident. The need for better interagency communication has become apparent over the past several months, as we have been practicing critical incident operations with local and state agencies, as well as the local school districts.

The Division is planning to add a training room to our facility in the coming months. This will allow us to do more in-house training, at a reduction in our training costs. This will better prepare our officers to handle the ever changing duties they face. We have also taken advantage of free training through the State Highway Patrol. The training teaches officers the skills that make them better operators of emergency vehicles, which makes them safer when responding to emergencies.

Public Service Department

In 2013, 32% of the income tax revenue was dedicated for Public Service Department operations. This funding provided the opportunity for the Public Service Department to be staffed with eight full-time employees and a part-time grounds maintenance employee, and resulted in the department improving service delivery during 2013. These increased efforts in 2013 include the repair of over 80 street lights, repair of more than 1,000 pot holes, repair or replacement of almost 700 street and traffic signs, 37 repairs to traffic signals, and upgrading/replacing the berms on more than 30 miles of roads. Additionally, the department dedicated over 1,000 labor hours to the mowing of public right-of-way, cleaned more than 5,000 linear feet of drainage ditches and installed more than 2,000 feet of drainage pipe. The Public Service Department's standard services include street maintenance, snow removal, storm water system maintenance, facility and grounds maintenance, street light maintenance, street and traffic sign maintenance, and management of infrastructure construction projects. The Public Service Department is responsible for maintaining approximately 328 lane miles of roads, 17 bridges, and all non-utility related public infrastructures.

The City completed a number of infrastructure construction projects during 2013, including completing Phase II of the Roadway Asset Management Plan (RAMP). This phase included the reconstruction of nearly seven miles of Broad Street (SR 16) through the city, and the repair, repaving or reconstruction of a combined seven miles of other municipal roads. The streets and roads improved by this program included a portion of Cable Road, Mill Street, First and Third Avenues, Robin Lane, Veasey Lane, Hickory Lane, North End Drive and microsurfacing the roads in the Brightwaters subdivision. This program was completed on-time and on-budget, resulting in an improved driving experience for residents in the city.

A number of storm water drainage projects were completed during 2013, including constructing much-needed storm water drainage improvements along Summit Road, and lining the 96" culvert on SR 310. This culvert had previously been noted as 'Poor' by the Ohio Department of Transportation in their most recent evaluation of the city's roads, bridges and culverts. Additionally, city staff dedicated a significant amount of time and effort in cleaning and restoring more than 2,000 feet of roadside drainage ditches. This effort should improve the ability of the ditches to drain storm water away from the driving surface, enhancing overall road conditions.

Utilities Department

The City continued to implement a number of the recommendations set forth within the 2010 Utility Study, including the items listed below. Funding for many of the projects came from the issuance of $2.0 million in bond anticipation notes in early-2012. In November 2012, an additional $1.0 million in BANs were issued in order to fund the planned 2013 projects.

Wastewater Department

- **Manhole Rehabilitation Project.** A total of 230 sanitary sewer manholes were selected for rehabilitation. This project included interior manhole cleaning and sealing, along with raising manholes, otherwise buried, to accessible and locatable grade.

- **Clarifier Rehabilitation Project.** Engineering was conducted for the WRF Clarifier Replacement Project. The new equipment was installed on WRF Clarifiers #1 and #2.

- **Pat Haven and Broad Sanitary Sewer Replacement Project.** A total of 1,000 feet of sanitary sewer was replaced, along with five new manholes, and rehabilitation of a manhole on Broad Street. The project area focused between Broad Street and Hickory Lane to replace a badly damaged main line.

- **WRF Bio Solids Study.** A study on the sludge generated by the WRF was completed in efforts to reduce our sludge costs, and provide this product to local farmers as a source of fertilizer. Phase II of this project will be under way in 2014 in the form of a design project and storage expansion area at the WRF.

- **Creek Road Lift Station Upgrade Study.** A study was conducted, along with preliminary engineering to upgrade the Creek Road lift station. The study and preliminary engineering was unsuccessfully used to submit a nomination to the Ohio Public Works Commission (OPWC) to receive grant funding for the project. This project will be evaluated in the coming years.

- **Administration Pump Station Rehabilitation Project.** The pump control system for the Administration pump station was replaced with new components and integrated onto the SCADA System network.

- **Administration Sanitary Sewer Extension Project.** In efforts to comply with an OEPA recommendation, the gravity sewer line for the station was extended to the Conine Village due to years of overflows and issues with the private lift station.

- **Sanitary Sewer Main Line Cleaning and Televising.** A total of 70,133 feet of sanitary sewer main line, or more than 38% of our main line inventory, was preventively cleaned and televised. During 2012-2013, over 63% of the main line inventory has been cleaned and inspected. Efforts were taken to reduce the potential for sewer back up-related issues. The main lines were also televised to gauge the overall health of the sewers and to prioritize for more frequent cleaning efforts or future replacement. We will continue with our preventive maintenance strategy in 2014 along with efforts to address known problem areas.

- **Utility OUPS Locate Requests.** The Water Reclamation Department staff completed 1,548 OUPS request tickets. Ohio State Law requires anyone that excavates must “Call before you dig” to ensure underground utilities are accounted for during excavation operations. This ensures that all requests for excavation in our service area are properly marked to prevent damage to main line infrastructure. The staff receives requests from OUPS and then marks and notifies OUPS of the status of requests. This important job prevents unnecessary and costly damage to Pataskala underground utilities.

Water Department

- **WTP1 Iron Filter Painting Project.** All three iron filters at WTP1 were cleaned and painted.

- **WTP1 Roof Replacement.** The roof at the WTP1 was fully replaced due to many leaks and causing issues inside the building.

- **WTP1 and WTP2 Clear Well Cleaning and Inspection Project.** The clear wells at both plants were cleaned and inspected.

- **Water System Interconnect Study.** As study with Poggemeyer Design Group was completed in a form of pre-engineering for future options for a future interconnect with the City of Pataskala Water Distribution System.

- **Meter Replacement Program.** Nearly 800 meters were replaced with new remote read outs to decrease time spent reading meters monthly, and to install accurate meters for billing purposes.

Utility Billing Department

- **Upgrades to Meter Reading Equipment and Software.** The Billing Department purchased an additional handheld meter reading device to better stream line monthly meter reading. This also includes yearly updates to our programs to ensure timely delivery of our Billing Department.

- **New Check Scanner and Software.** The Billing Department improved on processing efficiency by implementing this equipment and software.

- **Meter Replacement Program.** This program included replacement of nearly 800 aged water meters and remote read out devices to improve our monthly meter reading time and accurately bill customers for usage. This project was a success due to the diligence of the Billing Department serving as a liaison between our customers and contractor. During this time, the department fielded numerous calls from both the contractor and the utility customers. This project required significant effort to update customer accounts, close out old meters and activate new readings in the system

- **E-Billing Program.** In order to provide better service to our customers we began the process of providing electronic billing to our customers. We have provided a customer account set up/log in page on our website. This program will allow customers to receive monthly electronic bills and check their account info on line. This enhanced functionality provides customers with the ability to check their account status quickly along with savings in printing monthly bills. We will continue to encourage customers to sign up for this option in 2014.

- **Informational Center.** An Informational Brochure Center was purchased for the Billing Department. Department information and periodicals are now readily available for visitors.

- **Information and Outreach Efforts.** The Billing Department worked with the Utility Director to make intentional education and outreach efforts on a monthly basis. The information pertained to consumer confidence reports, billing informational updates, project updates, and general tips and information to the customers. Additionally, the Billing Department sent out monthly notices to customers in our preventative sewer main line cleaning areas.

Parks and Recreation Department

In 2008, City Council decided to suspend the Parks and Recreation Department and related services due to funding challenges faced by the City. However, based on the importance of parks and recreation related services within the City, agreements were entered into between the City and several non-profit organizations to continue youth soccer and girls softball within the City. The City's existing Parks and Recreation Advisory Board took on greater importance and responsibilities, as it became responsible for working with these non-profit organizations addressing operational and administrative needs - essentially serving as the City's Director of Parks and Recreation services. 2013 was the fifth year the City successfully worked with these non-profit groups. Participation in the non-profit recreational programs and community events continue to increase.

The City's parks system has six parks within its corporation limits, totaling more than 143 acres of passive and active parkland. The City's largest, Foundation Park, provides softball diamonds, soccer fields, picnic shelters, and a walking trail along a stream and in September boasts the annual Antique Power Show, which includes tractor pulls, and antique equipment demonstrations.

In 2010, a local group affiliated with the Columbus Clippers Baseball Organization invested over $8,000 of its own money toward improvements to the baseball diamond at Municipal Park. The work was completed in 2011, in addition to soccer fields that were seeded and improved by a soccer team and completion of a sand volleyball court by a local high school team. In December 2011, the City signed a lease with a local nonprofit that is opening the community pool. A partially grant funded walking trail was built along the central creek connecting two large subdivisions to the park thus making this park a lively, centrally located community gathering place.

During 2011, a regulation soccer field was added at Freedom Park along with aeration, seeding and fertilization of the area. Two additional youth fields are also in the plans, all donated and maintained by a local group. Further improvements include mulching of the tot lot and painting of the shelter house.

Future anticipated projects for the Parks Advisory Board include the continued support for expansion of youth, middle school, and high school soccer programs, adult softball and pool memberships through the Pataskala Recreation Association, continuation of youth softball programs through the Licking Heights Youth Association, providing JV and Varsity Fields for Southwest Licking Girls' softball teams, support of local nonprofits that utilize the concession stands to support scholarships for youth, and the addition of a local baseball league to the fields in the Fall.

Finally, the Park Advisory Board is working with a nonprofit group to add two baseball fields to Foundation Park consistent with the master plan for this park. Repairing existing buildings and grounds, purchasing information signage and community boards, planting garden beds, and establishing a plan for improvement of the current Conaway Trail and addition of a walking path on the western side near Freedom Park will also be projects that are being focused upon.

The City opened a 3,400 linear foot multi-purpose bike path in late October 2011, called the Cross Town Line, which connects the Bright Waters Subdivision on the eastern edge of the City and move west along the scenic portions of the Licking River crossing through Municipal Park before ending near the City's water treatment plant on the west side of State Route 310. The City funded this bike path through $239,829 in federal and state dollars, along with a required local match by the City. This effort is in response to a revitalization plan provided by a group of residents in 2009 to improve the community.

Land and Buildings

The Lands and Buildings Department is primarily funded by the General Fund, and expenditures included improvements to the Old Town Hall (which also serves as the Police Department Headquarters), Municipal Building, Street Department, and park facilities. In 2013, the Municipal Building rear concrete parking lot was torn out and completely replaced. In 2007, the City purchased an existing office building located on Broad Street to serve as its Municipal Headquarters with the intention of leasing any excess space. Improvements to the building since 2007 have included a new parking lot, new roof, and technology upgrades completed in 2012.

Specific to the Old Town Hall, in 2008 City Council determined it was in the best interest of the City, businesses, and residents to make necessary improvements and repairs to the Old Town Hall, designated as a historic site by the Ohio Historical Society, rather than sell the building and find another location for the City's Police Department. These discussions were a result of the deteriorating condition the building was in and necessary improvements needed. On the second floor of the Old Town Hall is the "Sterling Theatre" which was used as a movie theatre and gathering area for residents when constructed in 1910. This space was also used as Council Chambers for several years until the space became unusable. In an effort to make necessary improvements to the building as a whole, a non-profit group, the Historic Town Hall Inc. collected monetary donations, as well as donated labor, to improve the Sterling Theatre. Donations by the non-profit group have been used for the installation of new windows, cleaning, and other miscellaneous improvements. City Council also elected to spend $250,000 on the Old Town Hall for specific Police Department operations, including facade improvements, windows, electrical improvements, HVAC improvements, and plumbing improvements which was completed in early-2013.

Finance Department

The Finance Department, which consists of 2 full-time employees, is responsible for the following functions: payroll, budgetary compliance, accounts payable/receivable, income tax collection, human resources, capital asset accounting, investing public funds, and ensuring compliance with Bureau of Worker's Compensation guidelines.

The department provides timely financial information to City Council, employees, and residents. This includes monthly financial budgetary reports which are posted to the City's website, a 5 year forecast of the City's general fund, outlining expected revenues, expenditures and cash position, and also updates regarding the City's budget. Policies and procedures are continuously updated and reviewed ensuring proper internal controls are in place.

During 2013, the City participated in two separate debt issuances for a combined total of $8.8 million in bond anticipation notes. Of the total, $5.96 million was issued for the construction of roadway and other city infrastructure improvements and $2.85 million was issued for the construction of water and sewer utility-related improvements. The City anticipates rolling these notes over for the next 1-2 years, ultimately locking in long-term financing through the issuance of bonds. In conjunction with the transaction, the City's Aa3 rating was affirmed by Moody's Investors Service. Assignment of this rating was based upon the City's modest tax base located near the state capital of Columbus; satisfactory financial operations; healthy reserve levels for the City's small budget; and manageable debt position with moderate near term borrowing plans.

As discussed under Long-Term Financial Planning, the City also received the Moody's Investor Grade (MIG) 1 rating for the Series 2013-A Various Purpose General Obligation Limited Tax Bond Anticipation Notes issued in 2013, the highest investment grade category available for short-term debt.

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

LONG-TERM FINANCIAL PLANNING

A 1.0% income tax was enacted by the voters in May, 2010 and it provides support for police protection as well as funding for investment in maintenance/improvements of the City's roadway infrastructure. The income tax became effective July 1, 2010. At that time, City Council initially earmarked 75% of the revenue for police and 25% for street maintenance and repair through December 2011. Based upon 2011 and 2012 collections being significantly higher than originally estimated, the City was able to allocate additional income tax revenues in 2012 toward the City's infrastructure needs. For 2013, City Council directed that the income tax collections were to be allocated as follows: Police (58.5%), Street (32%), Capital Improvement (2.75%), and Debt Service (6.75%).

Pataskala is considered to be a bedroom community, with a significant portion of its approximately 15,000 residents working outside the corporate limits, including the cities of Columbus, Pickerington, Reynoldsburg, Whitehall, and Newark. The Licking County unemployment rate remained essentially unchanged from December 2012 (5.8%) to March 2013 (5.9%), slightly better than the State of Ohio's rate of 7.1% for the same time period. This is a welcome improvement over Licking County's 8.0% rate in December 2011. The City also monitors and utilizes unemployment rates in surrounding counties forecasting future income tax collections.

In consultation with City Council, the City Administrator has primary responsibility for developing the short- and long-term goals and objectives for the city. This position is currently vacant, as the previous incumbent Administrator's contract was not renewed after December 31, 2013. A search process is currently underway, and the Mayor/Council hope to have it filled shortly. The Administration has compiled a list of eight planning topics, which include: attracting jobs to the City; improving the City's roads; and completing a vision of how residents want the City to look in coming years.

Please find below an outline of Goals & Projects for 2014. The Administration has prepared this plan in order to focus our planning and align our action steps consistent with these goals in order to achieve maximum efficiencies and results for the citizens of Pataskala.

Tier I: Initiatives of a critical or short term / immediate nature
Tier II: Initiatives of a foundational or moderate / longer term nature

1) Economic Development

Tier I:

- **Jobs-Ready Site:** Attracting investment in, and development of, The Pataskala Corporate Park/Job Ready Site (JRS). Coordination with Cassidy/Turley Commercial Real Estate Services (property marketing firm retained by Licking County) for marketing of the JRS.
- **Business Retention, Expansion & Attraction (BREA):** Focus economic development efforts within all commercial and industrial areas of the community in order to attract new business, as well as retaining and encouraging expansion of existing businesses.
- **Revitalization I:** Implementation of Community Reinvestment Areas and expand these areas as needed. Includes Columbia Center CRA; Summit Station/Gateway CRA; Old Village CRA; and Pataskala Corporate Park/Etna Parkway CRA.
- **Revitalization II:** Implementation of Downtown (Old Village) Market Study Recommendations.
- **Local School Districts**: Continue to strengthen relationship with both local school districts to form a strong partnership for economic growth.
- **Development Update:** Review of all commercial and industrially zoned properties, including assessing the development-readiness of these areas. Continue to stress business friendly/collaborative approach to encourage investment in the community.

Tier II:

- **Organizational Relationships:** Strengthen our partnerships with regional organizations, entities, and neighbors to enhance marketing and coordination:

  Columbus 2020
  Grow Licking County CIC
  Mid-Ohio Regional Planning Commission (MORPC)
  Etna, Harrison, St. Albans, Jersey and Jefferson townships.
  Pataskala Area Chamber of Commerce
  Franklin & Licking counties
  Jobs Ohio
  Pataskala Corporate Park JEDD

Ohio Development Services Agency
Southwest Licking & Licking Heights School Districts
Central Ohio Technical College/C-TEC
Mid-Ohio Development Exchange (MODE)
Mink Street Consortium
Southwest Licking Consolidated Water & Sewer District
Cities of Columbus & Reynoldsburg

- **Website Update:** Continual improvement in appearance and functionality of the City's web-based economic development system.
- **Economic Development:** Plan and host an annual economic development event to highlight that the City is "open for business".
- **Branding & Marketing:** Evaluate benefits/effectiveness of a community branding initiative.
- **Development Initiatives:** Build economic capacity through infrastructure development and marketing initiatives. This includes: outreach to new businesses; development of Pataskala Corporate Park rail spur; implementation of downtown redevelopment streetscape design; strengthening of performance-based incentives; and the completeness of the City's inventory of developable sites.
- **Workforce Development:** Continue efforts to improve the City's workforce development and training opportunities – ongoing efforts with our partners COTC and Workenomics.

Performance Metrics:

- Leads received, responded to, results, and evaluation of the process;
- Jobs created; investment level; payroll creation; income tax generated;
- Businesses retained and/or expanded; new businesses created or re-located to the City;
- Marketing initiatives; incentive agreements.

2) Infrastructure Improvements / CIP Implementation – "Investment in Our Future"

Tier I:

- **Safe Routes to School (SRTS) Grant Phase II:** Complete sidewalk and crossing improvements on approaches to Pataskala Elementary and the Licking Heights campus.
- **Mink Street Reconstruction Phase I:** Complete design, engineering and construction of the first phase of roadway improvements to Mink Street (Bridge North of Havens Corner Road to Morse Road).
- **Street & Road Infrastructure:** Implementation of the Roadway Asset Management Plan (RAMP), including repaving/reconstruction of the following roadways:

Cable Road (Phase II)	Fairgrounds Street	South Fork Drive
Lincoln Street	The Oaks subdivision	Bright Waters
Connor Avenue	Courter Road	
Coronado Avenue	White Path Drive	

Tier II:

- **Mink Street Reconstruction Phase II** (Broad Street to Bridge North of Havens Corner Road): Work with ODOT & MORPC to attempt to accelerate construction time table – construction to begin 3rd Quarter 2016. Review and identify needed improvements to Mink St. / Broad Street Intersection – **potential Phase III.**
- **Taylor Road Pedestrian & Bicycle Path**: Provide safety, connectivity and access to residents in Brooksedge and Taylor Glen with path linking these subdivisions with Freedom Park – Path from Freedom Park to Lockmead & Woodington Drives. Grant funding opportunity now available through the Clean Ohio Fund (State of Ohio) & Recreational Trails Program (US DOT/FHA).
- **Municipal Bridge Program (ODOT):** The city was awarded grant funding **to** replace the Columbia Road Bridge north of Broad Street.

Performance Metrics:

- # miles of improved roadways;
- # residents and businesses directly impacted by improvements;
- Streets and sidewalks improved to provide more access, safety to pedestrians and connectivity;
- Economic Development Impact.

3) Employee Development – "Excellence in service delivery to our Residents"

Tier I:

- **Employee Compensation:** Establish non-union/supervisory-level employee compensation matrix for 2014 – 2016.
- **Staffing Analysis:** Perform organizational review of current staffing levels and job duties within the organization, including a class and compensation study.
- **Wage and Benefits:** Perform/update the wage and benefit survey for all City positions.
- **Collective Bargaining Agreement (CBA):** Successfully negotiate collective bargaining agreements with each of the three unions for 2014 – 2016 contracts.
- **Employee Health Insurance:** Continue cost containment focus that has served City so well over the past 7 years. Evaluate impact of Affordable Health Care Act on City, including implementation of additional benefit and reporting requirements.
- **Workplace Safety:** Utilize OSHA templates for monthly safety reviews; staff Safety Committee; ongoing oversight of workplace environment; and to take/recommend corrective action as needed.

Tier II:

- **Benchmarking:** Compare and contrast Pataskala against other communities. Identify where we stand in terms of service delivery, why and what is needed to improve.
- **Training, Training and more Training:** Continue structured programs for employee development.

- **Employee Recognition Program:** Develop formal program to recognize employees for their number years of service; including the possibility of either performance-based or training/certification-based compensation.

Performance Measures:

- Retention;
- Employee development;
- Cost containment;
- Workplace safety – goal of zero safety issues;
- Competitiveness;
- Job completion levels.

4) Public Service & Engineering – "Road to a 1st Class Transportation System"

Tier I:

- **Public Service Department – Core Services:** Continue to provide basic and enhanced services to the residents and businesses, including:

  Roadway berm replacement
  Urban forest management plan (city-owned trees only)
  Roadway striping
  Pothole repair and repaving
  Ditch cleaning and culvert repair
  Main Street corridor and right of-way mowing
  Stream blockage removal
  Street light repair and maintenance
  Snow and ice removal program
  City gateway maintenance
  Street signage repair and replacement
  Weekly park inspection program
  Guardrail maintenance
  Roadside vegetation spraying/removal – signage visibility
  Road sweeping/alley maintenance
  Mosquito control program

- **Traffic Signalization:** Traffic Signal LED upgrades Phase II – installation of LED bulbs in City traffic signals – 50% completed in Phase I – remainder to be completed in Phase II.
- **Downtown Storm Sewer Maintenance:** Targeted use of jet truck to maintain and clean-out lines. Inspect all drains and catch basins in the Old Village area.
- **Engineering Cost Containment:** Perform a detailed review of each project to ensure that the amount of funding spent on design and engineering is managed.
- **Geographic Information System (GIS):** Implementation and construction of system of digitally entering rights-of-way data onto City system.

Tier II:

- **Street Lighting:** Ongoing coordination with AEP on street light/electrical outage issues – quarterly meeting schedule.
- **Assessment of SR-310:** Development of plan for improvements in preparation of ODOT's resurfacing of SR-310 in 2015. Similar review as was done of SR-16/Broad Street in preparation of ODOT's resurfacing in 2013 (this review resulted in signal synchronization plan, sewer and sidewalk improvements).
- **Pedestrian Access Improvements:** Develop citywide sidewalk maintenance and replacement program. Develop pedestrian path and bicycle path plan combining current sidewalk & paths system and linking these via future improvements.
- **Corridor Street Tree Plan:** Identify and design future improvements to major corridors.

Performance Metrics:

- Infrastructure projects done on-time and at or below budget;
- Monthly performance measures applied to assess completeness and results of core service program activities.

5) Land Use, Planning & Zoning / Grant Funding, Parks & Recreation – "Future Pataskala!" (City is currently 5th fastest growing City in Central Ohio):

Tier I:

- **Economic Development:** Continue responding to leads, mapping projects/GIS, etc.
- **Code Review:** Proactive review by staff identifying areas of the code not working as intended – suggestions for code modifications, if needed, should be anticipated in 2014.
- **Property Maintenance Enforcement:** Continued prioritization of enforcement issues within the Department – trash, junk vehicles, tall grass and weeds, along with chronic property maintenance-related properties.
- **Pollution Control:** Redouble efforts to maintain compliance with the City's NPDES MS4 permit requirements, including the annual report due at the end of March. The Utility Director and the Services Director are key partners in achieving this goal. Make recommendations for appropriate funding to accomplish some required activities.
- **Grant Funding:** The City has either received notice of grant awards or will submit an application for grant funding from the following programs in 2014:

  Ohio Public Works Commission (OPWC)
  Community Housing Improvement Program (CHIP)
  Clean Ohio Fund
  Municipal Bridge Program
  Ohio Water Development Administration - Ohio Water Pollution Control Loan Fund
  Demolition Grant / Neighborhood Stabilization
  Taylor Road Pedestrian and Bicycle Path
  Safe Routes to School Phase III – Township Road
  Broad Street Sidewalks – Phase II

Columbia Road Bridge Replacement
CDBG Small Cities Grant
Recreational Trails program

- **Planning & Zoning:** Maintain the current average permit processing time to under thirty (30) days, which is the maximum time allowed by code.
- **Park Facilities:** Effective identification of grant funding sources through the engineering retainer agreement. Continued close relationship with, and support of, the P&R Advisory Board – especially in areas of Pool lease, Recreation Utilization Agreements, and Adopt-A-Park Program. The Public Service Department has been directed to continue to provide enhanced maintenance assistance in parks, parking areas and fence maintenance.
- **Foundation Park Baseball Diamond Project**: Coordinate with the Parks & Recreation Advisory Board and Columbus Clippers Youth Baseball Organization to facilitate the construction of additional baseball fields at Foundation Park.

Tier II:

- **Community Visioning:** Continue to work to identify what the Citizens see as the "Pataskala of the Future".
- **Comprehensive Plan Update:** Prepare the groundwork to update the City's Comprehensive land Use Plan in 2014.
- **Revitalization Plan for the Blanche Addition:** This plan would establish City policy for utilization of the tax forfeiture properties acquired by the City and which are currently being "land banked" for future neighborhood stabilization use.
- **Park Master Plans:** Update existing plans; prepare plans for parks without master plans.
- **Enhanced Constituent Communication:** Simplify citizen access to information about the City's zoning regulations and processes. Complete the "Citizens' Guide" consisting of a series of handouts summarizing the most common regulations and processes utilized by the average citizen, addressing such issues as: accessory buildings, home-based businesses, fees, permits, variances, conditional uses and rezoning.
- **Code Compliance Communication:** Expand use of advance educational communications, currently consisting of sign rule notices to candidates facing upcoming election and publication of permit rules prior to the spring building season. New materials to include information on criteria used to evaluate violations of regulations concerning vehicles stored on property, trash, outdoor use of interior furnishings, and tall weeds and grass.
- **Zoning Dept. Policies:** Development of a written policy and procedures manual. Work with the Law Director to create a manual that will ensure consistency of implementation and enforcement of departmental duties and to formalize procedures that are not explicitly laid out in the zoning and subdivision ordinances.

Performance Measures:

- Response time to zoning violations;
- Grant applications and results;
- Plans prepared and implemented.

6) Utilities – "Safety, Reliability, Excellence!"

Tier I:

- **Utility Master Plan:** Continued implementation of City's 2010 Utility Plan – Capital Improvements Plan Phase II.
- **Utility Interconnect:** Complete design work in 2014 for the Water System Emergency Interconnect Project.
- **Utility Performance Audit:** Complete the 3rd Round of utility system performance audits, and move toward benchmarking with other utility systems
- **Source Water Pollution Prevention:** Significant outreach, education, and awareness initiatives to customers on SWPP, FOG, Backflow, Water Conservation Efforts, virtual tours of treatment plants on line, rain barrel initiatives, and rain garden initiatives.
- **Sewer Line Maintenance:** Increased efforts in sewer main preventative maintenance cleaning efforts. Goal to clean 50% of our main line inventory. Smoke test more portions of downtown lines to detect I&I and cross-connects.
- Perform annual sewer main and manhole relining and repair efforts.
- Install gravity sewer main from Connie Village to the Municipal Building lift station to eliminate problems with a private pump station.
- Wastewater portion of the Radio Read Project.
- Annual water line, valve, and hydrant replacement and repair efforts.
- Beechwood Annual water line, valve, hydrant, and service line repair and replacement efforts.
- Water Department portion of the Radio Read Project, replacing all meters in Beechwood Trails and Downtown (1,400 accounts) to radio read units for quicker reading efforts and replacing aged inaccurate meters.
- Annual age related equipment repairs at WTP#1.
- Increased efforts in water loss percentage reduction by Radio Read Project, and annual meter replacement efforts for half of the customer base.
- Replace/complete WTP#1 Creek Crossing Transmission Main Project.
- Study and design work for repair and optimization of the Southeast Water Tower which is currently off line.
- Continue to build on positive steps in relationship with OEPA established with OEPA in Wastewater in 2009 & 2010, and in Water in 2011 & 2012 (examples – OEPA recognized Source Water Protection Plan).

Tier II:

- Long term planning/vision for Utility Department. Where do we want to be 5, 10, and 15 years from now?
- GIS integration work.

- Heavy focus on education and outreach to residents on all functions of the Utility Department. Increased level of information in bills, monthly brochures, etc. Utilize the website and Facebook to its full potential in outreach and education. Virtual plant tours on line.
- Implementation and efforts in the Source Water Protection Task Force. Practical community events to protect the water supply. Heavy focus on the SWPP.
- Devise solid future planning for the WTP#1 and WTP#2, and how they will co-exist in the future.
- Develop a plan of action to make yearly efforts in facility/production energy usage (electric, gas, water) in efforts to reduce operational costs.
- Investigate/initiate 'green' technology options for utilization at our treatment facilities to reduce energy costs and encourage environmentally friendly production initiatives; solar, wind, hydraulic power generation options.
- Implement in-house maintenance tracking software for the Utility Department. Program will allow for easy data collection and filtering on specific locations or equipment.
- Research and potentially implement utility certification incentive compensation program-revised pay scale for utility operators, to compensate for obtaining OEPA Certifications.
- Pataskala to become a regular host for SEOWEA, AWWA, OTCO meetings/tours or another State Operator Education and Training Committees.
- Study and investigate cleaning/dredging work of both lagoons at the WWTP, possible abandonment of lagoons, or study if one of the lagoons could become a fishing preserve for Pataskala residents.
- Study on larger storage pad at the WWTP along with cost savings study associated with sending WWTP sludge to land application sites (farm fields) versus landfill operations.

Performance Metrics:

- Results of monthly performance reports;
- Projects completed on time and under or at budget;
- Completing projects outlined in 2010 Utility Study;
- Continue current low # of main breaks; boil advisories; back-ups; etc.

7) Facility & Fleet Management / Community Services – "Safeguarding our assets to serve our citizens better"

Tier I:

- **Municipal Building Safety:** Complete threat and security assessment of City Building, including recommended actions to improve safety and security.

Tier II:

- Various safety improvements including improvements to parking areas.
- Fleet Maintenance reporting and review of vehicle and equipment replacement recommendations.
- Integrate former police department vehicles into the Administration's fleet.

Performance Metrics:

- Adherence to fleet replacement schedule;
- Complete all projects on time and under or at Budget.

8) Communications / Public Outreach & Media Relations / City's Regional Role – "A Partnership with our Residents"

Tier I:

- **Resident Notification:** Continue Project Notifications to impacted residents and businesses prior to commencement of capital improvement projects. Continue customer satisfaction surveys to citizens after such projects have been completed to determine "How did we do?".
- **Community Customer Service Response (CCSR) System:** Rapid response to citizens and problem resolution, increased reporting on citizen concerns and commitment to excellence in responding to our citizens and addressing their concerns.

Tier II:

- Continue to find creative ways of reaching our citizens through the website, Facebook page and other social media**.**
- Review staffing/resources directed to reach increased levels of public outreach and media relations. How can the Administration most effectively fulfill this vital role in the future given current resources, which in many communities is fulfilled by a specific and focused "Communications Officer" staff position.
- Continuing active staff attendance at community meetings and events.
- Continued strong relationship with volunteer groups in 2014 – public/private partnership.
- Continued relationship building with MORPC, Columbus 2020! and Grow Licking County CIC.
- Establish perception of the City as an attractive place to work, live and play.

Performance Metrics:

- Maximize customer/resident satisfaction with City operations;
- Attendance at regional meetings and events;
- Feedback from customers/residents on quality/relevance of website, Facebook page and other social media.

RELEVANT FINANCIAL POLICIES

By ordinance, City Council adopted the *Purchasing and Financial Policy Manual* which provides a tool for the City to better manage and streamline the City's purchasing procedures, budgeting and financial planning, debt management, and investment and deposit of funds to ensure the minimal City resources are utilized to their fullest. A summary of the significant components of the Purchasing and Financial Policy Manual as follows:

Purchasing Procedures - Clarification and direction was provided to all employees governing the use of requisitions, certification of funds, establishing communication channels between departments receiving goods and the authorization for payment, competitive bidding process, and finally establishing overall standards and ethics.

Budgeting and Financial Planning – The purpose is to identify the major elements of the budgeting/financial planning process to ensure the long-term objectives of the City are met and to recognize that prudent financial planning considers multi-year implications of short-term financial decisions. The major financial planning elements include:

1. Capital Improvement Plan – This document establishes a policy framework to guide the expansion of the City and future development and necessary infrastructure and capital equipment needs.

2. Five-Year Forecast – This plan projects the expected fund balances of the City's General Fund, or main operating fund, and considers the expected funding needs, essential funding sources, and may expand upon the Capital Improvement Plan by estimating the costs and funding for projects and programs that accomplish the long-term goals for the City.

3. Annual Operating and Capital Budgets – This annual financial plan is prepared by the City Administrator with assistance from the Finance Department and approved by Council. These budgets may be changed throughout the year based upon departmental needs and changes in estimated revenues.

The City will budget target cash fund balances for various operating funds to provide reserves for unforeseen emergencies or revenue shortfalls and to eliminate the need for short-term borrowings for cash flow needs.

Debt Management - Debt will only be used to fund capital projects or the purchase of capital assets that will continue to benefit the community and will not be used to finance operating expenditures. The City will work to obtain and maintain assigned credit from a rating agency consistent with the City's financing objectives. Finally, the City will strive to retire short-term borrowings as considered beneficial to the City in relation to overall cost savings and interest rates.

Investments and Deposits of Funds – City Council adopted an amended investment policy in 2013 which expands the number of approved investment options and emphasizes safety, preservation of principal, liquidity and yield. All idle funds are to be invested in accordance with the City's investment policy.

AWARDS AND ACKNOWLEDGEMENTS

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 Pataskala for its Comprehensive Annual Financial Report for the year ended December 31, 2012. This was the fourth consecutive year that the City of Pataskala has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it the GFOA to determine its eligibility for another certificate.

The City has been awarded the Ohio Auditor of State's "Award With Distinction" (formerly known as the "Making Your Tax Dollars Count" award) for the past four consecutive years (2009-2012) based on the submission of a Comprehensive Annual Financial Report, and the finding that no material noncompliance or internal control weaknesses were identified as a result of these audits.

The preparation of this Comprehensive Annual Financial Report was made possible by the dedicated service of the City's Finance staff, department heads and to all other City employees who have contributed or assisted in its preparation.

Respectfully submitted,

James M. Nicholson
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Pataskala

Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

City of Pataskala, Ohio
Elected & Appointed Officials
As of December 31, 2013

Elected Officials*

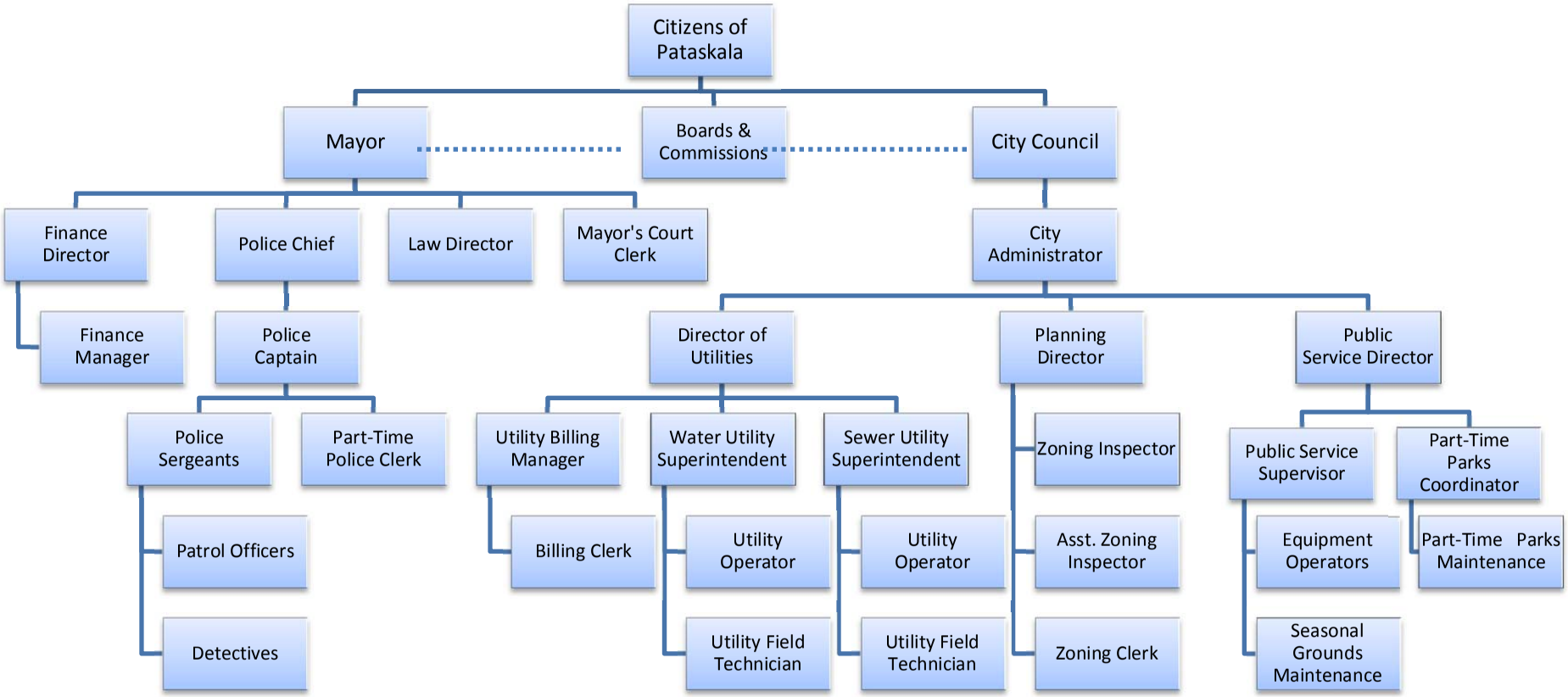
Mayor	Stephen Butcher (2013)
Council President	*Ward 4* – C. Daniel Hayes (2015)
Council Members	*At-Large* – C. Bernard Brush (2013)
	At-Large – Bryan Lenzo (2013)
	At-Large – Merissa McKinstry (2013)
	Ward 1 – Patty A. Sagar (2015)
	Ward 2 – Michael W. Compton (2015)
	Ward 3 – Michael Fox (2015)

Appointed Officials:

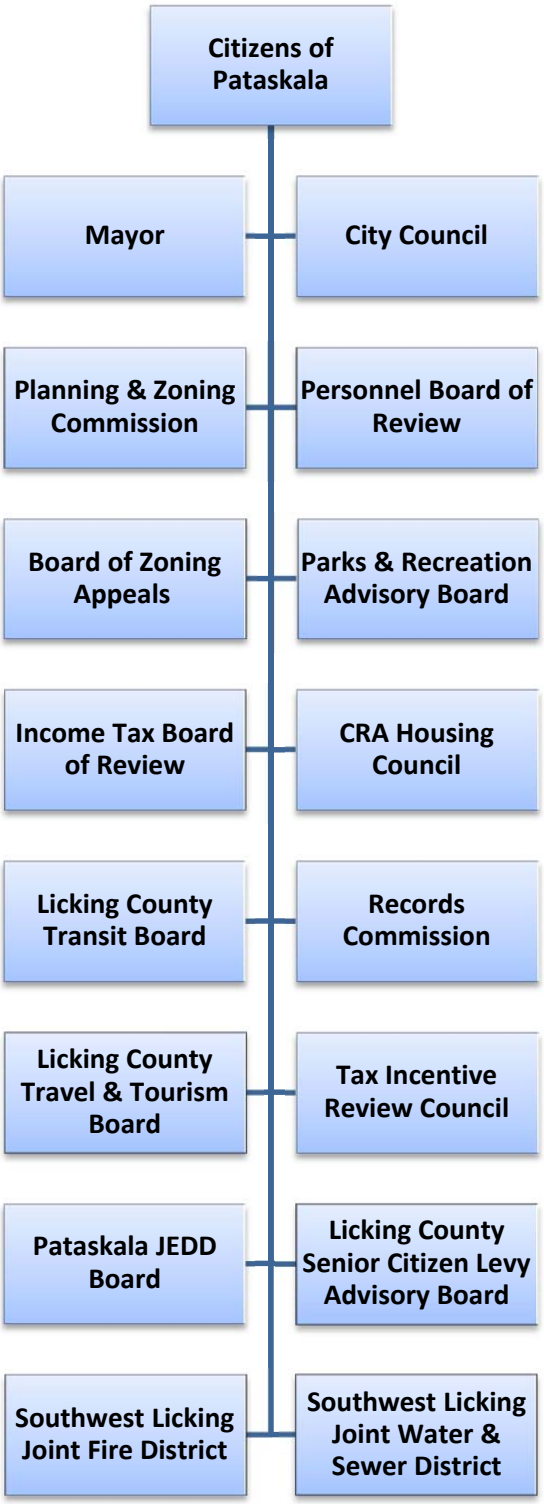
City Administrator	Timothy M. Boland
Director of Finance	James M. Nicholson
Law Director	Rufus B. Hurst
Planning Director	Eric C. Fischer
Public Service Director	Benjamin J. King
Chief of Police	Bruce Brooks
Utilities Director	Nathan W. Coey

* Elected officials terms of office listed in parentheses.

City of Pataskala, Ohio
Organizational Chart



City of Pataskala, Ohio
Boards & Commissions



Financial Section

City of Pataskala | CAFR

Independent Auditor's Report

City of Pataskala
Licking County
621 West Broad Street
Pataskala, Ohio 43062

To the Members of 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 Pataskala, Licking County, Ohio (the City), as of and for the year ended December 31, 2013 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pataskala, Licking County, Ohio, as of December 31, 2013, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparison for the General Fund, Street Fund and Police Fund 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,* as 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 financial section's combining statements, individual fund statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling these statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2014, 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.

Balestra, Harr & Scherer, CPAs

Balestra, Harr & Scherer, CPAs, Inc.
Worthington, Ohio
June 13, 2014

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CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013

The management's discussion and analysis of the City of Pataskala's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2013. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review 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 2013 are as follows:

- The total net position of the City increased $1,702,702. Net position of governmental activities increased $1,319,442 or 6.41%. Net position of business-type activities increased $383,260 or 7.98% from 2012.

- General revenues accounted for $5,243,978 or 68.44% of total governmental activities revenue. Program-specific revenues accounted for $2,418,267 or 31.56% of total governmental activities revenue.

- The City had $6,331,846 in expenses related to governmental activities; $2,418,267 of these expenses were offset by program specific charges for services, grants or contributions.

- The general fund had revenues and other financing sources of $1,652,628 in 2013. This represents an increase of $89,770 from 2012 revenues. The expenditures and other financing uses of the general fund, which totaled $2,074,804 in 2013 increased $249,584 from 2012. The net decrease in fund balance for the general fund was $422,176 or 37.88%.

- The street fund had revenues and other financing sources of $2,005,295 in 2013, which is an increase of $677,632 from 2012 revenues. The expenditures in the street fund totaled $1,617,617 in 2013, which increased $306,719 from 2012. The net increase in fund balance was $387,678 or 41.15%.

- The police fund had revenues and other financing sources of $2,361,219 in 2013, which is an increase of $1,175,404 from 2012 revenues. The expenditures in the police fund totaled $2,336,273 in 2013, which increased $423,695 from 2012. The net increase in fund balance was $24,946 or 1.79%.

- The Issue II fund had revenues and other financing sources of $2,665,909. The expenditures in the Issue II fund totaled $542,577 in 2013. The net increase in fund balance was $2,123,332.

- The capital improvements fund had revenues and other financing sources of $567,073 in 2013, which is a decrease of $2,002,303 from 2012 revenues. The expenditures in the capital improvements fund totaled $1,314,711 in 2013, which decreased $934,675 from 2012. The net decrease in fund balance was $747,638 or 130.57%.

- The bond improvements fund had other financing sources of $19,123. The bond improvements fund had expenditures and other financing uses of $4,175,962 in 2013, which decreased $4,174,267 from 2012. The net increase in fund deficit was $4,156,839.

- Net position for the business-type activities, which are made up of the water and sewer enterprise funds, increased in 2013 by $383,260. This increase in net position was due primarily to an increase in revenues during 2013.

- In the general fund, the actual revenues came in $99,960 lower than they were in the final budget. Actual expenditures and other financing uses were $335,398 less than the amount in the final budget. These variances are the result of the City's conservative budgeting process.

Using This Comprehensive Annual Financial Report (CAFR)

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

The statement of net position and statement of activities provide information about the activities of the City as a whole, 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 also 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 the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2013?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take 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 net position. This change in net position is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, variations of economic conditions, required community programs and other factors.

In the statement of net position and the statement of activities, the City is divided into two distinct kinds of activities:

Governmental activities - Most of the City's programs and services are reported here including police, street maintenance, capital improvements and general administration. These services are funded primarily by property taxes, income taxes, and intergovernmental revenues including Federal and State grants and other shared revenues.

Business-type activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's water and sewer operations are reported here.

The City's statement of net position and statement of activities can be found on pages 61- 63 of this report.

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focuses on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 51.

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 near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, street fund, Issue II fund, police levy fund, capital improvements fund and bond improvements fund. Information for major funds 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. The basic governmental fund financial statements can be found on pages 64-73 of this report.

Proprietary Funds

The City maintains one type of proprietary fund, enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations. Both of the City's enterprise funds are considered major funds. The basic proprietary fund financial statements can be found on pages 74-77 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City's fiduciary fund is an agency fund. The basic fiduciary fund financial statement can be found on page 78 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 79-119 of this report.

Government-Wide Financial Analysis

The table below provides a summary of the City's assets, deferred inflows of resources, liabilities, deferred outflows of resources and net position at December 31, 2013 and 2012.

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Assets						
Current and other assets	$ 12,219,349	$ 10,066,392	$ 4,231,051	$ 4,929,730	$ 16,450,400	$ 14,996,122
Capital assets, net	18,077,865	15,275,599	14,521,553	13,958,110	32,599,418	29,233,709
Total assets	**30,297,214**	**25,341,991**	**18,752,604**	**18,887,840**	**49,049,818**	**44,229,831**
Deferred outflows	-	-	2,094	2,448	2,094	2,448
Liabilities						
Long-term liabilities outstanding	904,550	1,711,325	10,520,054	10,885,238	11,424,604	12,596,563
Other liabilities	6,510,463	2,053,876	3,049,104	3,202,770	9,559,567	5,256,646
Total liabilties	**7,415,013**	**3,765,201**	**13,569,158**	**14,088,008**	**20,984,171**	**17,853,209**
Deferred inflows	979,795	993,826	-	-	979,795	993,826
Net Position						
Net investment in capital assets	12,389,873	13,774,478	1,523,496	1,648,124	13,913,369	15,422,602
Restricted	7,030,790	5,606,919	-	-	7,030,790	5,606,919
Unrestricted	2,481,743	1,201,567	3,662,044	3,154,156	6,143,787	4,355,723
Total net position	**$ 21,902,406**	**$ 20,582,964**	**$ 5,185,540**	**$ 4,802,280**	**$ 27,087,946**	**$ 25,385,244**

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2013, the City's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by $27,087,946. At year end, net positions were $21,902,406 and $5,185,540 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets represented 66.46% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, equipment, vehicles and infrastructure. Net investment in capital assets at December 31, 2013, were $12,389,873 and $1,523,496 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, $7,030,790, represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net position is 2,481,743.

The following table shows the changes in net position for 2013 and 2012.

	Change in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program revenues:						
Charges for services and sales	$ 594,389	$ 580,802	$ 3,331,738	$ 3,152,146	$ 3,926,127	$ 3,732,948
Operating grants and contributions	1,777,659	1,907,629	-	-	1,777,659	1,907,629
Capital grants and contributions	46,219	-	-	-	46,219	-
General revenues:						
Property taxes	891,357	802,654	-	-	891,357	802,654
Income taxes	3,959,699	4,504,389	-	-	3,959,699	4,504,389
Payments in lieu of taxes	109,965	127,553	-	-	109,965	127,553
Unrestricted grants	234,624	184,454	-	-	234,624	184,454
Interest	12,348	16,023	36,185	13,834	48,533	29,857
Decrease in fair value of investments	(10,535)	-	(517)	-	(11,052)	-
Other	46,520	12,343	36,141	35,668	82,661	48,011
Total Revenues	**7,662,245**	**8,135,847**	**3,403,547**	**3,201,648**	**11,065,792**	**11,337,495**
Expenses:						
General government	706,223	1,357,119	-	-	706,223	1,357,119
Security of persons and property	2,086,324	1,391,309	-	-	2,086,324	1,391,309
Public health and welfare	112,101	111,485	-	-	112,101	111,485
Transportation	2,642,514	2,279,621	-	-	2,642,514	2,279,621
Community environment	543,577	591,589	-	-	543,577	591,589
Leisure time activity	157,950	50,103	-	-	157,950	50,103
Interest and fiscal charges	83,157	45,967	-	-	83,157	45,967
Water	-	-	1,458,080	1,541,391	1,458,080	1,541,391
Sewer	-	-	1,573,164	1,349,053	1,573,164	1,349,053
Total Expenses	**6,331,846**	**5,827,193**	**3,031,244**	**2,890,444**	**9,363,090**	**8,717,637**
Increase in net position before transfers	1,330,399	2,308,654	372,303	311,204	1,702,702	2,619,858
Transfers	(10,957)	-	10,957	-	-	-
Change in Net Position	**1,319,442**	**2,308,654**	**383,260**	**311,204**	**1,702,702**	**2,619,858**
Net position at beginning of year	20,582,964	18,274,310	4,802,280	4,491,076	25,385,244	22,765,386
Net Position at End of Year	**$ 21,902,406**	**$ 20,582,964**	**$ 5,185,540**	**$ 4,802,280**	**$ 27,087,946**	**$ 25,385,244**

Governmental Activities

Governmental activities net position increased $1,319,442 in 2013.

Security of persons and property, which primarily supports the operations of the police department, had expenses of $2,086,324 which accounted for 32.95% of the governmental expenses of the City. These expenses were partially funded by $192,348 in direct charges to users of the services and $476,701 in operating grants and contributions. Transportation, which primarily supports street construction and maintenance projects, had expenses of $2,642,514 which accounted for 41.73% of the governmental expenses of the City. These expenses were funded by $1,129,954 in operating grants and contributions. General government expenses totaled $706,223 which was partially funded by $379,351 in direct charges to users of the services. The decrease in general government expenses was due to a change in allocation methodology. In 2013, the finance department, law director, administrator and public service director began to be allocated to other funds and expenses.

The State and Federal government contributed to the City a total of $1,777,659 in operating grants and contributions. These revenues are restricted to a particular program or purpose.

General revenues totaled $5,243,978, and amounted to 68.44% of total governmental revenues. These revenues primarily consist of property tax revenue and income tax revenue making up $4,851,056 which is 92.51% of general revenues or 63.31% of all revenues. Income tax revenue decreased due to a decrease in the acceleration of income tax receivable.

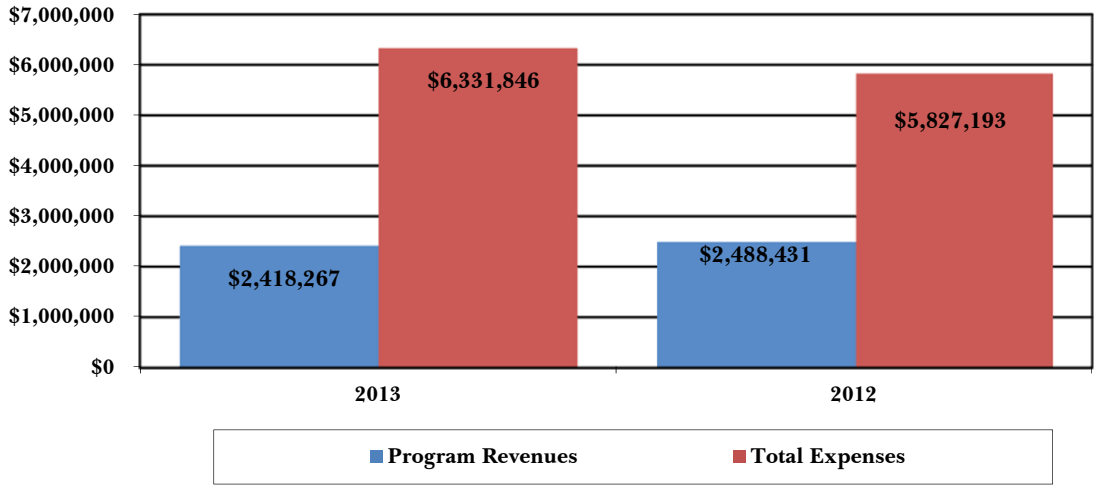
The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As can be seen in the table below, the City is highly dependent upon property taxes as well as unrestricted grants and entitlements to support its governmental activities.

	Governmental Activities			
	Total Cost of Services 2013	**Net Cost of Services 2013**	**Total Cost of Services 2012**	**Net Cost of Services 2012**
Program expenses:				
General government	$ 706,223	$ 326,872	$ 1,357,119	$ 1,007,628
Security of persons and property	2,086,324	1,417,275	1,391,309	1,077,769
Public health and welfare	112,101	112,101	111,485	111,485
Transportation	2,642,514	1,466,341	2,279,621	906,744
Community environment	543,577	372,573	591,589	154,863
Leisure time activity	157,950	135,260	50,103	34,306
Interest and fiscal charges	83,157	83,157	45,967	45,967
Total Expenses	**$ 6,331,846**	**$ 3,913,579**	**$ 5,827,193**	**$ 3,338,762**

The dependence upon general revenues for governmental activities is apparent, with 61.81% in 2013 supported through taxes and other general revenues. The increase in security of persons and property spending is attributed to the City hiring more police officers due to an identified need, and the ability to do so based on the collection of income tax revenues. Higher expenses for transportation are also the result of hiring additional employees, as well as providing services for street construction and repair.

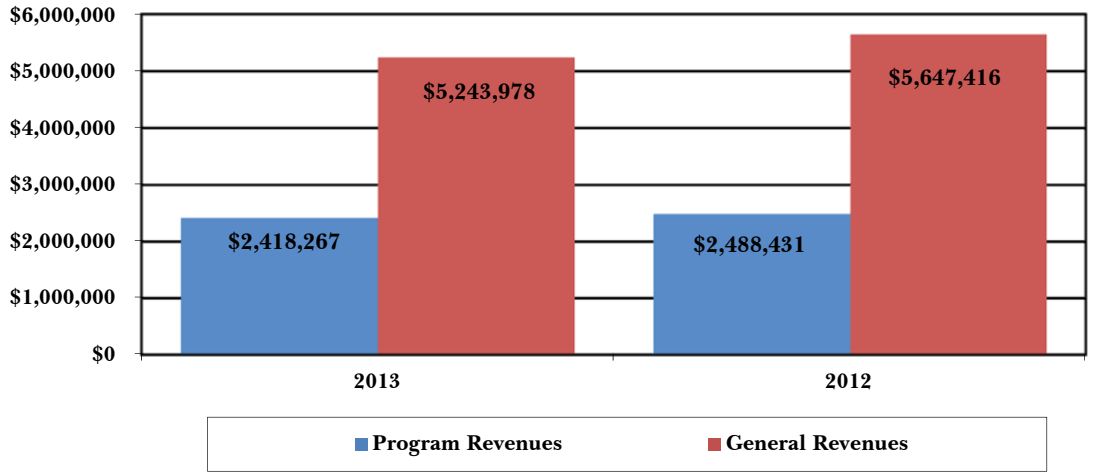
The following graph illustrates governmental-activities program revenues and total expenses for years 2013 and 2012.

Governmental Activities - Program Revenues vs. Total Expenses



The graph below shows governmental-activities general and program revenues for years 2013 and 2012

Governmental Activities - General and Program Revenues



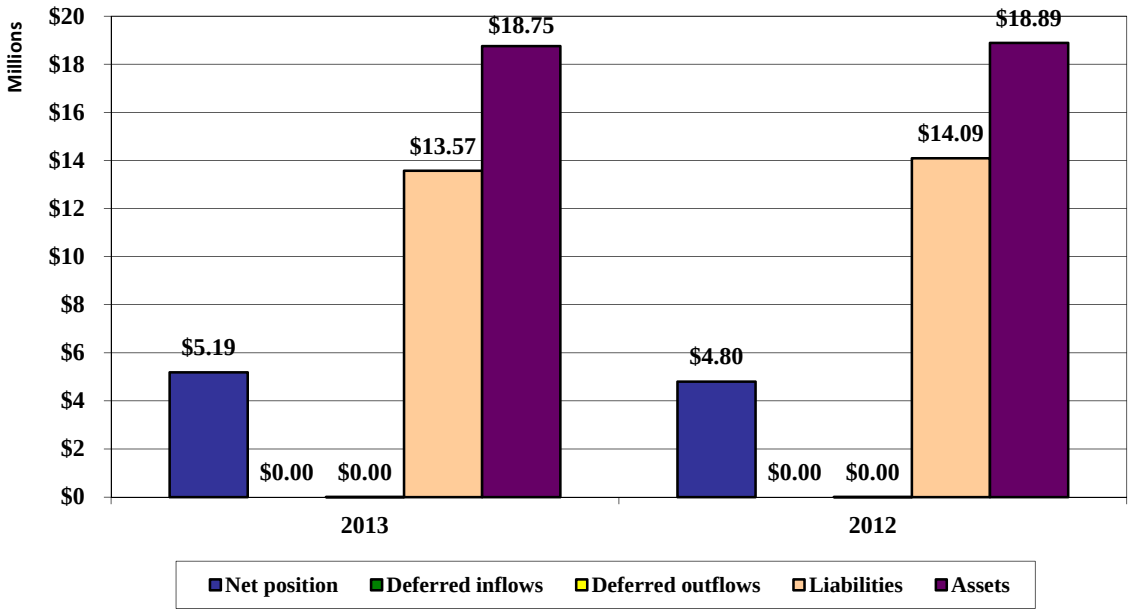
General revenues decreased from 2012 based on lower income tax revenues. Program revenues decreased based on capital contributions for infrastructure and decreased grant revenue.

Business-type Activities

Business-type activities include the water and sewer enterprise funds. These programs had program revenues of $3,331,738, general revenues of $71,809, and expenses of $3,031,244 for 2013.

The following graph illustrates the business-type activities assets, deferred outflows, liabilities, deferred inflows and net position at December 31, 2013 and 2012.

Net Position in Business - Type Activities



The City's total assets for business-type activities decreased due primarily to lower equity in pooled cash and investments.

Financial Analysis of the Government's Funds

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

Governmental Funds

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

The City's governmental funds (as presented on the balance sheet on pages 64-65) reported a combined fund balance of $3,003,100 which is $2,445,291 lower than last year's total of $5,448,391. The following schedule indicates the fund balances and the total change in fund balances as of December 31, 2013 for all major and nonmajor governmental funds.

	Fund Balances (Deficit) 12/31/2013	Fund Balances (Deficit) 12/31/2012	Increase/ (Decrease)
Major funds:			
General	$ 692,308	$ 1,114,484	$ (422,176)
Street	1,329,721	942,043	387,678
Police	1,420,038	1,395,092	24,946
Issue II	2,123,332	-	2,123,332
Capital improvements	(175,063)	572,575	(747,638)
Bond improvements	(4,158,534)	(1,695)	(4,156,839)
Other nonmajor governmental funds	1,771,298	1,425,892	345,406
Total	**$ 3,003,100**	**$ 5,448,391**	**$ (2,445,291)**

Total fund balances for other nonmajor governmental funds increased based on lower expenditures when compared to 2012.

General Fund

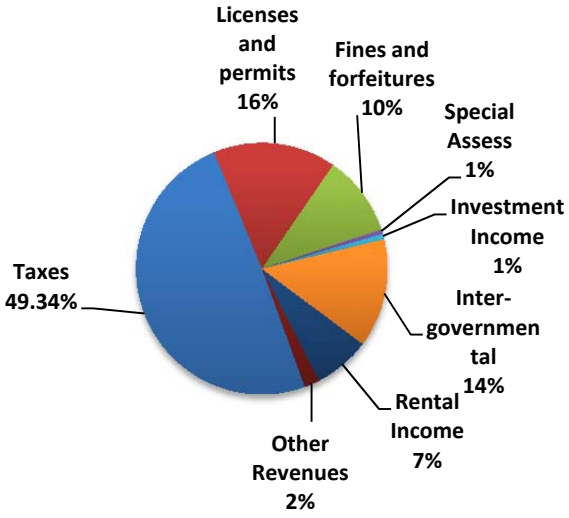
The table that follows assists in illustrating the revenues of the general fund.

	2013 Amount	2012 Amount	Percentage Change
Revenues			
Taxes	$ 803,422	$ 802,525	0.11%
Licenses and permits	256,957	206,922	24.18%
Fines and forfeitures	168,834	193,737	(12.85%)
Intergovernmental	227,957	208,263	9.46%
Special assessments	9,527	-	100.00%
Investment income	11,515	7,026	63.89%
Rental income	118,225	127,673	(7.40%)
Decrease in fair value of investments	(4,190)	-	100.00%
Other	35,873	16,712	114.65%
Total Revenues	**$ 1,628,120**	**$ 1,562,858**	**4.18%**

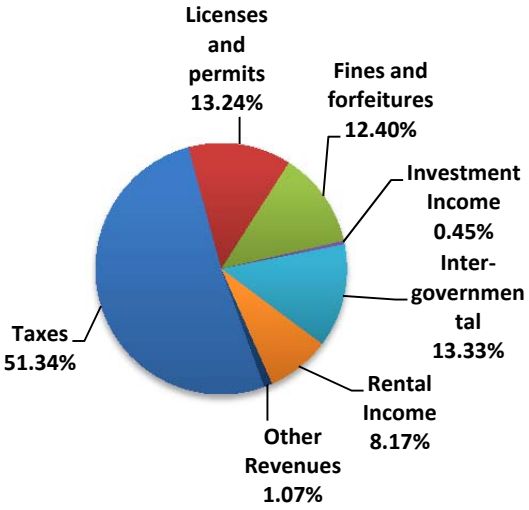
Revenues of the general fund increased $65,262 or 4.18%. Tax revenue represents 49.35% of all general fund revenue. Licenses and permits increased $50,035 or 24.18% due to an increase in cell phone tower lease payments. Intergovernmental revenue increased 9.46% which was a result of an increase in estate taxes.

The following graphs illustrate the breakdown of the general fund's revenues for December 31, 2013 and 2012:

Revenues - 2013



Revenues – 2012

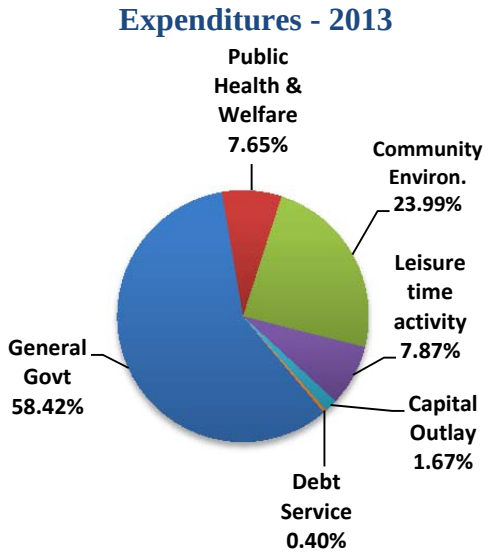


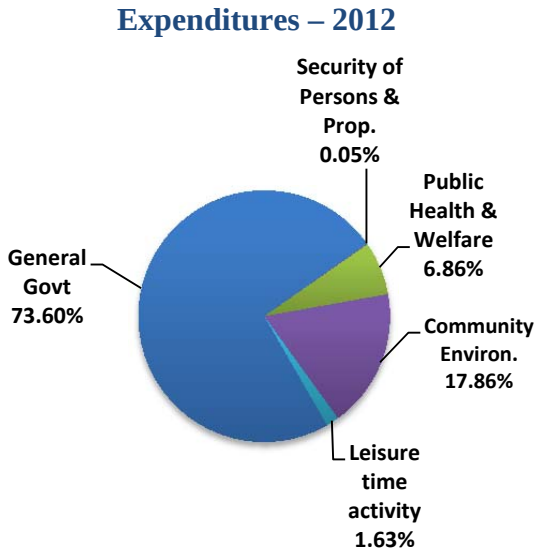
The table that follows assists in illustrating the expenditures of the general fund.

	2013 Amount	2012 Amount	Percentage Change
Expenditures			
General government	$ 856,362	$ 1,196,128	(28.41%)
Security of persons and property	-	869	(100.00%)
Public health and welfare	112,101	111,485	0.55%
Community environment	351,645	290,320	21.12%
Leisure time activtiy	115,403	26,418	336.83%
Capital outlay	24,508	-	100.00%
Debt service	5,824	-	100.00%
Total Expenditures	**$ 1,465,843**	**$ 1,625,220**	**(9.81%)**

Expenditures of the general fund decreased $159,377 or 9.81%. The decrease in general government is primarily due to decrease in finance and law director expenditures due to a reallocation of these expenditures to other funds by management. Leisure time activity increased due to increased spending in the recreations department. Capital outlay and debt service expenditures increased due to the inception of capital leases and debt payments on those leases. All other expenditures were comparable to 2012.

The graphs below show the general fund's expenditures for December 31, 2013 and 2012:





Street Fund

The street fund had revenues and other financing sources of $2,005,295 in 2013, which is an increase of $677,632 from 2012 revenues. This increase was primarily the result of more income taxes due to a change is the allocation of the City's 1.00% income tax rate. The expenditures in the street fund totaled $1,617,617 in 2013, which increased $306,719 from 2012. Expenditures increased due to more road improvement projects being undertaken during 2013. The net increase in fund balance was $387,678 or 41.15%.

Police Fund

The police fund had revenues and other financing sources of $2,361,219 in 2013, which is an increase of $1,175,404 from 2012 revenues. This increase was primarily the result of more income taxes due to a change is the allocation of the City's 1.00% income tax rate. The expenditures in the police fund totaled $2,336,273 in 2013, which increased $423,695 from 2012. This increase is due primarily to an increase in spending on personal services and cruiser replacement purchases made during 2013. The net increase in fund balance was $24,946 or 1.79%.

Issue II Fund

The Issue II Fund had $2,665,909 in revenues and other financing sources in 2013. The primary component was a transfer of $2,604,283 which was a local match for the Mink Street Phase I improvements project. Expenditures totaled $542,577 during 2013 which were costs associated with the Mink Street project. The fund balance of the Issue II fund increased $2,123,332.

Capital Improvements Fund

The capital improvements fund had revenues and other financing sources of $567,073 in 2013, which is a decrease of $2,002,303 from 2012 revenues. This decrease was the result of a reallocation of the 1.00% income tax of which a lower percentage went to the capital improvements fund during 2013. The expenditures in the capital improvements fund totaled $1,314,711 in 2013, which decreased $934,675 from 2012. This decrease was the result of less projects being funded from this fund. The net decrease in fund balance was $747,638 or 130.57%.

Bond Improvements Fund

The bond improvements fund had other financing sources of $19,123 and expenditures and other financing uses of $4,175,962 in 2013, which increased $4,174,267 from 2012. This increase is primarily due to a transfer out of a local share of an Issue II project. The net increase in fund deficit was $4,156,839 due to bond anticipation notes being recorded as fund liabilities.

Budgeting Highlights

The City's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially, the budget is the City's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity, then the appropriations can be adjusted accordingly.

Budget information for the general fund is presented on page 71. In the general fund, actual revenues came in $99,960 lower than projected in the final budget. Actual expenditures were $335,398 less than the amount in the approved final budget. These variances are the result of the City's conservative budgeting. The City continues to monitor the budget which further exemplifies the difference between total expenditures available to spend and actual expenditures which is evidenced by the $235,438 positive variance.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds and internal balances due to governmental activities for internal service activities. The only interfund activity reported in the government wide statements are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements. The City has no internal service funds and there was no internal balance outstanding at year end between the governmental and business-type activities.

Capital Assets and Debt Administration

Capital Assets

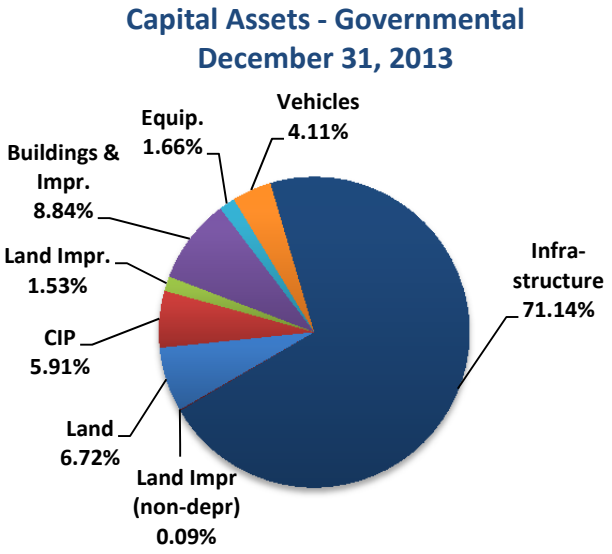
At the end of 2013, the City had $32,599,418, net of accumulated depreciation, invested in land, construction in progress, land improvements, buildings and improvements, equipment, vehicles, and infrastructure. Of this total, $18,077,865 was reported in governmental activities and $14,521,553 was reported in business-type activities.

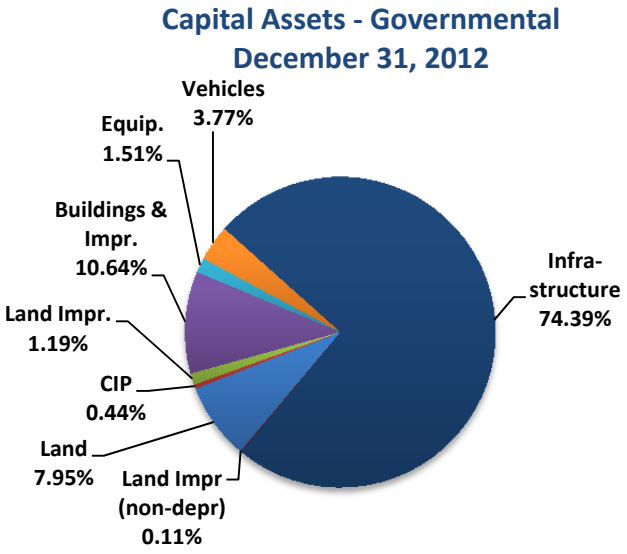
The following table shows 2013 balances compared to 2012. Certain capital asset amounts for governmental activities and business-type activities at December 31, 2012 have been reclassified between capital asset classes. These reclassifications have no effect on net position at the beginning of the year.

Capital Assets at December 31
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	$ 1,214,632	$ 1,214,632	$ 654,893	$ 654,893	$ 1,869,525	$ 1,869,525
Land improvements (non depr.)	17,077	17,077	-	-	17,077	17,077
Construction-in-progress	1,067,532	67,189	232,396	138,535	1,299,928	205,724
Land improvements	276,914	182,112	9,109,713	8,669,948	9,386,627	8,852,060
Buildings and improvements	1,598,454	1,624,564	902,927	984,218	2,501,381	2,608,782
Equipment	300,558	230,100	106,239	109,784	406,797	339,884
Vehicles	743,428	575,789	84,005	52,877	827,433	628,666
Infrastructure	12,859,270	11,364,136	3,431,380	3,347,855	16,290,650	14,711,991
Totals	**$ 18,077,865**	**$ 15,275,599**	**$ 14,521,553**	**$ 13,958,110**	**$ 32,599,418**	**$ 29,233,709**

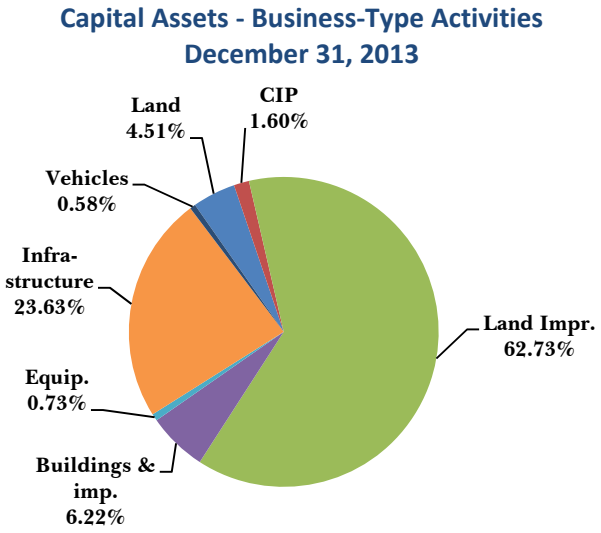
The following graphs show the breakdown of governmental capital assets by category for 2013 and 2012.

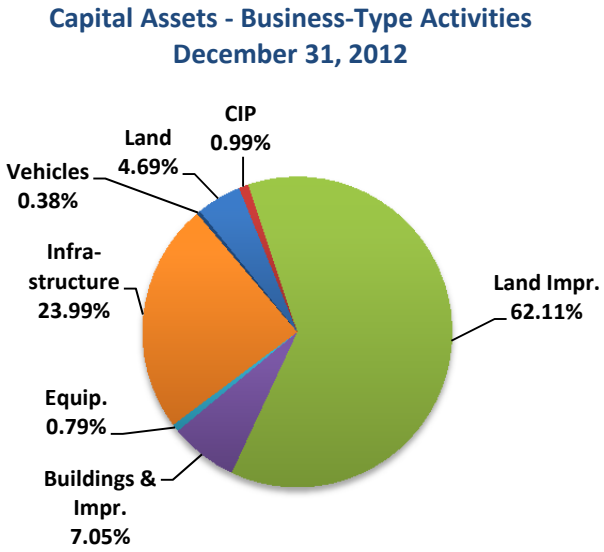




The City's largest capital asset category is infrastructure which includes roads, bridges, culverts, sidewalks and curbs. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant.

The following graphs show the breakdown of business-type capital assets by category for 2013 and 2012.





The City's largest business-type capital asset category was land improvements. The net book value of the City's land improvements (cost less accumulated depreciation) represents approximately 58.99% of the City's total business-type capital assets.

See Note 10 to the basic financial statements for detail on the City's capital assets.

Debt Administration

The City had the following long-term obligations outstanding at December 31, 2013 and 2012:

	Governmental Activities	
	2013	**2012**
Compensated absences	$ 94,676	$ 107,098
SIB loan	255,204	245,771
Note payable	347,549	583,015
BANs	-	720,000
Capital lease obligation payable	143,165	-
OPWC loans	63,956	55,441
Total Long-Term Obligations	**$ 904,550**	**$ 1,711,325**

	Business-type Activities	
	2013	**2012**
General obligation bonds	$ 6,300,000	$ 6,485,000
OWDA Loans	4,116,795	4,296,943
Compensated absences	23,891	20,609
Total Long-Term Obligations	**$ 10,440,686**	**$ 10,802,552**

During 2013, the City's governmental activities paid $967,222 in principal which accounts for the large decrease from 2012. The City also entered into capital lease agreements for copiers and radios.

During 2013, the City's business-type activities paid down $365,148 in long-term obligation which primarily accounts for the decrease from 2012.

See Note 13 to the basic financial statements for detail on the City's debt administration.

Economic Conditions and Outlook

In May 2010, the City of Pataskala passed a 1.0% income tax with no credit given for taxes withheld by or paid to neighboring communities. Initially, the revenue generated by the tax was allocated to the Police Fund (75%) and to Public Service/Street Fund (25%). City Council and management were cognizant of the fact that higher than expected income tax collections would provide for greater scrutiny regarding the use of taxpayer dollars, and therefore changed the allocation of income taxes to provide greater resources for the implementation of the City's Roadway Asset Management Plan (RAMP) which provided for improvements to the City's road infrastructure. During 2012, Council approved legislation amending that allocation for 2013 to provide additional funding for Police and Public Service. For 2013, the allocation was as follows: 58.5% - Police; 32% - Public Service; 6.75% - Capital Improvements fund; and 2.75% - Debt Service fund. This income tax allocation provided the framework for the City to begin addressing its infrastructure needs while providing sufficient funds for operations and accounting for debt service obligations.

Based upon the year-end 2013 fund balances, estimates of 2014 collections and funding requirements, the allocation was amended again. For 2014, the allocation was as follows: 41.5% - Police; 46.5% - Public Service; 7% - Capital Improvements fund; and 5% - Debt Service fund. It is anticipated that Council will continue to modify the allocation as funding requirements and the operating environment change. Original estimates provided by the Regional Income Tax Agency (RITA) provided that upon full collection of the income tax the City would collect approximately $2.4 million by December 31, 2013. Management continues to closely monitor these estimates and maintain conservative budgeting practices, even though collections have significantly exceeded those estimates. As of December 31, 2013, cash-basis income tax collections of approximately $11.55 million have been received. Higher income tax collections combined with continued conservative budgeting practices allowed the City's Police and Street funds to end 2013 with higher than expected carryover fund balances for 2013. The current 2014 budget estimates that income tax collections (cash-basis) will be approximately $4.14 million.

The aforementioned Roadway Asset Management Plan (RAMP) is a management tool which is used to identify the current condition of the City's road infrastructure and the estimated improvement costs. The City previously lacked sufficient funding to adequately maintain its roads and infrastructure. As a result, many of its streets and related infrastructure fell into disrepair and required significant investment to return them to a satisfactory level. The plan estimated $34 million in needed repairs over a 10-year period. Ordinance 2012-4064 authorized the City to proceed with implementing the necessary road repairs in 2012 and 2013 addressing critical roads within the City at an estimated cost of $3.2 million, which would be financed by the issuance of $2.25 million in bond anticipation notes, income taxes allocated to the capital improvements fund and permissive license tax funds allocated to the permissive license tax fund. Included in the 2012 BAN issuances was $720,000 for expenses associated with improvements to Broad Street, including a $500,000 local match to the Ohio Department of Transportation (ODOT) and approximately $200,000 for the construction of sidewalks along Broad Street (SR-16). The City anticipates issuing additional debt in 2014 for additional road-related projects.

In addition to the City's deteriorated road infrastructure, which the City has begun to address with the passage of the income tax, the infrastructure associated with the City's water and sewer utility operations was evaluated. This evaluation identified several areas in need of significant improvement and repair. In conjunction with the finalization of the $4.2 million Wastewater Treatment Plant upgrade and OAKS Sanitary Sewer Special Assessment project, the City issued bond anticipation notes during 2012 totaling $1,579,000 for water system improvements and $1,434,000 for sewer system improvements. The City's utility funds do not receive income tax receipts and are self-supporting through user charges. In 2011 and 2012, the City implemented a new utility rate structures to address operations, needed capital improvements, and provides necessary funds to pay debt service related charges. Management will continue to closely monitor the revenue generated by the revised rate structures to ensure that adequate funding for debt service and operations is ensured.

The City continues to see declines in funding support from the State of Ohio and Licking County as those organizations continue to deal with budget shortfalls. The City expects to see continued cuts in local government funding, tangible personal property tax reimbursements, and public utility deregulation tax reimbursements which began July 1, 2011. Furthermore, effective January 1, 2013 the City no longer received estate tax revenues which further challenges future budgets. These changes will require the Administration to adjust future operating budgets to avoid significant decreases in services.

Based on the recent cost estimates to repair the City's deteriorating road infrastructure, it has been made clear that the income tax will not be sufficient to cover these costs, when considering income tax receipts must also be used for Police operations, street operations and debt service obligations. The Administration has been, and will continue to be, aggressive in seeking available grant funding for infrastructure needs consistently working with the Mid-Ohio Regional Planning Commission (MORPC), Licking County Engineer, the Ohio Department of Development and the Ohio Department of Transportation. During 2012, the City received nearly $900,000 in state and federal grants to support operations and infrastructure improvements. In late 2012, the City received notice that it has been awarded nearly $4.0 million from the Ohio Public Works Commission (OPWC) for significant improvements to Mink Road, a major roadway in the City. Engineering and design on this project was undertaken in 2013, with construction slated to be completed in 2014. In addition, the City has been awarded a $225,000 10-year, interest-free loan from the Local Government Innovation Fund (LGIF) for the construction of a radio communications tower to support City safety services. In addition to those awards, the City has received a nearly $800,000 Safe Routes to School (SRTS) grant that will enable the City to construct sidewalks, crosswalks and signalization around local schools.

Following the investment of over $3.4 million of site and infrastructure improvements, the 520+ acre Pataskala Corporate Park was completed in early 2012 and is a key component to the City's future economic growth. To promote this development and to assist in funding additional infrastructure improvements in the Park, a Joint Economic Development District (JEDD) was created in 2009. The JEDD consists of a partnership between the City, Licking County, Harrison Township and the property owner of the Park. The Pataskala Corporate site is also located in an Ohio Enterprise Zone, a Tax Increment Financing (TIF) District, and a Community Reinvestment Area (CRA). Businesses that locate in the district would be eligible for both state and local incentives to support new development. The County and City have recently begun to jointly market the property and hope to begin attracting businesses and investment in the Park in the near future. Growth in the Corporate Park would supplement the income taxes paid by residents, through the tax on the business net profits and withholding on wages paid to its employees. In January of 2012, the Pataskala Corporate Park Job Ready Site received certification from the State of Ohio as a State certified manufacturing site, recognizing that all elements required for development to commence are present within this development.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact: Mr. James M. Nicholson, Finance Director, City of Pataskala, 621 W. Broad Street, Suite 2B, Pataskala, Ohio 43062 or email jnicholson@ci.pataskala.oh.us.

CITY OF PATASKALA, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and investments	$ 8,633,782	$ 3,379,416	$ 12,013,198
Receivables:			
Income taxes	1,710,493	-	1,710,493
Real and other taxes	972,785	-	972,785
Accounts	40,082	470,864	510,946
Special assessments	4,169	323,606	327,775
Accrued interest	10,705	525	11,230
Payment in lieu of taxes	155,278	-	155,278
Due from other governments	449,637	-	449,637
Materials and supplies inventory	11,876	53,092	64,968
Prepayments	15,590	3,548	19,138
Restricted assets:			
Equity in pooled cash and investments	98,854	-	98,854
Cash with fiscal and escrow agents	116,098	-	116,098
Capital assets:			
Land and construction in progress	2,299,241	887,289	3,186,530
Depreciable capital assets, net	15,778,624	13,634,264	29,412,888
Total capital assets, net	18,077,865	14,521,553	32,599,418
Total Assets	**30,297,214**	**18,752,604**	**49,049,818**
Deferred Outflows of Resources:			
Unamortized deferred charges on debt refunding	-	2,094	2,094
Total Deferred Outflows of Resources	**-**	**2,094**	**2,094**
Liabilities:			
Accounts payable	256,553	117,576	374,129
Retainage payable	98,854	-	98,854
Accrued wages and benefits payable	56,765	12,809	69,574
Due to other governments	54,610	17,668	72,278
Accrued interest payable	48,542	47,433	95,975
Pension obligation payable	34,006	8,618	42,624
Notes payable	5,960,000	2,845,000	8,805,000
Unearned revenue	1,133	-	1,133
Long-term liabilities:			
Due within one year	444,965	235,871	680,836
Due in more than one year	459,585	10,284,183	10,743,768
Total Liabilities	**7,415,013**	**13,569,158**	**20,984,171**
Deferred Inflows of Resources:			
Property taxes levied for the next fiscal year	824,517	-	824,517
PILOTs levied for the next fiscal year	155,278	-	155,278
Total Deferred Inflows of Resources	**979,795**	**-**	**979,795**
Net Position:			
Net investment in capital assets	12,389,873	1,523,496	13,913,369
Restricted for:			
Debt service	300,426	-	300,426
Capital projects	1,976,407	-	1,976,407
Transportation projects	2,625,800	-	2,625,800
Community development	159,356	-	159,356
Police	1,968,801	-	1,968,801
Unrestricted	2,481,743	3,662,044	6,143,787
Total Net Position	**$ 21,902,406**	**$ 5,185,540**	**$ 27,087,946**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

		Program Revenues		
	Expenses	**Charges for Services and Sales**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Governmental activities:				
General government	$ 706,223	$ 379,351	$ -	$ -
Security of persons and property	2,086,324	192,348	476,701	-
Public health and welfare	112,101	-	-	-
Transportation	2,642,514	-	1,129,954	46,219
Community environment	543,577	-	171,004	-
Leisure time activity	157,950	22,690	-	-
Interest and fiscal charges	83,157	-	-	-
Total Governmental Activities	**6,331,846**	**594,389**	**1,777,659**	**46,219**
Business-type activities:				
Water	1,458,080	1,642,290	-	-
Sewer	1,573,164	1,689,448	-	-
Total Business-Type Activities	**3,031,244**	**3,331,738**	**-**	**-**
Total Primary Government	**$ 9,363,090**	**$ 3,926,127**	**$ 1,777,659**	**$ 46,219**

General revenues:
Property taxes levied for:
General purposes
Income taxes levied for:
Street fund
Police levy fund
Debt service fund
Capital projects fund
JEDD income tax fund
Payments in lieu of taxes
Grants and entitlements not restricted to specific programs
Investment earnings - unrestricted
Decrease in fair value of investments
Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position at Beginning of Year

Net Position at End of Year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	**Business-type Activities**	**Total**
$ (326,872)	$ -	$ (326,872)
(1,417,275)	-	(1,417,275)
(112,101)	-	(112,101)
(1,466,341)	-	(1,466,341)
(372,573)	-	(372,573)
(135,260)	-	(135,260)
(83,157)	-	(83,157)
(3,913,579)	**-**	**(3,913,579)**
-	184,210	184,210
-	116,284	116,284
-	**300,494**	**300,494**
(3,913,579)	**300,494**	**(3,613,085)**
891,357	-	891,357
1,511,685	-	1,511,685
2,016,235	-	2,016,235
148,909	-	148,909
282,067	-	282,067
803	-	803
109,965	-	109,965
234,624	-	234,624
12,348	36,185	48,533
(10,535)	(517)	(11,052)
46,520	36,141	82,661
5,243,978	**71,809**	**5,315,787**
(10,957)	10,957	-
5,233,021	**82,766**	**5,315,787**
1,319,442	**383,260**	**1,702,702**
20,582,964	**4,802,280**	**25,385,244**
$ 21,902,406	**$ 5,185,540**	**$ 27,087,946**

CITY OF PATASKALA, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	General	Street	Police	Issue II
Assets:				
Equity in pooled cash and investments	$ 730,181	$ 1,028,570	$ 1,554,079	$ 2,186,608
Receivables:				
Income taxes	-	795,348	709,827	-
Real and other taxes	972,785	-	-	-
Accounts	11,406	10,942	15,974	-
Special assessments	4,169	-	-	-
Accrued interest	4,257	6,247	-	-
Payment in lieu of taxes	-	-	-	-
Due from other governments	95,723	325,559	2,284	-
Materials and supplies inventory	-	11,876	-	-
Prepayments	9,302	2,119	4,169	-
Restricted assets:				
Equity in pooled cash and investments	-	-	-	-
Cash with fiscal and escrow agents	-	-	-	-
Total Assets	**$ 1,827,823**	**$ 2,180,661**	**$ 2,286,333**	**$ 2,186,608**
Liabilities:				
Accounts payable	$ 55,053	$ 10,880	$ 75,730	$ 63,276
Retainage payable	-	-	-	-
Accrued wages and benefits payable	17,559	10,471	28,735	-
Due to other governments	12,443	12,444	29,723	-
Accrued interest payable	-	-	303	-
Unearned revenue	1,133	-	-	-
Pension obligation payable	6,615	6,827	20,564	-
Notes payable	-	-	180,000	-
Total Liabilities	**92,803**	**40,622**	**335,055**	**63,276**
Deferred Inflows of Resources:				
Property taxes levied for the next fiscal year	824,517	-	-	-
Delinquent property tax revenue not available	134,520	-	-	-
Accrued interest not available	833	1,224	-	-
Special assessments revenue not available	4,169	-	-	-
Income tax revenue not available	-	595,245	531,240	-
Other nonexchange transactions not available	78,673	213,849	-	-
PILOTs levied for the next fiscal year	-	-	-	-
Total Deferred Inflows of Resources	**1,042,712**	**810,318**	**531,240**	**-**
Fund Balances:				
Nonspendable	9,302	13,995	4,169	-
Restricted	-	1,315,726	1,415,869	2,123,332
Committed	-	-	-	-
Assigned	313,403	-	-	-
Unassigned (deficit)	369,603	-	-	-
Total Fund Balances (Deficit)	**692,308**	**1,329,721**	**1,420,038**	**2,123,332**
Total Liabilities, Deferred Inflows of Resources and Fund Balances	**$ 1,827,823**	**$ 2,180,661**	**$ 2,286,333**	**$ 2,186,608**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Capital Improvements	Bond Improvements	Other Governmental Funds	Total Governmental Funds
$ 567,599	$ 938,717	$ 1,628,028	$ 8,633,782
119,730	-	85,588	1,710,493
-	-	-	972,785
-	-	1,760	40,082
-	-	-	4,169
-	-	201	10,705
-	-	155,278	155,278
385	-	25,686	449,637
-	-	-	11,876
-	-	-	15,590
98,854	-	-	98,854
-	-	116,098	116,098
$ 786,568	**$ 938,717**	**$ 2,012,639**	**$ 12,219,349**
$ 44,915	$ 1,241	$ 5,458	$ 256,553
98,854	-	-	98,854
-	-	-	56,765
-	-	-	54,610
8,255	36,010	-	44,568
-	-	-	1,133
-	-	-	34,006
720,000	5,060,000	-	5,960,000
872,024	**5,097,251**	**5,458**	**6,506,489**
-	-	-	824,517
-	-	-	134,520
-	-	39	2,096
-	-	-	4,169
89,607	-	64,005	1,280,097
-	-	16,561	309,083
-	-	155,278	155,278
89,607	**-**	**235,883**	**2,709,760**
-	-	-	27,466
-	-	1,739,004	6,593,931
-	-	32,294	32,294
-	-	-	313,403
(175,063)	(4,158,534)	-	(3,963,994)
(175,063)	**(4,158,534)**	**1,771,298**	**3,003,100**
$ 786,568	**$ 938,717**	**$ 2,012,639**	**$ 12,219,349**

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CITY OF PATASKALA, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2013

Total governmental fund balances			**$**	**3,003,100**
Amounts reported for governmental activities on 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.				18,077,865
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.				
Income taxes receivable	$	1,280,097		
Real and other taxes receivable		134,520		
Special assessments receivable		4,169		
Accrued interest receivable		2,096		
Due from other governments		309,083		
Total				1,729,965
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.				(3,974)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.				
Compensated absences		(94,676)		
Capital lease payable		(143,165)		
OPWC loans payable		(63,956)		
SIB loan payable		(255,204)		
Notes payable		(347,549)		
Total				(904,550)
Net Position of Governmental Activities			**$**	**21,902,406**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	General	Street	Police	Issue II
Revenues:				
Income taxes	$ -	$ 1,289,835	$ 2,167,607	$ -
Real and other taxes	803,422	-	-	-
Charges for services	-	-	-	-
Licenses and permits	256,957	-	-	-
Fines and forfeitures	168,834	-	6,908	-
Intergovernmental	227,957	653,948	-	46,219
Special assessments	9,527	-	-	-
Investment income	11,515	5,805	-	-
Rental income	118,225	-	-	-
Decrease in fair value of investments	(4,190)	(6,147)	-	-
Payments in lieu of taxes	-	-	-	-
Other	35,873	38,167	53,553	-
Total Revenues	**1,628,120**	**1,981,608**	**2,228,068**	**46,219**
Expenditures:				
Current:				
General government	856,362	-	-	-
Security of persons and property	-	-	2,212,449	-
Public health and welfare	112,101	-	-	-
Transportation	-	1,617,617	-	-
Community environment	351,645	-	-	-
Leisure time activity	115,403	-	-	-
Capital outlay	24,508	-	123,521	542,577
Debt service:				
Principal retirement	4,864	-	-	-
Interest and fiscal charges	960	-	303	-
Total Expenditures	**1,465,843**	**1,617,617**	**2,336,273**	**542,577**
Excess (deficiency) of revenues over (under) expenditures	**162,277**	**363,991**	**(108,205)**	**(496,358)**
Other Financing Sources (Uses):				
Inception of capital lease	24,508	-	123,521	-
Transfers in	-	23,687	9,630	2,604,283
Transfers (out)	(608,961)	-	-	-
Issuance of OPWC loans	-	-	-	15,407
Total Other Financing Sources (Uses)	**(584,453)**	**23,687**	**133,151**	**2,619,690**
Net Change in Fund Balances	**(422,176)**	**387,678**	**24,946**	**2,123,332**
Fund Balances (Deficits) at Beginning of Year	**1,114,484**	**942,043**	**1,395,092**	**-**
Fund Balances (Deficits) at End of Year	**$ 692,308**	**$ 1,329,721**	**$ 1,420,038**	**$ 2,123,332**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Capital Improvements	Bond Improvements	Other Governmental Funds	Total Governmental Funds
$ 271,223	$ -	$ 117,796	$ 3,846,461
-	-	-	803,422
-	-	22,690	22,690
-	-	-	256,957
-	-	16,606	192,348
-	-	1,025,154	1,953,278
-	-	-	9,527
-	-	201	17,521
-	-	-	118,225
-	-	(198)	(10,535)
-	-	155,279	155,279
9,600	-	1,047	138,240
280,823	**-**	**1,338,575**	**7,503,413**
-	-	5,472	861,834
-	-	426,267	2,638,716
-	-	-	112,101
-	-	324,403	1,942,020
-	-	193,544	545,189
-	-	22,218	137,621
575,549	1,518,241	31,058	2,815,454
720,000	-	242,358	967,222
19,162	53,438	7,163	81,026
1,314,711	**1,571,679**	**1,252,483**	**10,101,183**
(1,033,888)	**(1,571,679)**	**86,092**	**(2,597,770)**
-	-	-	148,029
286,250	19,123	363,961	3,306,934
-	(2,604,283)	(104,647)	(3,317,891)
-	-	-	15,407
286,250	**(2,585,160)**	**259,314**	**152,479**
(747,638)	**(4,156,839)**	**345,406**	**(2,445,291)**
572,575	**(1,695)**	**1,425,892**	**5,448,391**
$ (175,063)	**$ (4,158,534)**	**$ 1,771,298**	**$ 3,003,100**

CITY OF PATASKALA, 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, 2013

Net Change in Fund Balances - Total Governmental Funds			**$**	**(2,445,291)**
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 asset additions exceed depreciation expense in the current period.				
Capital asset additions	$	3,791,327		
Current year depreciation		(989,061)		
Total				2,802,266
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.				
Income taxes		113,238		
Real and other taxes		87,935		
Intergovernmental revenues		6,235		
Special assessments		(5,358)		
Investment income		2,096		
Payment in lieu of taxes		(45,314)		
Total				158,832
Proceeds of leases and loans are reported as an other financing source in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position.				
Capital leases		(148,029)		
OPWC loans		(15,407)		
Total				(163,436)
Repayment of note, capital lease and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.				
Notes		955,466		
Capital leases		4,864		
OPWC loans		6,892		
Total				967,222
In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due.				
Decrease in accrued interest payable		7,302		
Capitalized interest on SIB loan		(9,433)		
Total				(2,131)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.				1,980
Change in Net Position of Governmental Activities			**$**	**1,319,442**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Real and other taxes	$ 897,113	$ 835,719	$ 819,792	$ (15,927)
Licenses and permits	285,057	265,550	256,957	(8,593)
Fines and forfeitures	190,566	177,525	170,380	(7,145)
Intergovernmental	232,726	216,800	218,966	2,166
Special assessments	11,271	10,500	9,527	(973)
Investment income	6,977	6,500	8,091	1,591
Rental income	112,713	105,000	116,245	11,245
Other	40,791	38,000	27,791	(10,209)
Total Revenues	**1,777,214**	**1,655,594**	**1,627,749**	**(27,845)**
Expenditures:				
Current:				
General government	991,172	1,106,838	944,512	162,326
Public health and welfare	-	123,345	115,106	8,239
Community environment	370,644	449,197	359,854	89,343
Leisure time activity	3,166	53,166	49,791	3,375
Total Expenditures	**1,364,982**	**1,732,546**	**1,469,263**	**263,283**
Excess (deficiency) of Expenditures Over (under) Revenues	**412,232**	**(76,952)**	**158,486**	**235,438**
Other Financing Sources (Uses):				
Advances in	-	72,115	-	(72,115)
Advances (out)	-	(30,115)	-	30,115
Transfers (out)	(657,076)	(581,961)	(539,961)	42,000
Total Other Financing Sources (Uses)	**(657,076)**	**(539,961)**	**(539,961)**	**-**
Net Change in Fund Balances	**(244,844)**	**(616,913)**	**(381,475)**	**235,438**
Fund Balances at Beginning of Year	904,069	904,069	904,069	-
Prior Year Encumbrances Appropriated	**47,347**	**47,347**	**47,347**	**-**
Fund Balance at End of Year	**$ 706,572**	**$ 334,503**	**$ 569,941**	**$ 235,438**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Income taxes	$ 1,118,415	$ 1,281,650	$ 1,258,603	$ (23,047)
Intergovernmental	604,563	692,800	648,405	(44,395)
Investment income	873	1,000	782	(218)
Other	26,179	30,000	28,485	(1,515)
Total Revenues	**1,750,030**	**2,005,450**	**1,936,275**	**(69,175)**
Expenditures:				
Current:				
Transportation	1,771,454	1,882,847	1,658,655	224,192
Total Expenditures	**1,771,454**	**1,882,847**	**1,658,655**	**224,192**
Excess (Deficiency) of Revenues Over (Under) Expenditures	**(21,424)**	**122,603**	**277,620**	**155,017**
Other Financing Sources:				
Transfers in	-	23,687	23,687	-
Total Other Financing Sources	**-**	**23,687**	**23,687**	**-**
Net Change in Fund Balances	**(21,424)**	**146,290**	**301,307**	**155,017**
Fund Balances at Beginning of Year	648,634	648,634	648,634	-
Prior Year Encumbrances Appropriated	51,290	51,290	51,290	-
Fund Balance at End of Year	**$ 678,500**	**$ 846,214**	**$ 1,001,231**	**$ 155,017**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Income taxes	$ 2,053,988	$ 2,342,500	$ 2,300,132	$ (42,368)
Fines and forfeitures	5,919	6,750	6,908	158
Intergovernmental	197,288	225,000	-	(225,000)
Other	26,305	30,000	37,579	7,579
Total Revenues	**2,283,500**	**2,604,250**	**2,344,619**	**(259,631)**
Expenditures:				
Current:				
Security of persons and property	2,468,239	2,727,884	2,418,270	309,614
Total Expenditures	**2,468,239**	**2,727,884**	**2,418,270**	**309,614**
Excess of Expenditures Over Revenues	**(184,739)**	**(123,634)**	**(73,651)**	**49,983**
Other Financing Sources:				
Note issuance	-	180,000	180,000	-
Transfers in	-	9,630	9,630	-
Total Other Financing Sources	-	189,630	189,630	-
Net change in fund balances	**(184,739)**	**65,996**	**115,979**	**49,983**
Fund Balances at Beginning of Year	1,128,840	1,128,840	1,128,840	-
Prior Year Encumbrances Appropriated	25,053	25,053	25,053	-
Fund Balance at End of Year	**$ 969,154**	**$ 1,219,889**	**$ 1,269,872**	**$ 49,983**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds		
	Water	**Sewer**	**Total**
Assets:			
Current assets:			
Equity in pooled cash and investments	$ 1,168,448	$ 2,210,968	$ 3,379,416
Receivables:			
Accounts	224,536	246,328	470,864
Special assessments	-	323,606	323,606
Accrued interest	85	440	525
Materials and supplies inventory	45,227	7,865	53,092
Prepayments	2,060	1,488	3,548
Total Current Assets	**1,440,356**	**2,790,695**	**4,231,051**
Noncurrent assets:			
Capital assets:			
Land and construction in progress	475,805	411,484	887,289
Depreciable capital assets, net	6,163,743	7,470,521	13,634,264
Total Capital Assets, Net	**6,639,548**	**7,882,005**	**14,521,553**
Total Noncurrent Assets	**6,639,548**	**7,882,005**	**14,521,553**
Total Assets	**8,079,904**	**10,672,700**	**18,752,604**
Deferred Outflows of Resources:			
Unamortized deferred charges on debt refunding	-	2,094	2,094
Total Deferred Outflows of Resources	**-**	**2,094**	**2,094**
Liabilities:			
Current liabilities:			
Accounts payable	44,065	73,511	117,576
Accrued wages and benefits payable	8,666	4,143	12,809
Due to other governments	7,616	10,052	17,668
Accrued interest payable	37,637	9,796	47,433
Compensated absences payable - current	12,291	11,600	23,891
General obligation bonds payable	140,000	60,000	200,000
OWDA loans payable	-	11,980	11,980
Notes payable	1,488,000	1,357,000	2,845,000
Pension obligation payable	4,093	4,525	8,618
Total Current Liabilities	**1,742,368**	**1,542,607**	**3,284,975**
Long-term liabilities:			
General obligation bonds payable	5,780,000	320,000	6,100,000
OWDA loans payable	-	4,104,815	4,104,815
Unamortized premium on bonds	79,368	-	79,368
Total Long-Term Liabilities	**5,859,368**	**4,424,815**	**10,284,183**
Total Liabilities	**7,601,736**	**5,967,422**	**13,569,158**
Net Position:			
Net investment in capital assets	(745,888)	2,269,384	1,523,496
Unrestricted	1,224,056	2,437,988	3,662,044
Total Net Position	**$ 478,168**	**$ 4,707,372**	**$ 5,185,540**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds		
	Water	**Sewer**	**Total**
Operating Revenues:			
Charges for services	$ 1,411,708	$ 1,503,297	$ 2,915,005
Capacity fees	230,582	176,085	406,667
Special assessments	-	10,066	10,066
Other operating revenues	24,111	12,030	36,141
Total Operating Revenues	**1,666,401**	**1,701,478**	**3,367,879**
Operating Expenses:			
Personal services	414,223	540,981	955,204
Contract services	41,262	85,615	126,877
Materials and supplies	390,057	452,759	842,816
Depreciation	295,719	327,239	622,958
Total Operating Expenses	**1,141,261**	**1,406,594**	**2,547,855**
Operating Income	**525,140**	**294,884**	**820,024**
Nonoperating Revenues (Expenses):			
Interest and fiscal charges	(316,819)	(166,570)	(483,389)
Interest income	17,944	18,241	36,185
Decrease in fair value of investments	(84)	(433)	(517)
Total Nonoperating Revenues (Expenses)	**(298,959)**	**(148,762)**	**(447,721)**
Income Before Transfers	**226,181**	**146,122**	**372,303**
Transfer in	5,479	5,478	10,957
Change in Net Position	**231,660**	**151,600**	**383,260**
Net Position at Beginning of Year	246,508	4,555,772	4,802,280
Net Position at End of Year	**$ 478,168**	**$ 4,707,372**	**$ 5,185,540**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds		
	Water	**Sewer**	**Total**
Cash Flows From Operating Activities:			
Cash received from charges for services	$ 1,402,361	$ 1,482,178	$ 2,884,539
Cash received from capacity fees	230,582	176,085	406,667
Cash received from special assessments	-	18,162	18,162
Cash received from other operations	24,111	12,030	36,141
Cash payments for personal services	(406,263)	(530,815)	(937,078)
Cash payments for contractual services	(41,905)	(85,127)	(127,032)
Cash payments for materials and supplies	(389,380)	(406,987)	(796,367)
Net Cash Provided by Operating Activities	**819,506**	**665,526**	**1,485,032**
Cash flows from noncapital financing activities:			
Cash received from transfers in	5,479	5,478	10,957
Net Cash Provided by Noncapital Financing Activities	**5,479**	**5,478**	**10,957**
Cash Flows From Capital and Related Financing Activities:			
Acquisition of capital assets	(436,796)	(773,397)	(1,210,193)
Principal retirement on bonds and loans	(1,704,000)	(1,674,148)	(3,378,148)
Interest paid on bonds and loans	(309,989)	(155,069)	(465,058)
Notes issued	1,488,000	1,357,000	2,845,000
Premiums on notes issued	169	328	497
Note issuance costs	(11,571)	(12,008)	(23,579)
Net Cash Used In Capital and Related Financing Activities	**(974,187)**	**(1,257,294)**	**(2,231,481)**
Cash Flows From Investing Activities:			
Interest received	17,859	17,801	35,660
Decrease in fair value of investments	(84)	(433)	(517)
Net Cash Provided by Investing Activities	**17,775**	**17,368**	**35,143**
Net Decrease in Cash and Investments	**(131,427)**	**(568,922)**	**(700,349)**
Cash and Investments at Beginning of Year	1,299,875	2,779,890	4,079,765
Cash and Investments at End of Year	**$ 1,168,448**	**$ 2,210,968**	**$ 3,379,416**

(Continued)

CITY OF PATASKALA, OHIO

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds		
	Water	**Sewer**	**Total**
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	**$ 525,140**	**$ 294,884**	**$ 820,024**
Adjustments:			
Depreciation	295,719	327,239	622,958
Changes in assets and liabilities:			
(Increase) decrease in materials and supplies inventory	(7,228)	19,074	11,846
(Increase) in accounts receivable	(9,347)	(21,119)	(30,466)
Decrease in special assessment receivable	-	8,096	8,096
Decrease in due from other governments	53	73	126
Decrease in prepayments	4,026	5,227	9,253
Increase in accounts payable	9,384	28,933	38,317
Increase in accrued wages and benefits	1,499	1,222	2,721
Increase in due to other governments	1,046	2,233	3,279
Increase in compensated absences payable	1,123	2,159	3,282
(Decrease) in pension obligation payable	(1,909)	(2,495)	(4,404)
Net Cash Provided by Operating Activities	**$ 819,506**	**$ 665,526**	**$ 1,485,032**

Non-Cash Transactions:
At December 31, 2013, the Water and Sewer funds purchased $31,706 and $21,051, respectively in capital assets on account.
At December 31, 2012, the Water and Sewer funds purchased $8,175 and $68,374, respectively in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2013

		Agency
Assets:		
Equity in pooled cash and investments	$	237,744
Cash in segregated accounts		125
Total Assets	**$**	**237,869**
Liabilities:		
Undistributed monies	$	125
Deposits held and due to others		237,744
Total Liabilities	**$**	**237,869**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO

SCHEDULE OF NOTES TO THE BASIC FINANCIAL STATEMENTS

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NOTE 1 - DESCRIPTION OF THE CITY

The City of Pataskala, Licking County, Ohio (the "City") is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The City operates under a government that is directed by a publicly-elected seven-member Council and a Mayor. The City Administrator is the chief executive officer, and the Finance Director is the chief fiscal officer. The City provides the following services: general government, including water and sewer utilities, police protection, public health, street maintenance and community development.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the City 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 most significant of the City's accounting policies are described below.

A. Reporting Entity

For financial reporting purposes, the City's BFS include all funds, agencies, boards, commissions, and departments for which the City is financially accountable. Financial accountability, as defined by the GASB, exists if the City appoints a voting majority of an organization's Governing Board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the City. The City may also be financially accountable for governmental organizations with a separately elected Governing Board, a Governing Board appointed by another government, or a jointly appointed board that is fiscally dependent on the City. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's BFS to be misleading or incomplete.

The primary government consists of all funds and departments which provide various services including police protection, street maintenance and repair, water and sewer services. Council and the City Administrator are directly responsible for these activities. The City contracts with various non-profit organizations for parks and recreation programmatic services. Currently, utilization agreements which set forth responsibilities for parks and recreation activities include the Pataskala Parks and Recreation Association (youth soccer), the Licking Heights Youth Association (girls softball), and the Lions Club (mowing and maintenance of parks). The City has no responsibility to these organizations other than providing related equipment and resources to maintain the grounds and surrounding areas but has no responsibility to maintain parks and recreation programs. The City contracts with the Licking County Health Department for public health services. The City does not approve each organization's operating budget nor is it responsible for its continued operation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The accompanying financial statements represent the City, which has no component units. The following organizations are described due to their relationship with the City:

*JOINTLY GOVERNED ORGANIZATION*S

West Licking Joint Fire District - The West Licking Joint Fire District, a jointly governed organization, is a political subdivision governed by a Board of Trustees which possesses its own contracting and budgeting authority. The Board of Trustees consists of one representative from each of the participating governments; the City of Pataskala, the Village of Kirkersville, City of New Albany, Harrison Township, Etna Township, City of Reynoldsburg and Jersey Township. The City made no contributions during 2013 for the operation of the West Licking Joint Fire District.

Southwest Licking Community Water and Sewer District - The Southwest Licking Community Water and Sewer District (the "Sewer District"), a jointly governed organization, is a political subdivision governed by a Board of Trustees which possesses its own contracting and budgeting authority. The City Council of Pataskala appoints one member of the Sewer District and the remaining members are appointed by Harrison and Etna Townships. The City made no contributions during 2013 for the operation of the Sewer District.

Mid-Ohio Regional Planning Commission - The City participates in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. MORPC is composed of 74 representatives appointed by member governments who make up the Commission, the policy-making body of MORPC, and the oversight board. MORPC is a voluntary association of local governments in central and south central Ohio and a regional planning agency whose membership includes 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.

Pataskala Corporate Park Joint Economic Development District - The Pataskala Corporate Park Joint Economic Development District (JEDD), Licking County (the District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District was created as a result of an agreement between the City of Pataskala, Harrison Township, Licking County, and the City of Newark on December 22, 2009. The District is directed by a five-member Board of Trustees. The District's purpose is to promote and facilitate economic development that will create jobs and employment opportunities and improve the economic welfare of the people in the State, the County, the City, the City of Newark, Harrison Township, and the District. Such area is located in the City of Pataskala corporate limits and the primary source of revenue is a tax on earned income in the District.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

In late 2006, the Ohio Department of Development designated a nearly 521 acre site in the City of Pataskala as eligible for Job Ready Sites (JRS) funding. As such, this site known as the Pataskala Corporate Park, located at the southeast corner of State Route 16 (Broad Street) and Mink Street is recognized as one of the premier sites for manufacturing and industrial development in the State of Ohio. A roadway was constructed in 2010 linking State Route 16 (Broad Street) and Refugee Road with the intention to ultimately link the access road to U.S. Route 40 (The National Road), improving the routing to Interstate 70 and offering unparalleled access for commerce. In late 2006, the project received funding of approximately $3.4 million to develop this roadway. It is considered one of the initial projects funded under Ohio's Job Ready Sites program, and is critical in order for the City to create jobs and investment.

The Board of Trustees adopted a resolution levying an income tax at a rate of 1.75 percent on income earned by persons working in the District and on the net profits of businesses located in the District. The income tax shall follow the provisions of Chapter 718 of the Ohio Revised Code. Income tax revenues are collected by the City of Newark Treasurer and deposited quarterly in the Pataskala Corporate Park JEDD Fund, or its general fund. Monies deposited to the JEDD Fund shall be allocated to the JEDD Improvement Account for future infrastructure improvements and to the Newark Account for future distributions to governmental entities subject to the tax sharing agreement.

Regional Income Tax Agency (RITA) - In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) under the authority of Chapter 167 of the Ohio Revised Code to administer tax collection and enforcement concerns facing the cities and villages. The purpose of the RCOG is to foster cooperation between the municipalities through sharing facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal corporations who are members of the RCOG and for the purpose of collecting income taxes on behalf of each member municipality, doing all things allowed by law to accomplish such purpose. The first official act of the RCOG was to form RITA. Today RITA serves as the income tax collection agency for 210 municipalities throughout the State of Ohio. The City began using RITA for its income tax collection services in 2010.

Each member municipality appoints its own delegate to the RCOG, including electing members to the RITA Board of Trustees. The Pataskala Finance Director currently serves on the RITA Board. Regardless of the population or tax collections of member municipalities, each member of the RCOG has an equal say in the operations of RITA.

B. Basis of Presentation - Fund Accounting

The City's BFS 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year end. 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. 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 functions are self-financing or draw 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.

C. 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 are typically financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflow of resources is reported as fund balance.

The following are the City's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Street fund - The street fund accounts for revenues generated from income tax, license and gasoline taxes that are restricted for local roads within the City.

Police fund - This fund accounts for tax and other revenues collected that are restricted for police operations.

Issue II fund - This fund is used to account for transfers and intergovernmental revenues that are restricted for Issue II projects.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Capital improvements fund - This fund is used to account for income taxes that are restricted for the purchase of equipment and to construct capital assets.

Bond improvements fund - This fund is used to account for bond or note proceeds that are restricted for the purchase of equipment and to construct capital assets.

Other governmental funds of the City are used to account for: (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets; (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects; and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Proprietary Funds - Proprietary fund reporting focuses on 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 - The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water fund - This fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City.

Sewer fund - This fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

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. The City has no trust funds. Agency funds are custodial in nature (assets plus deferred outflows equal liabilities plus deferred inflows) and do not involve measurement of results of operations. The City's agency funds account for the Mayor's Court activity, the fire escrow fund and the construction accounts fund.

D. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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, current deferred outflows of resources, current liabilities and current 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 financial statements for governmental funds.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for sales and services. Operating expenses for the enterprise funds include personnel and other expenses related to the operations of the enterprise activities. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Agency funds do not report a measurement focus as they do not report operations.

E. 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. Governmental funds use the modified accrual basis of accounting. Proprietary and agency funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources and in the presentation of expenses versus expenditures.

Revenues: Exchange and Nonexchange Transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, payments in lieu of taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income tax is recognized in the period in which the income is earned (See Note 7). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Payments in lieu of taxes are treated the same way property taxes are in the financial statements. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On 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 sources are considered to be both measurable and available at year end: income taxes, State-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), fines and forfeitures, fees and special assessments.

Deferred Inflows of Resources and Deferred Outflows of Resources - A deferred inflow of resources is an acquisition of net position by the City that is applicable to a future reporting period. A deferred outflow of resources is a consumption of net position by the City that is applicable to a future reporting period.

Property taxes for which there is an enforceable legal claim as of December 31, 2013, but which were levied to finance year 2014 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as deferred inflows. Income taxes, payment in lieu of taxes and grants not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2013, are recorded as deferred inflows on the governmental fund financial statements.

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.

F. Budgetary Data

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. All funds, other than agency funds, are legally required to be budgeted and appropriated. 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 certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. The City's legal level of budgetary control is established at the object level within each department, within each fund. Budgetary modifications may only be made by ordinance by the City Council at the legal level of control.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Tax Budget - During the first Council meeting in July, the City Administrator presents the following year's annual operating budget to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The Licking County Budget Commission waived this requirement for 2013.

Estimated Resources - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. On or before December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include unencumbered cash balances at December 31 of the preceding year. The certificate may be further amended during the year if the Finance Director determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statement reflect the amounts in the original and final certificate of estimated resources issued during 2013.

Appropriations - A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the object level within each department, within each fund. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The appropriations at the legal level of control may only be modified during the year by an ordinance of Council. The amounts on the budgetary statement reflect the original and final appropriation amounts, including all amendments and modifications legally enacted by Council.

Lapsing of Appropriations - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. Encumbrances are carried forward and are not reappropriated as part of the subsequent year appropriations.

G. Cash and Cash Equivalents

Cash balances of the City's funds, except cash in segregated accounts and cash held by a fiscal and escrow agent, are pooled and invested in investments maturing within five years in order to provide improved cash management. Individual fund integrity is maintained through City records. Each fund's interest in the pooled bank accounts is presented on the financial statements as "equity in pooled cash and investments".

During 2013, investments were limited to State Treasury Asset Reserve of Ohio (STAR Ohio), Federal Home Loan Bank (FHLB) Securities, negotiable certificates of deposit and nonnegotiable certificates of deposit. 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The City has a segregated bank account for Mayor's Court monies separate from the City's central bank account. This interest bearing depository account is presented on the financial statements as "cash in segregated accounts" since it is not required to be deposited into the City treasury.

The City has invested funds in STAR Ohio during 2013. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but doe operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price, which is the price the investment could be sold for on December 31, 2013.

Interest income is distributed to the funds according to statutory requirements. Interest revenue earned and credited to the general fund during 2013 amounted to $11,515, which included $7,696 assigned from other funds of the City.

For purposes of the statement of cash flows and for presentation on the financial statement, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments, to the extent they are purchased from a specific fund.

An analysis of the City's investment account at year end is provided in Note 4.

H. Inventories of Materials and Supplies

On government-wide financial statements, purchased inventories are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental funds when consumed. Inventories of the proprietary funds are expensed when used.

On the fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance which indicates that it does not constitute available spendable resources even though it is a component of fund balance.

I. Capital Assets

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 column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. During 2013, the City implemented a capital asset policy that changed the capital asset threshold from $5,000 for all asset classes to the amounts noted below. Capital assets within a class can have different thresholds depending on the asset category within the class. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, and water and sewer lines. 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. Interest incurred during the construction of capital assets is also capitalized for business-type activities.

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

For capital assets purchased before January 1, 2013, depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-type Activities Estimated Lives	Capitalization Threshold
Land improvements	5 - 20 years	5 - 20 years	$5,000
Buildings and improvements	20 - 60 years	20 - 60 years	$5,000
Equipment	5 - 30 years	5 - 30 years	$5,000
Vehicles	8 - 10 years	8 years	$5,000
Infrastructure	15 - 60 years	50 - 60 years	$5,000

For capital assets purchased after January 1, 2013, depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-type Activities Estimated Lives	Capitalization Thresholds
Land improvements	10 - 45 years	10 - 45 years	$25,000
Buildings and improvements	5 - 50 years	5 - 50 years	$10,000 - $50,000
Equipment	5 - 20 years	5 - 20 years	$5,000 - $10,000
Vehicles	5 - 15 years	5 - 15 years	$25,000
Infrastructure	15 - 90 years	15 - 90 years	$15,000 - $25,000

J. Compensated Absences

Compensated absences of the City consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the City and the employee.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if: (a) employees' rights to payment are attributable to services already rendered; and (b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for sick leave is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for severance on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service or any employee with at least twenty years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16. Sick leave benefits were accrued using the "vesting" method.

The total liability for vacation, compensatory time, and sick leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation and sick leave at various rates.

The entire compensated absence liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

K. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2013, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and the expenditure/expense in the year in which services are consumed. At year end, because prepayments are not available to finance future governmental fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the fund financial statements.

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Loans and notes are recognized as a liability on the governmental fund financial statements when due.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

M. Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund loans receivable" and "interfund loans payable". These amounts are eliminated in the governmental activities column of the statement of net position, with the exception of the net residual amounts due between governmental and business-type activities which are presented as internal balances. At December 31, 2013, there were no internal balances.

N. Interfund Activity

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

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

O. 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 classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority). 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 use in satisfying those contractual requirements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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 nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies (resolution) of City Council, which includes giving the Finance Director the authority to constrain monies for intended purposes.

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

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

P. Estimates

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

Q. Net Position

Net position represents the difference between assets plus deferred outflows less liabilities plus deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also are included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes consists primarily of monies restricted for the City's sesquicentennial. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

R. 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 and sewer programs. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

S. Minimum Fund Balance Policy

The City shall create within the general fund a contingency appropriation line item in which prior to any expenditure being incurred Council must authorize by motion. The City will strive to target a range of 10-25% balance within this line item.

T. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature of normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provision or enabling legislation.

Restricted assets represent certain resources which are segregated from other resources of the City. These assets are generally held in separate accounts of the City or by a trustee. Restricted assets represent permissive tax monies held by Licking County.

U. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2013.

V. Bond Discounts and Premiums/Bond Issuance Costs

Bond discounts or premiums are: (1) shown as additions to, or deductions from, the account of the bond liability; (2) amortized using the straight-line method; and (3) reflected as an adjustment to interest expense for the period in the proprietary fund.

Bond issuance costs are expensed when they occur.

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES

A. Change in Accounting Principles

For fiscal year 2013, the City has implemented GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*" and GASB Statement No. 66, "*Technical Corrections-2012*".

GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity. The Statement amends the criteria for reporting component units as if they were part of the primary government in certain circumstances. Finally, the Statement also clarifies the reporting of equity interests in legally separate organizations. The implementation of GASB Statement No. 61 did not have an effect on the financial statements of the City.

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES - (Continued)

GASB Statement No. 66 improves accounting and financial reporting by resolving conflicting guidance that resulted from the issuance of two pronouncements; GASB Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*" and GASB Statement No. 62, "*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA pronouncements*". The implementation of GASB Statement No. 66 did not have an effect on the financial statements of the City.

B. Deficit Fund Balances

Fund balances at December 31, 2013 included the following individual fund deficits:

Major governmental funds	Deficit
Capital improvements fund	$ 175,063
Bond improvements fund	4,158,534

These funds complied with Ohio state law, which does not permit a cash balance deficit at year-end. The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities and notes payable.

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories.

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

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

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

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio;

5. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

6. The State Treasurer's investment pool State Treasury Asset Reserve of Ohio (STAR Ohio);

7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,

8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

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. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash with Fiscal and Escrow Agent

At year end, the City had $116,098 on deposit with the Licking County Treasurer for permissive tax collections. The data regarding insurance and collateralization can be obtained from the Licking County Comprehensive Annual Financial Report for the year ended December 31, 2013. This amount is included in the City's depository balance detailed in Note 4.C.

B. Cash in Segregated Accounts

At year end, the City had $125 deposited with a financial institution for monies related to the Mayor's Court which are reported as an agency fund. These amounts were covered by the FDIC and are included in the City's depository balance detailed in Note 4.C.

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

C. Deposits with Financial Institutions

At December 31, 2013, the carrying amount of all City deposits was $7,512,703. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2013, $7,671,517 of the City's bank balance of $7,925,961 was exposed to custodial risk as discussed below, while $254,444 was covered by the Federal Deposit Insurance Corporation (FDIC).

Custodial credit risk is the risk that, in the event of bank failure, the City's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the City. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institution's trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

D. Investments

Investments are reported at fair value. As of December 31, 2013, the City had the following investments:

		Investment Maturities			
Investment type	**Fair Value**	**6 months or less**	**7 to 12 months**	**19 to 24 months**	**Greater than 24 months**
FHLB	$ 591,614	$ -	$ -	$ -	$ 591,614
Negotiable CDs	2,744,868	-	245,130	488,836	-
STAR Ohio	1,500,611	1,500,611	-	-	-
Total	**$ 4,837,093**	**$ 1,500,611**	**$ 245,130**	**$ 488,836**	**$ 591,614**

The weighted average maturity of investments is 2.08 years.

Interest Rate Risk - As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the City's investment portfolio be structured so that the securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the City's name. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Finance Director or qualified trustee.

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

***Credit Risk**:* The City's investments in federal agency securities were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Standard's & Poor's has assigned STAR Ohio an AAAm money market rating. The City's investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

Concentration of Credit Risk - The City places no limit on the amount it may invest in any one issuer. The following is the City's allocation as of December 31, 2013:

Investment type	Fair Value	% to Total
FHLB	$ 591,614	12.23
Negotiable CDs	2,744,868	56.75
STAR Ohio	1,500,611	31.02
Total	**$ 4,837,093**	**100.00**

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2013:

Cash and Investments per Note	
Carrying amount of deposits	$ 7,512,703
Investments	4,837,093
Cash with fiscal and escrow agent	116,098
Cash in segregated accounts	125
Total	**$ 12,466,019**

Cash and Investments per Statement of Net Position	
Governmental activities	$ 8,848,734
Business type activities	3,379,416
Agency fund	237,869
Total	**$ 12,466,019**

NOTE 5 - INTERFUND TRANSACTIONS

Interfund transfers for the year ended December 31, 2013, consisted of the following:

	Transfer from					
			Nonmajor Governmental			
Transfer to	**General**	**Bond Improvements**	**FEMA**	**Safe Routes to Schools**	**Debt Service**	**Total**
Street fund	$ -	$ -	$ 23,687	$ -	$ -	$ 23,687
Police fund	-	-	1,952	7,678	-	9,630
Issue II fund	-	2,604,283	-	-	-	2,604,283
Capital improvements fund	245,000	-	-	-	41,250	286,250
Bond improvements fund	-	-	-	-	19,123	19,123
Nonmajor governmental funds:						
CHIP fund	144,000	-	-	-	-	144,000
Debt service fund	219,961	-	-	-	-	219,961
Water enterprise fund	-	-	5,479	-	-	5,479
Sewer enterprise fund	-	-	5,478	-	-	5,478
Total	**$ 608,961**	**$ 2,604,283**	**$ 36,596**	**$ 7,678**	**$ 60,373**	**$ 3,317,891**

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to provide additional resources for current operations or debt service; reclassification of prior year distributed monies, to segregate money for anticipated capital projects; and to return money to the fund from which it was originally provided once a project is completed. The $2,604,283 transfer from the bond improvement fund to the Issue II fund was for the local match required for the Mink Street project. The $36,596 transfer from the FEMA fund (a nonmajor governmental fund) was to reimburse funds for expenditures incurred during prior years. The $7,678 transfer from the Safe Routes to Schools fund (a nonmajor governmental fund) was to reimburse the police fund for expenditures incurred during prior years. The $60,373 transfers from the debt service fund were to move principal and interest payments to the funds that had liabilities.

Transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

Transfers between governmental funds are eliminated on the government-wide financial statements. Transfers between governmental funds and business-type activities appear as transfers on the statement of activities.

NOTE 6 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or 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 real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year proceeding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2013 public utility property taxes became a lien December 31, 2012, are levied after October 1, 2013, and are collected in 2014 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Pataskala. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2013 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2013 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

The full tax rate for all City operations for the year ended December 31, 2013 was $2.90 per $1,000 of assessed value. The assessed values of real and tangible personal property upon which 2013 property tax receipts were based are as follows:

Real Property	$	318,581,760
Public Utility		9,502,370
Total Assessed Value	**$**	**328,084,130**

NOTE 7 - INCOME TAXES

The City levies a voted income tax of one percent (1.0%) on all income earned within the City, as well as on income of residents earned outside the City.

Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

NOTE 7 - INCOME TAXES - (Continued)

Income tax revenue is credited to five funds. During 2013, of the one percent levied, the police fund receives 58.5%, the street fund receives 32%, the capital improvement fund receives 6.75%, and the debt service fund received the remaining 2.75% and shall be used for operations specific to those departments. Income tax collections allocated to the police, street, capital improvement and debt service funds totaled $2,167,607, $1,289,835, $271,223 and $116,993, respectively, for the year ended December 31, 2013. The Pataskala Corporate Park Joint Economic Development District fund receives income taxes from collections within the Pataskala Corporate Park which are restricted for improvements within the park. This fund received $803 from income taxes in 2013.

RITA administers and collects income taxes for the City. Payments are remitted monthly net of collection fees of three percent.

NOTE 8 - RECEIVABLES

Receivables at December 31, 2013, consisted of income taxes, property taxes, accounts (billings for user charged services), special assessments, accrued interest, payments in lieu of taxes, and intergovernmental receivables arising from grants, entitlements and shared revenue. All intergovernmental receivables have been classified as "due from other governments" on the BFS. Receivables have been recorded to the extent that they are measurable at December 31, 2013.

A summary of the principal items of receivables reported on the statement of net position follows:

Governmental activities:	
Income taxes	$ 1,710,493
Real and other taxes	972,785
Accounts	40,082
Special assessments	4,169
Accrued interest	10,705
Payments in lieu of taxes	155,278
Due from other governments	449,637
Business-type activities:	
Accounts	470,864
Special assessments	323,606
Accrued interest	525

Receivables have been disaggregated on the face of the BFS. All receivables are expected to be collected within the subsequent year.

NOTE 9 - TAX INCREMENT FINANCING DISTRICT (TIF)

The City, pursuant to the Ohio Revised Code and City ordinances, has established a TIF. A TIF represents a geographic area wherein property values created after the commencement date of the TIF are exempt, in whole or in part, from property taxes. Owners of such property, however, must pay amounts equal to the property taxes, known as "payments in lieu of taxes (PILOT)", as though the TIF had not been established. These "PILOTS" are then dedicated to the payments for various public improvements within or adjacent to the TIF area. Property values existing before the commencement date of a TIF continue to be subjected to property taxes.

On December 18, 2006, City Council authorized the creation of the State Route 310 Project Municipal Public Improvement Tax District, also known as the Pataskala Town Center, pursuant to the Ohio Revised Code declaring that the increase in assessed value and providing for the exemption of 75% of the improvements from real property taxation constructed on new parcels and ending on the earlier of 10 years after such date such parcels appeared on the real estate tax lists or the date on which the City can no longer require service payments in lieu of taxes on any improvements within the TIF district.

The City established the State Route 310 TIF fund which shall be maintained in the custody of the City. This fund shall receive PILOT revenues and property rollback payments and any money recorded in this fund may only be used for public infrastructure improvements associated with State Route 310 North and South TIF service areas as defined by Ordinance.

PILOT revenue for 2013 was $109,965 in the statement of activities. The TIF has longevity of the shorter period of 10 years or until there is no money available to be spent for the TIF areas. Any unspent funds remaining after the 10 year period shall be returned to the City's general fund in accordance with Ohio Revised Code Section 5709.43. The property tax exemption then ceases; PILOTs cease and property taxes then apply to the increased property values.

NOTE 10 - CAPITAL ASSETS

A. Governmental activities capital asset activity for the year ended December 31, 2013, was as follows. At December 31, 2012, amounts have been reclassified between capital asset classes. This reclassification had no effect on net position at the beginning of the year.

Governmental activities:	**Balance 12/31/12**	**Additions**	**Disposals**	**Balance 12/31/13**
Capital assets, not being depreciated:				
Land	$ 1,214,632	$ -	$ -	$ 1,214,632
Land improvements	17,077	-	-	17,077
Construction in progress	67,189	3,252,712	(2,252,369)	1,067,532
Total capital assets, not being depreciated	**1,298,898**	**3,252,712**	**(2,252,369)**	**2,299,241**
Capital assets, being depreciated:				
Land improvements	234,543	104,692	-	339,235
Buildings and improvements	2,121,663	29,937	-	2,151,600
Equipment	446,429	101,425	-	547,854
Vehicles	2,036,443	302,561	(154,319)	2,184,685
Infrastructure	13,618,969	2,252,369	-	15,871,338
Total capital assets, being depreciated	**18,458,047**	**2,790,984**	**(154,319)**	**21,094,712**
Less: accumulated depreciation:				
Land improvements	(52,431)	(9,890)	-	(62,321)
Buildings and improvements	(497,099)	(56,047)	-	(553,146)
Equipment	(216,329)	(30,967)	-	(247,296)
Vehicles	(1,460,654)	(134,922)	154,319	(1,441,257)
Infrastructure	(2,254,833)	(757,235)	-	(3,012,068)
Total accumulated depreciation	**(4,481,346)**	**(989,061)**	**154,319**	**(5,316,088)**
Total capital assets, being depreciated, net	**13,976,701**	**1,801,923**	**-**	**15,778,624**
Governmental activities capital assets, net	**$ 15,275,599**	**$ 5,054,635**	**$ (2,252,369)**	**$ 18,077,865**

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities:	
General government	$ 179,028
Security of persons and property	121,714
Leisure time activity	20,329
Transportation	667,990
Total Depreciation Expense - Governmental Activities	**$ 989,061**

NOTE 10 - CAPITAL ASSETS - (Continued)

B. Business-type activities capital asset activity for the year ended December 31, 2013, was as follows. At December 31, 2012, amounts have been reclassified between capital asset classes. This reclassification had no effect on net position at the beginning of the year.

Business-type activities:	**Balance 12/31/12**	**Additions**	**Disposals**	**Balance 12/31/13**
Capital Assets, Not Being Depreciated:				
Land	$ 654,893	$ -	$ -	$ 654,893
Construction in progress	138,535	1,071,553	(977,692)	232,396
Total Capital Assets, Not Being Depreciated	**793,428**	**1,071,553**	**(977,692)**	**887,289**
Capital Assets, Being Depreciated:				
Land improvements	10,691,399	739,280	-	11,430,679
Buildings and improvements	2,483,755	-	-	2,483,755
Equipment	125,639	6,328	-	131,967
Vehicles	149,031	44,650	-	193,681
Infrastructure	7,420,639	302,282	-	7,722,921
Total Capital Assets, Being Depreciated	**20,870,463**	**1,092,540**	**-**	**21,963,003**
Less: Accumulated Depreciation:				
Land improvements	(2,021,451)	(299,515)	-	(2,320,966)
Buildings and improvements	(1,499,537)	(81,291)	-	(1,580,828)
Equipment	(15,855)	(9,873)	-	(25,728)
Vehicles	(96,154)	(13,522)	-	(109,676)
Infrastructure	(4,072,784)	(218,757)	-	(4,291,541)
Total Accumulated Depreciation	**(7,705,781)**	**(622,958)**	**-**	**(8,328,739)**
Total Capital Assets, Being Depreciated, Net	**13,164,682**	**469,582**	**-**	**13,634,264**
Business-Type Activities Capital Assets, Net	**$ 13,958,110**	**$ 1,541,135**	**$ (977,692)**	**$ 14,521,553**

Depreciation expense was charged to fund's (business-type activities) of the City as follows:

Business-type activities:	
Water	$ 295,719
Sewer	327,239
Total Depreciation Expense - Business Type Activities	**$ 622,958**

NOTE 11 - OTHER EMPLOYEE BENEFITS

Compensated Absences

Employees earn vacation at different rates which are also affected by length of service. Vacation is accrued each pay and may be carried over. The maximum number of hours which may be accrued is based on years of service. Vacation and sick leave accumulated by governmental fund type employees has been recorded in the statement of net position to the extent they were not paid using current expendable available resources. Vacation and sick leave earned by proprietary funds type employees is expensed when earned and has been recorded in the fund.

Employees earn compensatory-time and may accrue a maximum of forty hours, except police officers may accrue a maximum of eighty hours, which may be carried forward to the next year.

As of December 31, 2013, the liability for compensated absences in governmental activities and business-type activities was $94,676 and $23,891, respectively. The total liability for the City's compensated absences reported on the statement of net position was $118,567 with $102,848 being due within one year.

NOTE 12 - CAPITAL LEASES - LESSEE DISCLOSURE

In the current year, the City entered into capital lease agreements for the acquisition of copiers and police radios. These leases meet the criteria of a capital lease which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

Copiers and police radios in the amount of $148,029 have not been capitalized since the assets do not meet the City's capitalization threshold. A liability of $143,165 at December 31, 2013 has been recorded in the government-wide financial statements. Principal and interest payments in 2013 totaled $4,864 and $960, respectively. These amounts are reported as debt service payments of the general fund.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the future minimum lease payments as of December 31, 2013:

Fiscal Year Ending December 31,	Amount
2014	$ 33,559
2015	33,559
2016	33,559
2017	27,738
2018	26,787
Total minimum lease payment	**155,202**
Less: amount representing interest	(12,037)
Present value of minimum lease payments	**$ 143,165**

NOTE 13 - LONG-TERM OBLIGATIONS

A. During 2013, the following activity occurred in the City's governmental long-term obligations:

Governmental activities:	**Balance 12/31/12**	**Additions**	**Reductions**	**Balance 12/31/13**	**Amounts Due in One Year**
Notes payable	$ 583,015	$ -	$ (235,466)	$ 347,549	$ 304,793
Capital leases	-	148,029	(4,864)	143,165	29,303
Bond anticipation notes - Series 2012B	720,000	-	(720,000)	-	-
SIB loan	245,771	9,433	-	255,204	28,676
OPWC loans	55,441	15,407	(6,892)	63,956	3,236
Compensated absences	107,098	133,427	(145,849)	94,676	78,957
Total Governmental Activities Long-Term Obligations	**$ 1,711,325**	**$ 306,296**	**$ (1,113,071)**	**$ 904,550**	**$ 444,965**

Compensated Absences: Compensated absences will be paid from the fund from which the employees' salaries are paid. For the City's governmental activities, this is the general, street and police funds.

Notes Payable: The City issued a long-term note in the amount of $860,000 on December 9, 2009 to retire the bond anticipation note previously issued to finance municipal building improvements. The note bears an interest rate of 4.8159% and matures on December 9, 2014. The terms of the note allow the City to apply more towards principal each year. When the note matures, if the note is not paid in full, the City has the option to refinance the note at comparable terms. The note is backed by the full faith and credit of the City.

The City issued a long-term note on August 20, 2010 in the amount of $150,000 to retire the short-term note previously issued to finance bridge improvements. The note bears an interest rate of 4.8165% and matures on August 20, 2015. The note is backed by the full faith and credit of the City.

The City issued a long-term note on August 20, 2010 in the amount of $45,000 to finance engineering fees associated with the Summit Road South Project. The note bears an interest rate of 4.8177% and matures on August 20, 2015. The note is backed by the full faith and credit of the City.

Bond anticipation notes - Series 2012: On March 28, 2012, the City issued Series 2012 bond anticipation notes in the amount of $2,753,000 for the following purposes: (a) $750,000 for roadway projects; (b) $1,236,000 for water utility projects; and (c) $767,000 for sewer utility projects. The notes bore an interest rate of 1.50% and matured on March 28, 2013.

OPWC Loans: The Ohio Public Works Commission (OPWC) loans are general obligations of the City, and will be repaid from the City's general operating revenues. The OPWC loans are interest free, providing repayment remains current. At December 31, 2013, the City had OPWC loans outstanding for Refugee Road and Mink Street. The OPWC loan for Mink Street (balance of $15,407) is currently "open" meaning the final distributions have not been made from the OPWC; therefore, future debt service requirements have not been finalized.

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

State Infrastructure Bank Loan: On September 30, 2010, the City entered into an agreement with the Ohio Department of Transportation for a State Infrastructure Bank ("SIB") direct loan transaction for the Summit Road South Project in the amount of $317,000. Revenues from the permissive license tax fund will be used to repay the loan. The loan agreement functions similar to a line-of-credit agreement. At December 31, 2013, the City has a $255,204 balance outstanding on the loan.

Capital Lease Obligation: Capital lease obligations will be paid from the general fund and police fund. See Note 12 for details.

A summary of the City's future debt service requirements for governmental activities long-term obligations outstanding as of December 31, 2013 are as follows:

Year Ending December 31,	OPWC Loans		
	Principal	Interest	Total
2014	$ 3,236	$ -	$ 3,236
2015	3,237	-	3,237
2016	3,237	-	3,237
2017	3,236	-	3,236
2018	3,237	-	3,237
2019 - 2023	16,183	-	16,183
2024 - 2028	16,183	-	16,183
Total	**$ 48,549**	**$ -**	**$ 48,549**

Year Ending December 31,	Notes Payable		
	Principal	Interest	Total
2014	$ 304,793	$ 16,738	$ 321,531
2015	42,756	2,059	44,815
Total	**$ 347,549**	**$ 18,797**	**$ 366,346**

Year Ending December 31,	SIB Loan		
	Principal	Interest	Total
2014	$ 28,676	$ 7,443	$ 36,119
2015	29,543	6,576	36,119
2016	30,436	5,683	36,119
2017	31,356	4,763	36,119
2018	32,304	3,815	36,119
2019 - 2021	102,889	5,469	108,358
Total	**$ 255,204**	**$ 33,749**	**$ 288,953**

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

B. During 2013, the following activity occurred in the City's business-type long-term obligations:

Business-type activities:	Interest Rate	Balance 12/31/12	Additions	Reductions	Balance 12/31/13	Amounts Due in One Year
General Obligation Bonds						
Sewer bonds	5.50-6.125%	$ 440,000	$ -	$ (60,000)	$ 380,000	$ 60,000
Water bonds	4.25-5.00%	6,045,000	-	(125,000)	5,920,000	140,000
Total General Obligation Bonds	**4.25% - 6.125%**	**6,485,000**	**-**	**(185,000)**	**6,300,000**	**200,000**
OWDA Loans						
Sewer planning loan #5374	3.25%	44,690	-	(2,006)	42,684	2,072
Sewer design loan #5917	3.17%	331,581	-	(2,450)	329,131	9,908
Sewer system loan #5735	2.66%	3,920,672	-	(175,692)	3,744,980	-
Total OWDA loans		**4,296,943**	**-**	**(180,148)**	**4,116,795**	**11,980**
Other Obligations						
Compensated absences		20,609	33,091	(29,809)	23,891	23,891
Total Other Obligations		**20,609**	**33,091**	**(29,809)**	**23,891**	**23,891**
Total Business-Type Activities Long-Term Obligations		**$ 10,802,552**	**$ 33,091**	**$ (394,957)**	**10,440,686**	**$ 235,871**
Add: Unamortized premium on bond issue					79,368	
Total Reported on the Statement of Net Position					**$ 10,520,054**	

General Obligation Bonds: The sewer bonds are general obligation bonds, which are supported by the full faith and credit of the City.

On June 2, 2011, the City issued $550,000 Sanitary Sewer Refunding Bonds - Series 2011 for the purpose of refunding the Sewer Improvement Bonds - Series 1995. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

The refunding bonds are comprised of current interest bonds, par value $550,000. The bonds bear interest rates ranging from 1.00% - 3.00%. Principal and interest payments are made from the sewer fund and are due on June 1 and December 1 of each year. The bonds mature on December 1, 2019.

The reacquisition price exceeded the net carrying amount of old debt by $3,008. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. The refunding resulted in $64,992 in gross debt service savings.

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

On August 28, 2007, the City issued $6,550,000 in Water System Improvement General Obligation Bonds. The proceeds of the bond issue were used to repay $6,145,000 in water treatment plant notes and to fund construction of various water system improvements. The bonds bear interest rates ranging from 4.25% to 5.00% and mature on December 1, 2037. The water bonds are general obligation bonds, which are supported by the full faith and credit of the City. At December 31, 2013, the City had spent all bond proceeds on this bond issue.

OWDA Loans: The City has entered into debt financing arrangements through the Ohio Water Development Authority (OWDA) to fund construction projects. The amounts due to OWDA are intended to be paid primarily from water and sewer revenues. The loan agreements function similar to a line-of-credit agreement. At December 31, 2013, the City had outstanding borrowings of $4,116,795. During 2013, the sewer fund made $180,148 principal payments on the OWDA loans. Sewer system loan #5735 is currently "open" meaning the final distributions have not been made from the OWDA; therefore, future debt service requirements have not been finalized.

The City has pledged future sewer revenues to repay the sewer system, sewer planning and sewer design OWDA loans. The loans are payable solely from sewer fund revenues. Annual principal and interest payments on the loans are expected to require 46.58 percent of the sewer fund net revenues and 17.53 percent of total revenues. Principal and interest paid for the current year were $298,285, total net revenues were $640,363 and total revenues were $1,701,478.

The future debt service requirements for the OWDA loan Sewer System Loan #5735 is not included as this loan has not been completely disbursed and closed out as of December 31, 2013.

Compensated Absences: Compensated absences will be paid from the fund from which the employees' salaries are paid. For the City's business-type activities, this is the water fund and sewer fund.

The future debt service requirements for business-type activities long-term obligations outstanding as of year end are as follows:

Year Ending	General Obligation Bonds		
December 31,	Principal	Interest	Total
2014	$ 200,000	$ 290,726	$ 490,726
2015	205,000	283,724	488,724
2016	210,000	276,513	486,513
2017	220,000	268,787	488,787
2018	230,000	260,738	490,738
2019 - 2023	1,005,000	1,155,637	2,160,637
2024 - 2028	1,205,000	893,750	2,098,750
2029 - 2033	1,525,000	569,832	2,094,832
2034 - 2037	1,500,000	177,368	1,677,368
Total	**$ 6,300,000**	**$ 4,177,075**	**$ 10,477,075**

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

Year Ending December 31,	OWDA Loans Principal	Interest	Total
2014	$ 11,980	$ 11,727	$ 23,707
2015	12,363	11,342	23,705
2016	12,761	10,945	23,706
2017	13,170	10,535	23,705
2018	13,593	10,112	23,705
2019 - 2023	74,797	43,732	118,529
2024 - 2028	87,594	30,935	118,529
2029 - 2033	88,002	16,757	104,759
2034 - 2036	57,555	3,234	60,789
Total	**$ 371,815**	**$ 149,319**	**$ 521,134**

C. Legal Debt Margin

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2013, the City's total debt margin was $34,685,255 and the unvoted debt margin was $18,281,048.

NOTE 14 - NOTES PAYABLE

Changes in the City's note activity for the year ended December 31, 2013, were as follows:

	Balance 12/31/2012	Issued	Retired	Balance 12/31/2013
Governmental fund notes				
Bond anticipation notes - Series 2012	$ 30,000	$ -	$ (30,000)	$ -
Bond anticipation notes - Series 2013A	-	3,530,000	-	3,530,000
Bond anticipation notes - Series 2012B	1,500,000	-	(1,500,000)	-
Bond anticipation notes - Series 2013B	-	2,430,000	-	2,430,000
Total Governmental Fund Notes	**$ 1,530,000**	**$ 5,960,000**	**$ (1,530,000)**	**$ 5,960,000**

NOTE 14 - NOTES PAYABLE - (Continued)

	Balance 12/31/2012	Issued	Retired	Balance 12/31/2013
Enterprise fund notes				
Bond anticipation notes - Series 2012	$ 2,003,000	$ -	$ (2,003,000)	$ -
Bond anticipation notes - Series 2012B	1,010,000	-	(1,010,000)	-
Bond anticipation notes - Series 2013A	-	1,835,000	-	1,835,000
Bond anticipation notes - Series 2013B	-	1,010,000	-	1,010,000
Total Enterprise Fund Notes	**$ 3,013,000**	**$ 2,845,000**	**$ (3,013,000)**	**$ 2,845,000**

All notes were backed by the full faith and credit of the City. The note liability is reflected in the fund which received the proceeds. The notes were issued in anticipation of long-term bond financing and will be refinanced until such bonds are issued.

On March 28, 2012, the City issued Series 2012 bond anticipation notes in the amount of $2,753,000 for the following purposes: (a) $750,000 for roadway projects; (b) $1,236,000 for water utility projects; and (c) $767,000 for sewer utility projects. The notes bore an interest rate of 1.50% and were partially matured on March 28, 2013.

On November 28, 2012, the City issued Series 2012B bond anticipation notes in the amount of $2,510,000 for the following purposes: (a) $1,500,000 for roadway projects; (b) $343,000 for water utility projects; and (c) $667,000 for sewer utility projects. The notes bore an interest rate of 1.25% and matured on November 28, 2013.

On March 27, 2013, the City issued Series 2013A bond anticipation notes in the amount of $5,365,000 for the following purposes: (a) $2,555,000 to partially refund the bond anticipation notes maturing on March 28, 2013, (b) $115,000 for Summit Road Drainage Improvements and (c) $2,695,000 for Mink Road Improvements. The notes bore an interest rate of 1.50% and matured on March 26, 2014. $101,932 and $239,080 of the water and sewer portions, respectively, remain unspent.

On November 20, 2013, the City issued Series 2013B bond anticipation notes in the amount of $3,440,000 for the following purposes: (a) $180,000 for police improvements, (b) $750,000 for street projects and (c) $2,510,000 to refund the Series 2012B bond anticipation notes. The notes bear an interest rate of 1.50% and will mature on November 19, 2014. $938,717 of the governmental notes remain unspent.

NOTE 15 - RISK MANAGEMENT

A. Risk Pool Membership

The City belongs to the Ohio Plan Risk Management (the "Plan"), a non-assessable, incorporated non-profit providing a formalized, jointly administered self-insurance risk management program and other administrative services to over 720 Ohio governments (“Members”).

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each Member’s needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the Member's deductible.

NOTE 15 - RISK MANAGEMENT - (Continued)

The Plan issues its own policies and reinsures the Plan with A- VII or better rated carriers, except for the 41.5% of the first $250,000 casualty treaty, and 10% of the first $1.0 million property treaty. The Plan retains the lesser of 41.5% or $103,750 of casualty losses and the lesser of 10% or $100,000 of property losses. Individual Members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years. There have been no significant reductions in coverage levels from prior year levels.

The Pool's audited financial statements conform to generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2012 and 2011 (the latest information available):

	2012	**2011**
Assets	$13,100,381	$12,501,280
Liabilities	(6,687,193)	(5,328,761)
Members' Equity	**$ 6,413,188**	**$ 7,172,519**

You can read the complete audited financial statements for The Ohio Plan Risk Management at the Plan's website, www.ohioplan.org.

B. Employee Medical, Dental, Vision and Life

The City provides employee medical, dental, vision and life insurance through traditional insurance carriers. Medical insurance is provided by Medical Mutual of Ohio, dental is provided by Delta Dental, vision is provided by the Vision Service Plan and life insurance is provided by the Hartford Company. The risk of loss transfers entirely to the insurance carriers. The City pays a portion of the premiums and currently also pays a portion of the annual deductible. The employees pay a portion of the premiums depending on union contracts and personal choice of levels of contribution to deductibles.

C. Workers' Compensation

During 2013, the City began participation in the Ohio Bureau of Workers' Compensation (BWC) Individual Retrospective Rating Program (Retrospective Program). The Retrospective Program is an alternative rating plan that allows the employer to initially pay BWC less in premiums than it would without the plan. An employer participating in the Retrospective Program may earn a possible premium reduction by assuming a portion of the risk of workers' compensation claims. If the employer's total cost is below what they would have paid had they not enrolled in the Retrospective Program, they realize the difference in savings. The Retrospective Program is intended to achieve lower workers' compensation premiums and claims costs by promoting safe working conditions and environments for the employees.

NOTE 16 - PENSION PLANS

A. Ohio Public Employees Retirement System

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

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by visiting https://www.opers.org/investments/cafr.shtml, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2013, member and contribution rates were consistent across all three plans. The 2013 member contribution rates were 10.00% for members. The City's contribution rate for 2013 was 14.00% of covered payroll.

The City's contribution rate for pension benefits for members in the Traditional Plan for 2013 was 13.00%. The City's contribution rate for pension benefits for members in the Combined Plan for 2013 was 13.00%. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2013, 2012, and 2011 were $204,781, $114,441, and $102,885, respectively; 90.76% has been contributed for 2013 and 100% has been contributed for 2012 and 2011. The remaining 2013 pension liability has been reported as due to other governments/pension obligation payable on the basic financial statements. Contributions to the member-directed plan for 2013 were $2,303 made by the City and $1,645 made by the plan members.

B. Ohio Police and Fire Pension Fund

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

NOTE 16 - PENSION PLANS - (Continued)

Funding Policy - From January 1, 2013 through July 1, 2013, plan members were required to contribute 10.00% of their annual covered salary. From July 2, 2013 through December 31, 2013, plan members were required to contribute 10.75% of their annual covered salary. Throughout 2013, the City was required to contribute 19.50% and 24.00% for police officers and firefighters, respectively. Contribution rates are established by State statute.

For 2013, the portion of the City's contributions to fund pension obligations was 14.81% for January 1, 2013 through May 31, 2013 and 16.65% for June 1, 2013 through December 31, 2013 for police officers. The City's required contributions for pension obligations to OP&F for police officers was $142,360 for the year ended December 31, 2013, $110,378 for the year ended December 31, 2012, and $93,036, for the year ended December 31, 2011. The full amount has been contributed for 2012 and 2011. 92.26% has been contributed for police for 2013. The remaining 2013 pension liability has been reported as pension obligation payable on the basic financial statements.

NOTE 17 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

Plan Description - OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting https://www.opers.org/investments/cafr.shtml, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The post-employment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2013, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan for 2013 was 1.00%. The portion of employer contributions allocated to fund post-employment healthcare for members in the Combined Plan for 2013 was 1.00%.

NOTE 17 - POSTRETIREMENT BENEFIT PLANS - (Continued)

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2013, 2012, and 2011 were $15,746, $87,090, and $78,297, respectively; 90.76% has been contributed for 2013 and 100% has been contributed for 2012 and 2011. The remaining 2013 post-employment health care benefits liability has been reported as pension obligation payable on the basic financial statements.

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

B. Ohio Police and Fire Pension Fund

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

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person.

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

OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164 or by visiting the website at www.op-f.org.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

NOTE 17 - POSTRETIREMENT BENEFIT PLANS - (Continued)

OP&F maintains funds for health care in two separate accounts. One account is for health care benefits under an Internal Revenue Code Section 115 trust and the other account is for Medicare Part B reimbursements administered as an Internal Revenue Code Section 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 into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 4.69% of covered payroll from January 1, 2013 through May 31, 2013 and 2.85% of covered payroll from June 1, 2013 through December 31, 2013. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers was $34,237 for the year ended December 31, 2013, $58,435 for the year ended December 31, 2012, and $49,254, for the year ended December 31, 2011. The full amount has been contributed for 2012 and 2011. 92.26% has been contributed for police for 2013. The remaining 2013 post-employment health care benefits liability has been reported as pension obligation payable on the basic financial statements.

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance 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 and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund, street fund and police 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:

(a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

(b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

(c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

(d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);

(e) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented:

Net Change in Fund Balance

	General fund	Street	Police Levy
Budget basis	**$ (381,475)**	**$ 301,307**	**$ 115,979**
Net adjustment for revenue accruals	(3,248)	45,333	(116,551)
Net adjustment for expenditure accruals	(66,575)	7,552	(201,514)
Net adjustment for other sources/uses	(119,492)	-	(56,479)
Funds budgeted elsewhere	13,363	-	-
Adjustment for encumbrances	135,251	33,486	283,511
GAAP basis	**$ (422,176)**	**$ 387,678**	**$ 24,946**

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the recreation fund and sesquicentennial fund.

NOTE 19 - CONTINGENCIES

A. Grants

The City receives significant financial assistance from numerous federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2013.

B. Litigation

The City is involved in various lawsuits. The City's management and legal counsel is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material adverse effect on the financial condition of the City.

NOTE 20 - FUND BALANCE

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

Fund balance	General	Street Fund	Police Fund	Issue II Fund	Capital Improvements Fund	Bond Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:								
Materials and supplies inventory	$ -	$ 11,876	$ -	$ -	$ -	$ -	$ -	$ 11,876
Prepaids	9,302	2,119	4,169	-	-	-	-	15,590
Total Nonspendable	**9,302**	**13,995**	**4,169**	**-**	**-**	**-**	**-**	**27,466**
Restricted:								
Debt service	-	-	-	-	-	-	236,421	236,421
Capital improvements	-	-	-	2,123,332	-	-	792,558	2,915,890
Transportation projects	-	1,315,726	-	-	-	-	499,657	1,815,383
Community development	-	-	-	-	-	-	149,647	149,647
Police	-	-	1,415,869	-	-	-	60,721	1,476,590
Total Restricted	**-**	**1,315,726**	**1,415,869**	**2,123,332**	**-**	**-**	**1,739,004**	**6,593,931**
Committed:								
Community development programs	-	-	-	-	-	-	4,444	4,444
Parks and recreation	-	-	-	-	-	-	27,850	27,850
Total Committed	**-**	**-**	**-**	**-**	**-**	**-**	**32,294**	**32,294**
Assigned:								
Subsequent year appropriation	204,026	-	-	-	-	-	-	204,026
General government	71,426	-	-	-	-	-	-	71,426
Community environment	6,148	-	-	-	-	-	-	6,148
Public health and welfare	3,005	-	-	-	-	-	-	3,005
Other purposes	28,798	-	-	-	-	-	-	28,798
Total Assigned	**313,403**	**-**	**-**	**-**	**-**	**-**	**-**	**313,403**
Unassigned (deficit)	369,603	-	-	-	(175,063)	(4,158,534)	-	(3,963,994)
Total Fund Balances	**$ 692,308**	**$ 1,329,721**	**$ 1,420,038**	**$ 2,123,332**	**$ (175,063)**	**$ (4,158,534)**	**$ 1,771,298**	**$ 3,003,100**

NOTE 21 - CONTRACTUAL COMMITMENTS

As a result of various projects that were in progress at December 31, 2013, the City had the following outstanding contractual commitments at year end:

Vendor	Contract Amount	Amount Paid	Amount Outstanding
Detroit Cornice & Slate Co.	$ 162,714	$ (86,988)	$ 75,726
Jobes, Henderson & Assoc.	136,868	-	136,868
McCormick Taylor Inc.	85,473	(83,902)	1,571
Morton Salt Inc.	125,000	(89,884)	35,116
Poggemeyer Design Group	55,878	(29,361)	26,517
The Shelly Company	2,736,740	(1,399,541)	1,337,199
Software Solutions	50,000	(16,464)	33,536
Strand Associates	165,000	(70,300)	94,700
Tri-County Tower Service	167,000	-	167,000
Utility Sales Agency	52,064	(34,425)	17,639
United Systems & Software	59,300	-	59,300
Total	**$ 3,796,037**	**$ (1,810,865)**	**$ 1,985,172**

NOTE 22 - OTHER COMMITMENTS

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the City's commitments for encumbrances in the governmental funds were as follows:

Fund	Year-End Encumbrances
General fund	$ 80,579
Street fund	22,602
Police fund	207,419
Issue II fund	1,466,663
Capital improvements fund	43,126
Bond improvements fund	66,298
Nonmajor governmental funds	119,803
Total	**$ 2,006,490**

NOTE 23 - SUBSEQUENT EVENTS

On March 25, 2014, the City issued $4,340,000 in bond anticipation notes to partially refund the Series 2013A bond anticipation notes. These notes bear an interest rate of 1.65% and mature on November 19, 2014.

In 2014, the City changed how income tax is credited to funds of the one percent (1.00%) levied, the police fund will receive 41.50%, the street fund will receive 46.50%, the capital improvement fund will receive 7.00% and the debt service fund will receive 5.00%.

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COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

CITY OF PATASKALA, OHIO

INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

GENERAL FUND

The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City and/or the general laws of Ohio.

MAJOR FUNDS

Street Fund
The street fund accounts for revenues generated from license and gasoline taxes that are restricted to be used on local roads within the City.

Police Fund
This fund acounts for tax and other revenues collected that are restricted for police operations.

Issue II Fund
This fund is used to account for transfers and intergovernmental revenues that are restricted for Issue II projects.

Capital Improvements Fund
This fund is used to account for income taxes that are restricted for the purchase of equipment and to construct capital assets.

Bond Improvements Fund

The fund is used to account for bond or note proceeds that are restricted for the purchase of equipment and to construct capital assets.

NONMAJOR 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 expenditure for specific purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The following are the special revenue funds which the City operates:

State Highway Fund
This fund accounts for the portion of state gasoline tax restricted for maintenance of state highways within the City.

Ecological Preservation Fund
This fund accounts for revenues received that are restricted for the use of preserving ecological projects within the City.

Pataskala Corporate Park Joint Economic Development District Fund
This fund accounts for income taxes received from collections within the Pataskala Corporate Park which are restricted for improvements specifically within the Corporate Park.

Permissive License Tax Fund

This fund accounts for the $5.00 license tax levied by the City of Pataskala and Licking County on each motor vehicle registered in the City. Money is restricted for planning, constructing, improving, maintaining, and repairing roads, streets and bridges within the City.

Park Use Fund
This fund accounts for developers' fees collected that are committed for capital improvements associated with the City's parks.

Immobilization Fund

This fund receives fines assessed from Mayor's Court for immobilized vehicles. Money is restricted for training and education purposes.

Court Computer Fund
This fund receives fines assesed from the City's Mayor's Court and are restricted to improve the court computer systems.

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Alcohol Enforcement and Education Fund
Account for fines received by the City's Mayor's Court and are restricted to educate the public about laws governing the operation of motor vehicles while under the influence.

Law Enforcement Trust Fund
Accounts for fines generated in the prosecution of those in possession of contraband and any proceeds received from the sale of confiscated contraband. This money is restricted for any law enforcement activity.

Pataskala Mobile Home Park Fund
This fund accounts for a donation received that are committed for maintenance of the storm sewer line underlying the railroad tracks

Federal Emergency Management Agency Fund (FEMA)
This fund receives federal and state money to reimbure the City for costs incurred for disasters within the City.

Community Housing Improvement Program Fund
This fund accounts for federal grant dollars that are restricted for improvements made to housing within the City.

Safe Routes to Schools Fund
This fund accounts for federal and state grant dollars for improvements made to infrastructure surrounding the Southwest Licking School District and the Licking Heights Local School District.

CDBG Fund
This fund receives federal grant money received or expended on behalf of the City restricted for housing, development, and City-wide improvements.

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

Recreation Fund
This fund accounts for fees charged for recreational activities and is used for park and recreation purposes.

Sesquicentennial Fund
This fund receives grants and donations to be used for historical activities and programs within the City.

The following fund is included in the police fund (GAAP basis), but has a separate legally adopted budget (budget basis):

Police K-9 Unit Fund
This fund receives grants and donations for the upkeep, care, and maintenance of the City's investigative police dog.

NONMAJOR DEBT SERVICE FUNDS

Debt service funds are used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest. The following is a description of all nonmajor debt service funds:

Street Bond Fund
This fund accounts for the remaining fund balance associated with special assessment bonds issued and retired by the City.

Debt Service Fund
This fund accounts for income taxes that are restricted for the use of paying principal and interest.

NONMAJOR CAPITAL PROJECTS FUNDS

Capital project funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. The following is a description of all nonmajor capital project funds:

Nonmajor Capital Projects Funds

Courter Bridge Improvement Fund
This fund receives bond anticipation note proceeds restricted for improvements made to Courter Road Bridge in previous years.

Municipal Building Purchase Fund
This fund is used to account for the purchase of the municipal building.

State Route 310 Tax Increment Finance Equivalent Fund
This fund accounts for tax incentive equivalent funds .

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Real and Other Taxes	$ 897,113	$ 835,719	$ 819,792	$ (15,927)
Licenses and Permits	285,057	265,550	256,957	(8,593)
Fines and Forfeitures	190,566	177,525	170,380	(7,145)
Intergovernmental	232,726	216,800	218,966	2,166
Special Assessments	11,271	10,500	9,527	(973)
Investment Income	6,977	6,500	8,091	1,591
Rental Income	112,713	105,000	116,245	11,245
Other	40,791	38,000	27,791	(10,209)
Total Revenues	**1,777,214**	**1,655,594**	**1,627,749**	**(27,845)**
Expenditures:				
Current:				
General Government				
Mayor				
Personal services	15,399	15,399	15,153	246
Contractual services	1,000	1,000	-	1,000
Materials and supplies	2,000	2,000	1,261	739
Total Mayor	**18,399**	**18,399**	**16,414**	**1,985**
Finance				
Personal services	42,717	41,989	39,905	2,084
Contractual services	46,247	46,048	33,497	12,551
Materials and supplies	20,940	27,406	25,057	2,349
Capital outlay	10,000	14,000	13,918	82
Total Finance	**119,904**	**129,443**	**112,377**	**17,066**
Law Director				
Personal services	30,748	34,248	30,863	3,385
Contractual services	41,410	112,950	106,300	6,650
Materials and supplies	10,000	10,000	7,888	2,112
Total Law Director	**82,158**	**157,198**	**145,051**	**12,147**
City Administrator				
Personal services	55,467	51,118	47,542	3,576
Contractual services	158,305	71,548	38,168	33,380
Materials and supplies	53,136	27,986	21,935	6,051
Total City Administrator	**266,908**	**150,652**	**107,645**	**43,007**
Public Service Director				
Materials and supplies	137	137	-	137
Total Public Service Director	**137**	**137**	**-**	**137**
Boards & Commissions				
Personal services	12,083	7,904	4,646	3,258
Materials and supplies	4,645	4,250	2,490	1,760
Total Boards & Commssions	**16,728**	**12,154**	**7,136**	**5,018**

- - Continued

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Lands & Buildings				
Contractual services	29,150	89,567	73,782	15,785
Materials and supplies	155,946	34,366	28,134	6,232
Capital outlay	107,247	264,029	238,328	25,701
Total Lands & Buildings	**292,343**	**387,962**	**340,244**	**47,718**
Council				
Personal services	76,516	80,716	78,787	1,929
Contractual services	6,182	8,809	1,423	7,386
Materials and supplies	9,790	15,790	9,501	6,289
Total Council	**92,488**	**105,315**	**89,711**	**15,604**
Mayors Court & Related				
Personal services	65,557	65,557	61,412	4,145
Contractual services	23,000	-	-	-
Materials and supplies	13,550	16,000	12,396	3,604
Total Mayor's Court & Related	**102,107**	**81,557**	**73,808**	**7,749**
General Office, Liability Insurance & Contingency				
Contractual services	-	48,414	40,136	8,278
Materials and supplies	-	15,607	11,990	3,617
Total General Office, Insurance & Contingency	**-**	**64,021**	**52,126**	**11,895**
Total General Government	**991,172**	**1,106,838**	**944,512**	**162,326**
Public Health & Welfare				
Health services				
Contractual services	-	123,345	115,106	8,239
Total Health Services	**-**	**123,345**	**115,106**	**8,239**
Total Public Health & Welfare	**-**	**123,345**	**115,106**	**8,239**
Community Environment				
Planning				
Personal services	262,324	267,653	237,407	30,246
Contractual services	64,070	155,032	97,218	57,814
Materials and supplies	36,250	18,512	17,229	1,283
Capital outlay	8,000	8,000	8,000	-
Total Planning	**370,644**	**449,197**	**359,854**	**89,343**
Total Community Environment	**370,644**	**449,197**	**359,854**	**89,343**

- - Continued

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Leisure Time Activity				
Recreation - Administration				
Personal services	2,666	2,666	1,038	1,628
Materials and supplies	500	500	-	500
Capital outlay	-	50,000	48,753	1,247
Total Recreation - Administration	**3,166**	**53,166**	**49,791**	**3,375**
Total Leisure Time Activity	**3,166**	**53,166**	**49,791**	**3,375**
Total Expenditures	**1,364,982**	**1,732,546**	**1,469,263**	**263,283**
Excess (Deficiency) of Revenues Over (Under) Expenditures	**412,232**	**(76,952)**	**158,486**	**235,438**
Other Financing Sources (Uses):				
Advances in	-	72,115	-	(72,115)
Advances out	-	(30,115)	-	30,115
Transfers out	(657,076)	(581,961)	(539,961)	42,000
Total Other Financing Sources (Uses)	**(657,076)**	**(539,961)**	**(539,961)**	**-**
Net Change in Fund Balance	**(244,844)**	**(616,913)**	**(381,475)**	**235,438**
Fund Balance at Beginning of Year	904,069	904,069	904,069	-
Prior Year Encumbrances Appropriated	47,347	47,347	47,347	-
Fund Balance at End of Year	**$ 706,572**	**$ 334,503**	**$ 569,941**	**$ 235,438**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Income taxes	$ 1,118,415	$ 1,281,650	$ 1,258,603	$ (23,047)
Intergovernmental	604,563	692,800	648,405	(44,395)
Investment income	873	1,000	782	(218)
Other	26,179	30,000	28,485	(1,515)
Total Revenues	**1,750,030**	**2,005,450**	**1,936,275**	**(69,175)**
Expenditures:				
Current:				
Transportation				
Street Department				
Personnel services	840,364	840,364	673,673	166,691
Contractual services	197,452	233,784	209,322	24,462
Materials and supplies	529,395	611,199	579,275	31,924
Capital outlay	204,243	197,500	196,385	1,115
Total Transportation	**1,771,454**	**1,882,847**	**1,658,655**	**224,192**
Total Expenditures	**1,771,454**	**1,882,847**	**1,658,655**	**224,192**
Excess (deficiency) of revenues over (under) expenditures	**(21,424)**	**122,603**	**277,620**	**155,017**
Other Financing Sources:				
Transfers in	-	23,687	23,687	-
Total other financing sources	**-**	**23,687**	**23,687**	**-**
Net Change in Fund Balance	**(21,424)**	**146,290**	**301,307**	**155,017**
Fund Balance at Beginning of Year	648,634	648,634	648,634	-
Prior Year Encumbrances Appropriated	51,290	51,290	51,290	-
Fund Balance at End of Year	**$ 678,500**	**$ 846,214**	**$ 1,001,231**	**$ 155,017**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Income taxes	$ 2,053,988	$ 2,342,500	$ 2,300,132	$ (42,368)
Fines and forfeitures	5,919	6,750	6,908	158
Intergovernmental	197,288	225,000	-	(225,000)
Other	26,305	30,000	37,579	7,579
Total Revenues	**2,283,500**	**2,604,250**	**2,344,619**	**(259,631)**
Expenditures:				
Current:				
Security of Persons & Property				
Police				
Personal services	1,589,627	1,586,127	1,479,636	106,491
Contractual services	215,185	282,523	225,429	57,094
Materials and supplies	212,758	221,452	186,319	35,133
Capital outlay	450,669	637,782	526,886	110,896
Total Security of Persons & Property	2,468,239	2,727,884	2,418,270	309,614
Total Expenditures	**2,468,239**	**2,727,884**	**2,418,270**	**309,614**
Excess of Expenditures Over Revenues	**(184,739)**	**(123,634)**	**(73,651)**	**49,983**
Other Financing Sources:				
Transfers in	-	9,630	9,630	-
Note proceeds	-	180,000	180,000	-
Total Other Financing Sources	**-**	**189,630**	**189,630**	**-**
Net Change in Fund Balance	**(184,739)**	**65,996**	**115,979**	**49,983**
Fund Balance at Beginning of Year	1,128,840	1,128,840	1,128,840	-
Prior Year Encumbrances Appropriated	25,053	25,053	25,053	-
Fund Balance at End of Year	**$ 969,154**	**$ 1,219,889**	**$ 1,269,872**	**$ 49,983**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ISSUE II FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Intergovernmental	$ 375,000	$ 375,000	$ -	$ (375,000)
Miscellaneous	-	1,050,000	-	(1,050,000)
Total Revenues	**375,000**	**1,425,000**	**-**	**(1,425,000)**
Expenditures:				
Community development				
Capital outlay	3,104,283	3,104,283	1,947,614	1,156,669
Total Expenditures	**3,104,283**	**3,104,283**	**1,947,614**	**1,156,669**
Excess of Expenditure Over Revenues	**(2,729,283)**	**(1,679,283)**	**(1,947,614)**	**(268,331)**
Other Financing Sources:				
OPWC loans	125,000	125,000	-	(125,000)
Transfers in	2,604,283	2,604,283	2,604,283	-
Total Other Financing Sources	**2,729,283**	**2,729,283**	**2,604,283**	**(125,000)**
Net Change in Fund Balance	**-**	**1,050,000**	**656,669**	**(393,331)**
Fund Balance at Beginning of Year	-	-	-	-
Fund balance at End of Year	**$ -**	**$ 1,050,000**	**$ 656,669**	**$ (393,331)**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Income tax	$ 311,676	$ 275,700	$ 276,875	$ 1,175
Miscellaneous	169,574	150,000	9,600	(140,400)
Total Revenues	**481,250**	**425,700**	**286,475**	**(139,225)**
Expenditures:				
Community Development				
Contractual services	$ 7,088	$ 14,338	$ 13,064	**1,274**
Capital outlay	951,318	861,694	816,437	**45,257**
Total Community Development	**958,406**	**876,032**	**829,501**	**46,531**
Total Expenditures	**958,406**	**876,032**	**829,501**	**46,531**
Excess of Expenditures Over Revenues	**(477,156)**	**(450,332)**	**(543,026)**	**(92,694)**
Other Financing Sources (Uses):				
Transfers in	-	245,000	245,000	-
Transfers out	-	(30,000)	-	30,000
Total Other Financing Sources (Uses)	**-**	**215,000**	**245,000**	**30,000**
Net Change in Fund Balance	**(477,156)**	**(235,332)**	**(298,026)**	**(62,694)**
Fund Balance at Beginning of Year	597,266	597,266	597,266	-
Prior Year Encumbrances Appropriated	180,318	180,318	180,318	-
Fund Balance at End of Year	**$ 300,428**	**$ 542,252**	**$ 479,558**	**$ (62,694)**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BOND IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Expenditures:				
Community development				
Capital outlay	$ 4,244,283	$ 1,755,000	$ 1,584,539	170,461
Total Expenditures	**4,244,283**	**1,755,000**	**1,584,539**	**170,461**
Excess of Expenditure Over Revenues	**(4,244,283)**	**(1,755,000)**	**(1,584,539)**	**170,461**
Other Financing Sources (Uses):				
Note issuance	3,494,283	3,740,000	3,740,000	-
Transfers out	-	(2,784,283)	(2,784,283)	-
Total Other Financing Sources (Uses)	**3,494,283**	**955,717**	**955,717**	**-**
Net Change in Fund Balance	**(750,000)**	**(799,283)**	**(628,822)**	**170,461**
Fund Balance at Beginning of Year	1,500,000	1,500,000	1,500,000	-
Fund Balance at End of Year	**$ 750,000**	**$ 700,717**	**$ 871,178**	**$ 170,461**

CITY OF PATASKALA, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and investments	$ 620,840	$ 214,630	$ 792,558	$ 1,628,028
Receivables (net of allowances of uncollectibles):				
Income taxes	67	85,521	-	85,588
Accounts	1,760	-	-	1,760
Payment in lieu of taxes	-	-	155,278	155,278
Due from other governments	25,411	275	-	25,686
Accrued interest	201	-	-	201
Cash with fiscal and escrow agents	116,098	-	-	116,098
Total Assets	**$ 764,377**	**$ 300,426**	**$ 947,836**	**$ 2,012,639**
Liabilities:				
Accounts payable	$ 5,458	$ -	$ -	$ 5,458
Total Liabilities	**5,458**	**-**	**-**	**5,458**
Deferred Inflows of Resources:				
Accrued interest not available	39	-	-	39
Income tax revenue not available	-	64,005	-	64,005
Nonexchange transactions not available	16,561	-	-	16,561
PILOTs levied for the next fiscal year	-	-	155,278	155,278
Total Deferred Inflows of Resources	**16,600**	**64,005**	**155,278**	**235,883**
Total Liabilities & Deferred Inflows of Resources	**22,058**	**64,005**	**155,278**	**241,341**
Fund balances:				
Restricted	710,025	236,421	792,558	1,739,004
Committed	32,294	-	-	32,294
Total Fund Balances	**742,319**	**236,421**	**792,558**	**1,771,298**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 764,377**	**$ 300,426**	**$ 947,836**	**$ 2,012,639**

CITY OF PATASKALA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Income taxes	$ 803	$ 116,993	$ -	$ 117,796
Charges for services	22,690	-	-	22,690
Fines and forfeitures	16,606	-	-	16,606
Intergovernmental	1,025,154	-	-	1,025,154
Investment income	201	-	-	201
Payments in lieu of taxes	-	-	155,279	155,279
Increase (decrease) in fair value of investments	(198)	-	-	(198)
Other	-	1,047	-	1,047
Total Revenues	**1,065,256**	**118,040**	**155,279**	**1,338,575**
Expenditures:				
Current:				
General Government	-	5,322	150	5,472
Security of Persons and Property	426,267	-	-	426,267
Transportation	324,403	-	-	324,403
Community Environment	193,544	-	-	193,544
Leisure Time Activity	22,218	-	-	22,218
Capital outlay	31,058	-	-	31,058
Debt service:				
Principal retirement	-	242,358	-	242,358
Interest and fiscal charges	-	7,163	-	7,163
Total Expenditures	**997,490**	**254,843**	**150**	**1,252,483**
Excess (Deficiency) of Revenues Over (Under) Expenditures	**67,766**	**(136,803)**	**155,129**	**86,092**
Other Financing Sources:				
Transfers in	144,000	219,961	-	363,961
Transfers out	(44,274)	(60,373)	-	(104,647)
Total Other Financing Sources	**99,726**	**159,588**	**-**	**259,314**
Net Change in Fund Balance	**167,492**	**22,785**	**155,129**	**345,406**
Fund Balance at Beginning of Year	574,827	213,636	637,429	1,425,892
Fund Balance at End of Year	**$ 742,319**	**$ 236,421**	**$ 792,558**	**$ 1,771,298**

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CITY OF PATASKALA, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2013

	State Highway Fund	Ecological Preservation Fund	JEDD Income Tax Fund	Permissive License Tax Fund
Assets:				
Equity in pooled cash and investments	$ 33,154	$ 1,000	$ 973	$ 344,811
Receivables (net of allowances of uncollectibles):				
Income taxes	-	-	67	-
Accounts	-	-	-	-
Accrued interest	201	-	-	-
Due from other governments	25,411	-	-	-
Cash with fiscal and escrow agents	-	-	-	116,098
Total Assets	**$ 58,766**	**$ 1,000**	**$ 1,040**	**$ 460,909**
Liabilities:				
Accounts payable	884	-	-	4,574
Total Liabilities	**884**	**-**	**-**	**4,574**
Deferred Inflows of Resources:				
Accrued interest not available	39	-	-	-
Nonexchange transactions not available	16,561	-	-	-
Total Deferred Inflows of Resources	**16,600**	**-**	**-**	**-**
Total Liabilities & Deferred Inflows of Resources	**17,484**	**-**	**-**	**4,574**
Fund balances:				
Restricted	41,282	1,000	1,040	456,335
Committed	-	-	-	-
Total Fund Balances	**41,282**	**1,000**	**1,040**	**456,335**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 58,766**	**$ 1,000**	**$ 1,040**	**$ 460,909**

Park Use Fund	Immobilization Fund	Court Computer Fund	Alcohol Enforcement and Education Fund	Law Enforcement Trust Fund	Pataskala Mobile Home Park Fund
$ 27,850	$ 490	$ 40,258	$ 5,921	$ 4,614	$ 4,444
-	-	-	-	-	-
-	-	858	-	902	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 27,850	**$ 490**	**$ 41,116**	**$ 5,921**	**$ 5,516**	**$ 4,444**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	490	41,116	5,921	5,516	-
27,850	-	-	-	-	4,444
27,850	**490**	**41,116**	**5,921**	**5,516**	**4,444**
$ 27,850	**$ 490**	**$ 41,116**	**$ 5,921**	**$ 5,516**	**$ 4,444**

- - Continued

CITY OF PATASKALA, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2013

	FEMA Fund	CHIP Fund	Safe Route To School Fund	CDBG
Assets:				
Equity in pooled cash and investments	$ 9	$ 57,017	$ 7,678	$ 92,621
Receivables (net of allowances of uncollectibles):				
Income taxes	-	-	-	-
Accounts	-	-	-	-
Accrued interest	-	-	-	-
Due from other governments	-	-	-	-
Cash with fiscal and escrow agents	-	-	-	-
Total Assets	**$ 9**	**$ 57,017**	**$ 7,678**	**$ 92,621**
Liabilities:				
Accounts payable	-	$ -	$ -	$ -
Total Liabilities	**-**	**-**	**-**	**-**
Deferred Inflows of Resources:				
Accrued interest not available	-	-	-	-
Nonexchange transactions not available	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Total Liabilities & Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund balances:				
Restricted	9	57,017	7,678	92,621
Committed	-	-	-	-
Total Fund Balances	**9**	**57,017**	**7,678**	**92,621**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 9**	**$ 57,017**	**$ 7,678**	**$ 92,621**

Total Nonmajor Special Revenue Funds
$ 620,840
67
1,760
201
25,411
116,098
$ 764,377
$ 5,458
5,458
39
16,561
16,600
22,058
710,025
32,294
742,319
$ 764,377

CITY OF PATASKALA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	State Highway Fund	Ecological Preservation Fund	Jedd Income Tax Fund	Permissive License Tax Fund
Revenues:				
Income taxes	$ -	$ -	$ 803	$ -
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	51,743	-	-	379,272
Investment income	188	-	-	-
Decrease in fair value of investments	(198)	-	-	-
Total Revenues	**51,733**	**-**	**803**	**379,272**
Expenditures:				
Current:				
Security of Persons and Property	-	-	-	-
Transportation	37,884	-	-	286,519
Community Environment	-	-	-	-
Leisure Time Activity	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	**37,884**	**-**	**-**	**286,519**
Excess (Deficiency) of Revenues Over (Under) Expenditures	**13,849**	**-**	**803**	**92,753**
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balance	**13,849**	**-**	**803**	**92,753**
Fund Balance (Deficit) at Beginning of Year	27,433	1,000	237	363,582
Fund Balance at End of Year	**$ 41,282**	**$ 1,000**	**$ 1,040**	**$ 456,335**

Park Use Fund	Immobilization Fund	Court Computer Fund	Alcohol Enforcement and Education Fund	Law Enforcement Trust Fund	Pataskala Mobile Home Park Fund
$ -	$ -	$ -	$ -	$ -	$ -
22,690	-	-	-	-	-
-	-	13,302	400	2,904	-
-	-	-	-	-	-
-	-	-	-	-	13
-	-	-	-	-	-
22,690	**-**	**13,302**	**400**	**2,904**	**13**
-	-	9,357	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
22,218	-	-	-	-	-
-	-	-	-	-	-
22,218	**-**	**9,357**	**-**	**-**	**-**
472	**-**	**3,945**	**400**	**2,904**	**13**
-	-	-	-	-	-
-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**
472	**-**	**3,945**	**400**	**2,904**	**13**
27,378	490	37,171	5,521	2,612	4,431
$ 27,850	**$ 490**	**$ 41,116**	**$ 5,921**	**$ 5,516**	**$ 4,444**

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CITY OF PATASKALA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013

	FEMA Fund	CHIP Fund	Safe Route To School Fund	CDBG
Revenues:				
Income taxes	$ -	$ -	$ -	$ -
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	139,932	423,148	31,059
Investment income	-	-	-	-
Decrease in fair value of investments	-	-	-	-
Total Revenues	**-**	**139,932**	**423,148**	**31,059**
Expenditures:				
Current:				
Security of persons and property	-	-	416,910	-
Transportation	-	-	-	-
Community environment	-	193,544	-	-
Leisure time activity	-	-	-	-
Capital outlay	-	-	-	31,058
Total Expenditures	**-**	**193,544**	**416,910**	**31,058**
Excess (Deficiency) of Revenues Over (Under) Expenditures	**-**	**(53,612)**	**6,238**	**1**
Other Financing Sources (Uses):				
Transfers in	-	144,000	-	-
Transfers out	(36,596)	-	(7,678)	-
Total Other Financing Sources (Uses)	**(36,596)**	**144,000**	**(7,678)**	**-**
Net Change in Fund Balance	**(36,596)**	**90,388**	**(1,440)**	**1**
Fund Balance (Deficit) at Beginning of Year	36,605	(33,371)	9,118	92,620
Fund Balance at End of Year	**$ 9**	**$ 57,017**	**$ 7,678**	**$ 92,621**

Total Nonmajor Special Revenue Funds
$ 803
22,690
16,606
1,025,154
201
(198)
1,065,256
426,267
324,403
193,544
22,218
31,058
997,490
67,766
144,000
(44,274)
99,726
167,492
574,827
$ 742,319

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE HIGHWAY FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Revenues:			
Intergovernmental	$ 53,500	$ 51,293	$ (2,207)
Investment Income	61	26	(35)
Total Revenues	**53,561**	**51,319**	**(2,242)**
Expenditures:			
Current:			
Transportation			
Street Department			
Contractual	10,000	8,986	1,014
Materials and Supplies	66,729	66,691	38
Total Expenditures	**76,729**	**75,677**	**1,052**
Net Change in Fund Balance	**(23,168)**	**(24,358)**	**(1,190)**
Fund Balance at Beginning of Year	20,924	20,924	-
Prior Year Encumbrances Appropriated	31,947	31,947	-
Fund Balance at End of Year	**$ 29,703**	**$ 28,513**	**$ (1,190)**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ECOLOGICAL PRESERVATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	Actual	
Fund Balance at Beginning of Year	$ 1,000	$ 1,000	$ -
Fund Balance at End of Year	**$ 1,000**	**$ 1,000**	**$ -**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PATASKALA CORPORATE PARK JOINT ECONOMIC DEVELOPMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Revenues:			
Income taxes	$ 1,000	$ 736	$ (264)
Total Revenues	**1,000**	**736**	**(264)**
Net Change in Fund Balance	**1,000**	**736**	**(264)**
Fund Balance at Beginning of Year	237	237	-
Fund Balance at End of Year	**$ 1,237**	**$ 973**	**$ (264)**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMISSIVE LICENSE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Revenues:			
Intergovernmental	$ 310,145	$ 319,064	$ 8,919
Total Revenues	**310,145**	**319,064**	**8,919**
Expenditures:			
Current:			
Transportation			
Street department			
Contractual services	29,047	18,916	10,131
Materials and supplies	69,059	9,059	60,000
Capital outlay	441,147	384,513	56,634
Total Transportation	**539,253**	**412,488**	**126,765**
Total Expenditures	**539,253**	**412,488**	**126,765**
Net Change in Fund Balance	**(229,108)**	**(93,424)**	**135,684**
Fund Balance at Beginning of Year	284,452	284,452	-
Prior Year Encumbrances Appropriated	77,358	77,358	-
Fund Balance at End of Year	**$ 132,702**	**$ 268,386**	**$ 135,684**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK USE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Revenues:			
Charges for Services	$ 17,500	$ 22,690	$ 5,190
Total Revenues	**17,500**	**22,690**	**5,190**
Expenditures:			
Current:			
Leisure Time Activity			
Recreation Improvement			
Contractual	15,000	10,035	4,965
Capital outlay	15,000	12,183	2,817
Total Expenditures	**30,000**	**22,218**	**7,782**
Net Change in Fund Balance	**(12,500)**	**472**	**12,972**
Fund Balance at Beginning of Year	27,378	27,378	-
Fund Balance at End of Year	**$ 14,878**	**$ 27,850**	**$ 12,972**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
IMMOBILIZATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	Actual	
Fund Balance at Beginning of Year	$ 490	$ 490	$ -
Fund Balance at End of Year	**$ 490**	**$ 490**	**$ -**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT COMPUTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	$ 13,000	$ 13,374	$ 374
Total Revenues	**13,000**	**13,374**	**374**
Expenditures:			
Security of Persons & Property:			
Materials and supplies	8,800	5,105	3,695
Capital outlay	5,000	4,252	748
Total Security of Persons & Property	**13,800**	**9,357**	**4,443**
Total Expenditures	**13,800**	**9,357**	**4,443**
Net Change in Fund Balance	**(800)**	**4,017**	**4,817**
Fund Balance at Beginning of Year	35,820	35,820	-
Prior Year Encumbrances Appropriated	421	421	-
Fund Balance at End of Year	**$ 35,441**	**$ 40,258**	**$ 4,817**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALCOHOL ENFORCEMENT AND EDUCATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Revenues:			
Fines and forfeitures	$ 500	$ 400	$ (100)
Total Revenues	**500**	**400**	**(100)**
Expenditures:			
Security of Persons & Property			
Personal services	500	-	500
Total Security of Persons & Property	**500**	**-**	**500**
Total Expenditures	**500**	**-**	**500**
Net Change in Fund Balance	**-**	**400**	**400**
Fund Balance at Beginning of Year	5,521	5,521	-
Fund Balance at End of Year	**$ 5,521**	**$ 5,921**	**$ 400**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Revenues:			
Fines and forfeitures	$ 1,500	$ 2,052	$ 552
Total Revenues	**1,500**	**2,052**	**552**
Expenditures:			
Security of Persons & Property			
Public safety			-
Contractual services	1,000	-	1,000
Total Security of Persons & Property	**1,000**	**-**	**1,000**
Total Expenditures	**1,000**	**-**	**1,000**
Net Change in Fund Balance	**500**	**2,052**	**1,552**
Fund Balance at Beginning of Year	2,562	2,562	-
Fund Balance at End of Year	**$ 3,062**	**$ 4,614**	**$ 1,552**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PATASKALA MOBILE HOME PARK FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Revenues:			
Investment Income	$ -	$ 13	$ 13
Total Revenues	**-**	**13**	**13**
Net Change in Fund Balance	**-**	**13**	**13**
Fund Balance at Beginning of Year	4,431	4,431	-
Fund Balance at End of Year	**$ 4,431**	**$ 4,444**	**$ 13**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEMA FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Revenues:			
Intergovernmental	$ 36,605	$ 36,605	$ -
Total Revenues	**36,605**	**36,605**	**-**
Excess of Revenues over Expenditures	**36,605**	**36,605**	**-**
Other Financing Uses:			
Transfers out	(36,596)	(36,596)	-
Total Other Financing Uses	**(36,596)**	**(36,596)**	**-**
Net Change in Fund Balance	**9**	**9**	**-**
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	**$ 9**	**$ 9**	**$ -**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY HOUSING IMPROVEMENT PROGRAM FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Revenues:			
Intergovernmental	$ 220,000	$ 141,932	$ (78,068)
Total Revenues	**220,000**	**141,932**	**(78,068)**
Expenditures:			
Current:			
Community Environment			
Contractual services	220,000	210,244	9,756
Total Community Environment	**220,000**	**210,244**	**9,756**
Total Expenditures	**220,000**	**210,244**	**9,756**
Excess of Expenditures Over Revenues	**-**	**(68,312)**	**(68,312)**
Other Financing Sources (Uses):			
Advances in	20,000	-	(20,000)
Advances out	(20,000)	-	20,000
Total Other Financing Sources (Uses)	**-**	**-**	**-**
Net Change in Fund Balance	**-**	**(68,312)**	**(68,312)**
Fund Balance at Beginning of Year	110,382	110,382	-
Fund Balance at End of Year	**$ 110,382**	**$ 42,070**	**$ (68,312)**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SAFE ROUTES TO SCHOOLS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Intergovernmental	$ 749,108	$ 367,550	$ (381,558)
Total Revenues	**749,108**	**367,550**	**(381,558)**
Expenditures:			
Current:			
Security of Persons and Property			
Personal services	5,700	1,895	3,805
Contractual services	30,115	-	30,115
Capital outlay	675,500	352,444	323,056
Total Community Environment	**711,315**	**354,339**	**356,976**
Total Expenditures	**711,315**	**354,339**	**356,976**
Excess of Revenues Over Expenditures	**37,793**	**13,211**	**(24,582)**
Other Financing Uses:			
Transfers out	(7,678)	(7,678)	-
Advances out	(30,115)	-	30,115
Total Other Financing Uses	**(37,793)**	**(7,678)**	**30,115**
Net Change in Fund Balance	**-**	**5,533**	**5,533**
Fund Balance at Beginning of Year	2,145	2,145	-
Fund Balance at End of Year	**$ 2,145**	**$ 7,678**	**$ 5,533**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE K-9 UNIT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	Actual	
Fund Balance at Beginning of Year	$ 696	$ 696	$ -
Fund Balance at End of Year	**$ 696**	**$ 696**	**$ -**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CDBG FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Revenues:			
Intergovernmental	$ 92,000	$ 31,059	$ (60,941)
Total Revenues	**92,000**	**31,059**	**(60,941)**
Expenditures:			
Current:			
Community Environment			
Contractual services	89,000	53,916	35,084
Capital outlay	48,000	-	48,000
Total Economic Development	**137,000**	**53,916**	**83,084**
Total Expenditures	**137,000**	**53,916**	**83,084**
Net Change in Fund Balance	**(45,000)**	**(22,857)**	**22,143**
Fund Balance at Beginning of Year	93,778	93,778	-
Fund Balance at End of Year	**$ 48,778**	**$ 70,921**	**$ 22,143**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RECREATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Rental Income	$ 1,500	$ 1,980	$ 480
Other	3,350	1,819	(1,531)
Total Revenues	**4,850**	**3,799**	**(1,051)**
Expenditures:			
Current:			
Leisure Time Activities			
Recreation			
Personnel services	41,927	22,379	19,548
Materials and supplies	50,996	43,617	7,379
Total Leisure Time Activities	**92,923**	**65,996**	**26,927**
Total Expenditures	**92,923**	**65,996**	**26,927**
Excess of Revenues Over Expenditures	**(88,073)**	**(62,197)**	**25,876**
Other Financing Sources:			
Transfers in	75,000	75,000	-
Total Other Financing Sources	**75,000**	**75,000**	**-**
Net Change in Fund Balance	**(13,073)**	**12,803**	**25,876**
Fund Balance at Beginning of Year	15,528	15,528	-
Prior Year Encumbrances Appropriated	100	100	-
Fund Balance at End of Year	**$ 2,555**	**$ 28,431**	**$ 25,876**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SESQUICENTENNIAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Fund Balance at Beginning of Year	$ 367	$ 367	$ -
Fund Balance at End of Year	**$ 367**	**$ 367**	**$ -**

CITY OF PATASKALA, OHIO

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2013

	Street Bond Fund	Debt Service Fund	Total Nonmajor Debt Service Funds
Assets:			
Equity in pooled cash and investments	$ 30,067	$ 184,563	$ 214,630
Receivables (net of allowances of uncollectibles):			
Income taxes	-	85,521	85,521
Due from other governments	-	275	275
Total Assets	**$ 30,067**	**$ 270,359**	**$ 300,426**
Deferred Inflows of Resources:			
Income tax revenue not available	-	64,005	64,005
Total Deferred Inflows of Resources	**-**	**64,005**	**64,005**
Total Liabilities & Deferred Inflows of Resources	**-**	**64,005**	**64,005**
Fund Balances:			
Restricted	30,067	206,354	236,421
Total Fund Balances	**30,067**	**206,354**	**236,421**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 30,067**	**$ 270,359**	**$ 300,426**

CITY OF PATASKALA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Street Bond Fund	Debt Service Fund	Total Nonmajor Debt Service Funds
Revenues:			
Income taxes	$ -	$ 116,993	$ 116,993
Other	-	1,047	1,047
Total Revenues	**-**	**118,040**	**118,040**
Expenditures:			
Current:			
General government	-	5,322	5,322
Debt service:			
Principal retirement	-	242,358	242,358
Interest and fiscal charges	-	7,163	7,163
Total Debt Service	**-**	**249,521**	**249,521**
Total Expenditures	**-**	**254,843**	**254,843**
Excess of Expenditures Over Revenues	**-**	**(136,803)**	**(136,803)**
Other Financing Sources (Uses):			
Transfers in	-	219,961	219,961
Transfers out	-	(60,373)	(60,373)
Total Other Financing Sources (Uses)	**-**	**159,588**	**159,588**
Net Change in Fund Balance	**-**	**22,785**	**22,785**
Fund Balance at Beginning of Year	30,067	183,569	213,636
Fund Balance at End of Year	**$ 30,067**	**$ 206,354**	**$ 236,421**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET BOND FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	Actual	
Fund Balance at Beginning of Year	$ 30,067	$ 30,067	$ -
Fund Balance at End of Year	**$ 30,067**	**$ 30,067**	**$ -**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Revenues:			
Income taxes	$ 110,750	$ 109,934	$ (816)
Other	-	1,047	1,047
Total Revenues	**110,750**	**110,981**	**231**
Expenditures:			
Current:			
General government			
Contractual services	5,888	5,322	566
Total General Government	**5,888**	**5,322**	**566**
Debt service:			
Principal retirement	2,492,360	2,492,358	2
Interest and fiscal charges	59,684	52,969	6,715
Bond issuance costs	51,122	51,121	1
Total Debt Service	**2,603,166**	**2,596,448**	**6,718**
Total Expenditures	**2,609,054**	**2,601,770**	**7,284**
Excess of Expenditures Over Revenues	**(2,498,304)**	**(2,490,789)**	**7,515**
Other Financing Sources:			
Transfers in	249,961	219,961	(30,000)
Note issuance	2,250,000	2,220,000	(30,000)
Premium on sale of notes	66,554	66,554	-
Total Other Financing Sources	**2,566,515**	**2,506,515**	**(60,000)**
Net Change in Fund Balance	**68,211**	**15,726**	**(52,485)**
Fund Balance at Beginning of Year	168,837	168,837	-
Fund Balance at End of Year	**$ 237,048**	**$ 184,563**	**$ (52,485)**

CITY OF PATASKALA, OHIO

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2013

	Courter Bridge Improvement Fund	Municipal Building Purchase Fund	State Route 310 TIF Fund	Total Nonmajor Capital Projects Funds
Assets:				
Equity in pooled cash and investments	$ 59	$ 6,871	$ 785,628	$ 792,558
Payment in lieu of taxes	-	-	155,278	155,278
Total Assets	**$ 59**	**$ 6,871**	**$ 940,906**	**$ 947,836**
Deferred Inflows of Resources:				
PILOTs levied for the next fiscal year	-	-	155,278	155,278
Total Deferred Inflows of Resources	**-**	**-**	**155,278**	**155,278**
Total Liabilities & Deferred Inflows of Resources	**-**	**-**	155,278	**155,278**
Fund Balances:				
Restricted	59	6,871	785,628	792,558
Total Fund Balances	**59**	**6,871**	**785,628**	**792,558**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 59**	**$ 6,871**	**$ 940,906**	**$ 947,836**

CITY OF PATASKALA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Courter Bridge Improvement Fund	Municipal Building Purchase Fund	State Route 310 TIF Fund	Total Nonmajor Capital Projects Funds
Revenues:				
Payment in lieu of taxes	$ -	$ -	$ 155,279	$ 155,279
Total Revenues	**-**	**-**	**155,279**	**155,279**
Expenditures:				
Current:				
General government	-	-	150	150
Total Expenditures	**-**	**-**	**150**	**150**
Net Change in Fund Balance	**-**	**-**	**155,129**	**155,129**
Fund Balance at Beginning of Year	59	6,871	630,499	637,429
Fund Balance at End of Year	**$ 59**	**$ 6,871**	**$ 785,628**	**$ 792,558**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURTER BRIDGE IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	Actual	
Fund Balance at Beginning of Year	$ 59	$ 59	$ -
Fund Balance at End of Year	**$ 59**	**$ 59**	**$ -**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL BUILDING PURCHASE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	Actual	
Fund Balance at Beginning of Year	$ 6,871	$ 6,871	$ -
Fund Balance at End of Year	**$ 6,871**	**$ 6,871**	**$ -**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE ROUTE 310 TAX INCREMENT FINANCE EQUIVALENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Payment in lieu of taxes	$ 206,081	$ 155,279	$ (50,802)
Total Revenues	**206,081**	**155,279**	**(50,802)**
Expenditures:			
Current:			
General Government			
Contractual services	12,500	7,500	5,000
Total General Government	**12,500**	**7,500**	**5,000**
Total Expenditures	**12,500**	**7,500**	**5,000**
Net Change in Fund Balance	**193,581**	**147,779**	**(45,802)**
Fund Balance at Beginning of Year	630,485	630,485	-
Prior Year Encumbrances Appropriated	14	14	-
Fund Balance at End of Year	**$ 824,080**	**$ 778,278**	**$ (45,802)**

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ENTERPRISE FUNDS

To account for the financing of costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis that are financed or recovered primarily through user charges.

Major Enterprise Funds

Water Fund
This fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City.

Water Expansion Fund
To account for revenues and expenses related to the expansion of water lines within the City. For GAAP reporting, this activity is reflected in the Water enterprise fund.

Water Bond Improvements Fund
To account for bond or notes issued that are used to improve the water infrastructure within the City.

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

Sewer Fund
This fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Sewer Capital Improvement Fund
To account for sewer revenue that is transferred from the sewer fund and debt proceeds used for construction projects and improvements. For GAAP reporting, this activity is reflected in the Sewer enterprise fund.

Sewer Bond Improvements Fund
To account for bond or notes issued that are used to improve the sewer infrastructure within the City.

The Oaks Assessment Fund
To account for the activity of the special assessment in The Oaks subdivision.

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

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Operating Revenues:			
Charges for services	$ 1,053,846	$ 1,086,924	$ 33,078
Other operating revenues	30,000	18,111	(11,889)
Total Operating Revenues	**1,083,846**	**1,105,035**	**21,189**
Operating Expenses:			
Personal services	437,034	406,263	30,771
Contractual services	92,803	42,866	49,937
Materials and supplies	492,170	428,984	63,186
Capital outlay	23,750	16,505	7,245
Total Operating Expenses	**1,045,757**	**894,618**	**151,139**
Income Before Transfers	**38,089**	**210,417**	**172,328**
Transfers:			
Transfers in	-	5,479	5,479
Transfers out	(250,000)	(250,000)	-
Net Change in Fund Equity	**(211,911)**	**(34,104)**	**177,807**
Fund Equity at Beginning of Year	484,258	484,258	-
Prior Year Encumbrances Appropriated	24,801	24,801	-
Fund Equity at End of Year	**$ 297,148**	**$ 474,955**	**$ 177,807**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER EXPANSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	Actual	
Operating Revenues:			
Charges for services	$ 303,637	$ 315,437	$ 11,800
Capacity fees	200,000	230,582	30,582
Other	5,500	6,000	500
Total Operating Revenues	**$ 509,137**	**$ 552,019**	**$ 42,882**
Operating Expenses:			
Materials and supplies	1,000	434	566
Capital outlay	190,423	189,923	500
Total Operating Expenses	**191,423**	**190,357**	**1,066**
Income Before Transfers	**317,714**	**361,662**	**43,948**
Transfers:			
Transfers out	(276,990)	(276,990)	-
Net Change in Fund Equity	**40,724**	**84,672**	**43,948**
Fund Equity at Beginning of Year	240,911	240,911	-
Prior Year Encumbrances Appropriated	200,253	200,253	-
Fund Equity at End of Year	**$ 481,888**	**$ 525,836**	**$ 43,948**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER BOND IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Operating Expenses:			
Capital outlay	343,000	317,404	25,596
Total Operating Expenses	**343,000**	**317,404**	**25,596**
Net Change in Fund Equity	**(343,000)**	**(317,404)**	**25,596**
Fund Equity at Beginning of Year	343,000	343,000	-
Fund Equity at End of Year	**$ -**	**$ 25,596**	**$ 25,596**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	Actual	
Non-Operating Revenues (expenses):			
Investment income	$ 18,000	$ 17,859	$ (141)
Note issuance	1,579,000	1,488,000	(91,000)
Premium on note issuance		169	169
Debt Service:			
Principal	(1,704,000)	(1,704,000)	-
Interest and fiscal charges	(309,990)	(309,989)	1
Note issuance costs	(11,571)	(11,571)	-
Total Debt Service	**(2,025,561)**	**(2,025,560)**	**1**
Total Non-Operating Revenues (expenses)	**(428,561)**	**(519,532)**	**(90,971)**
Loss Before Transfers	**(428,561)**	**(519,532)**	**(90,971)**
Transfers:			
Transfers in	526,990	526,990	-
Net Change in Fund Equity	**98,429**	**7,458**	**(90,971)**
Fund Equity at Beginning of Year	6,652	6,652	-
Fund Equity at End of Year	**$ 105,081**	**$ 14,110**	**$ (90,971)**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Charges for services	$ 985,000	$ 1,024,602	$ 39,602
Other operating revenues	12,500	6,280	(6,220)
Total Operating Revenues	**997,500**	**1,030,882**	**33,382**
Operating Expenses:			
Personal services	579,339	530,815	48,524
Contractual services	105,569	92,701	12,868
Materials and supplies	631,187	456,342	174,845
Capital outlay	23,750	16,127	7,623
Total Operating Expenses	**1,339,845**	**1,095,985**	**243,860**
Loss Before Transfers	**(342,345)**	**(65,103)**	**277,242**
Transfers:			
Transfers in	10,957	5,478	(5,479)
Transfers out	(20,000)	(20,000)	-
Net Change in Fund Equity	**(351,388)**	**(79,625)**	**271,763**
Fund Equity at Beginning of Year	1,215,042	1,215,042	-
Prior Year Encumbrances Appropriated	55,918	55,918	-
Fund Equity at End of Year	**$ 919,572**	**$ 1,191,335**	**$ 271,763**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEWER CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Operating Revenues:			
Charges for services	$ 444,600	$ 457,576	$ 12,976
Capacity fees	175,000	176,085	1,085
Other	4,500	5,750	1,250
Total Operating Revenues	**624,100**	**639,411**	**15,311**
Operating Expenses:			
Materials and supplies	1,000	603	397
Capital outlay	346,097	325,986	20,111
Total Operating Expenses	**347,097**	**326,589**	**20,508**
Income Before Transfers	**277,003**	**312,822**	**35,819**
Transfers:			
Transfers out	(452,666)	(452,666)	-
Net Change in Fund Equity	**(175,663)**	**(139,844)**	**35,819**
Fund Equity at Beginning of Year	471,903	471,903	-
Prior Year Encumbrances Appropriated	302,265	302,265	-
Fund Equity at End of Year	**$ 598,505**	**$ 634,324**	**$ 35,819**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEWER BOND IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	Actual	
Operating Expenses:			
Capital outlay	$ 667,000	$ 581,673	$ 85,327
Total Operating Expenses	**667,000**	**581,673**	**85,327**
Net Change in Fund Equity	**(667,000)**	**(581,673)**	**85,327**
Fund Equity at Beginning of Year	667,000	667,000	-
Fund Equity at End of Year	**$ -**	**$ 85,327**	**$ 85,327**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OAKS ASSESSMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	Actual	
Operating Revenues:			
Special assessments	$ 18,162	$ 18,162	$ -
Total Operating Revenues	**18,162**	**18,162**	**-**
Operating Income	18,162	18,162	-
Nonoperating Expenses:			
Debt service:			
Principal	(8,229)	(7,892)	337
Interest and fiscal charges	(10,771)	(10,662)	109
Total debt service	(19,000)	(18,554)	446
Total Nonoperating Expenses	**(19,000)**	**(18,554)**	**446**
Loss Before Transfers	**(838)**	**(392)**	**446**
Transfers:			
Transfers in	20,000	20,000	-
Net Change in Fund Equity	**19,162**	**19,608**	**446**
Fund Equity at Beginning of Year	-	-	-
Fund Equity at End of Year	**$ 19,162**	**$ 19,608**	**$ 446**

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEWER DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	Final	**Actual**	
Non-Operating Revenues (expenses):			
Investment income	$ 12,500	$ 17,801	$ 5,301
Note issuance	1,434,000	1,357,000	(77,000)
Premium on note issuance	-	328	328
Debt Service:			
Principal	(1,671,494)	(1,671,494)	-
Interest and fiscal charges	(139,172)	(139,170)	2
Issuance costs	(12,009)	(12,008)	1
Total Debt Service	**(1,822,675)**	**(1,822,672)**	**3**
Total Non-Operating Revenues (expenses)	**(376,175)**	**(447,543)**	**(71,368)**
Loss Before Transfers	**(376,175)**	**(447,543)**	**(71,368)**
Transfers:			
Transfers in	452,666	452,666	-
Net Change in Fund Equity	**76,491**	**5,123**	**(71,368)**
Fund Equity at Beginning of Year	67,762	67,762	-
Fund Equity at End of Year	**$ 144,253**	**$ 72,885**	**$ (71,368)**

Agency Funds

Agency funds maintain assets held by the City as an agent for individuals, private organizations, other governmental units and/or funds. These funds are purely custodial (assets equal liabilities) and therefore do not involve the measurement of results of operation. The following are the City's agency funds:

Mayors Court Fund

To account for assets received and disbursed by the Mayor's Court as agent or custodian related to various court matters and cases.

Fire Escrow Fund

To account for funds for insurance payments received and disbursed as agent relative to fire damages incurred by City property owners.

Construction Accounts Fund

To account for money held for construction projects throughout the City.

CITY OF PATASKALA, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Beginning Balance 12/31/2012	Additions	Reductions	Ending Balance 12/31/2013
Mayor's Court Fund				
Assets:				
Cash in segregated accounts	$ 250	$ -	$ 125	$ 125
Total Assets	**$ 250**	**$ -**	**$ 125**	**$ 125**
Liabilities:				
Undistributed monies	$ 250	$ -	$ 125	$ 125
Total Liabilities	**$ 250**	**$ -**	**$ 125**	**$ 125**
Fire Escrow Fund				
Assets:				
Equity in pooled cash and cash equivalents	$ 24,000	$ 15,755	$ -	$ 39,755
Total Assets	**$ 24,000**	**$ 15,755**	**$ -**	**$ 39,755**
Liabilities:				
Deposits held and due to others	$ 24,000	$ 15,755	$ -	$ 39,755
Total Liabilities	**$ 24,000**	**$ 15,755**	**$ -**	**$ 39,755**
Construction Accounts Fund				
Assets:				
Equity in pooled cash and investments	$ 200,065	$ -	$ 2,076	$ 197,989
Total Assets	**$ 200,065**	**$ -**	**$ 2,076**	**$ 197,989**
Liabilities:				
Deposits held and due to others	$ 200,065	$ -	$ 2,076	$ 197,989
Total Liabilities	**$ 200,065**	**$ -**	**$ 2,076**	**$ 197,989**
TOTAL AGENCY FUNDS				
Assets:				
Equity in pooled cash and investments	$ 224,065	$ 15,755	$ 2,076	$ 237,744
Cash in segregated accounts	250	-	125	125
Total Assets	**$ 224,315**	**$ 15,755**	**$ 2,201**	**$ 237,869**
Liabilities:				
Undistributed monies	$ 250	$ -	$ 125	$ 125
Deposits held and due to others	224,065	15,755	2,076	237,744
Total Liabilities	**$ 224,315**	**$ 15,755**	**$ 2,201**	**$ 237,869**

Statistical Section

City of Pataskala | CAFR

CITY OF PATASKALA, OHIO

STATISTICAL SECTION
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This part of the City of Pataskala'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.

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These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	**186-195**
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax and income tax.	**196-203**
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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.	**204-208**
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	**209-210**
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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.	**212-217**

Sources: Sources are noted on the individual schedules. The City implemented GASB Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.

CITY OF PATASKALA, OHIO

NET POSITION BY COMPONENT
LAST TEN YEARS
(accrual basis of accounting)

	Fiscal Year			
	2013	**2012**	**2011**	**2010**
Governmental activities				
Net investment in capital assets	$ 12,389,873	$ 13,774,478	$ 11,421,201	$ 6,885,892
Restricted for:				
Capital projects	1,976,407	1,221,848	894,345	428,679
Debt service	300,426	245,725	67,217	30,067
Transportation projects	2,625,800	1,948,664	1,494,751	1,368,440
Community development	159,356	102,975	23,352	8,813
Parks and recreation	-	-	50,844	100,733
Police	1,968,801	2,087,707	2,169,514	1,431,654
Other purposes	-	-	-	358
Unrestricted	2,481,743	1,201,567	2,153,086	1,807,920
Total Governmental Activities Net Position	**$ 21,902,406**	**$ 20,582,964**	**$ 18,274,310**	**$ 12,062,556**
Business-type activities				
Net investment in capital assets	$ 1,523,496	$ 1,648,124	$ 2,154,908	$ 2,890,611
Unrestricted	3,662,044	3,154,156	2,336,168	2,367,129
Total Business-Type Activities Net Position	**$ 5,185,540**	**$ 4,802,280**	**$ 4,491,076**	**$ 5,257,740**
Primary government				
Net investment in capital assets	$ 13,913,369	$ 15,422,602	$ 13,576,109	$ 9,776,503
Restricted for:				
Capital projects	1,976,407	1,221,848	894,345	428,679
Debt service	300,426	245,725	67,217	30,067
Street construction, maintenance and repairs	2,625,800	1,948,664	1,494,751	1,368,440
Community development	159,356	102,975	23,352	8,813
Parks and recreation	-	-	50,844	100,733
Police	1,968,801	2,087,707	2,169,514	1,431,654
Other purposes	-	-	-	358
Unrestricted	6,143,787	4,355,723	4,489,254	4,175,049
Total Primary Government Net Position	**$ 27,087,946**	**$ 25,385,244**	**$ 22,765,386**	**$ 17,320,296**

Source: City financial reports

2009	2008	2007	2006	2005	2004
$ 5,768,494	$ 4,965,912	$ 3,374,813	$ 3,123,377	$ 2,633,554	$ 2,697,516
8,830	-	-	-	-	-
30,067	30,067	30,067	30,067	30,067	30,068
1,419,374	1,328,269	1,141,807	1,218,590	718,716	642,146
-	-	-	-	-	-
99,467	84,991	78,690	108,498	-	-
579,510	368,748	220,905	277,968	180,561	199,308
5,058	7,248	393,076	362,393	467,403	218,125
1,168,314	890,439	1,104,231	1,060,773	1,177,550	827,281
$ 9,079,114	**$ 7,675,674**	**$ 6,343,589**	**$ 6,181,666**	**$ 5,207,851**	**$ 4,614,444**
$ 2,327,739	$ 1,868,441	$ 1,566,742	$ 3,325,935	$ 2,116,473	$ 1,311,484
3,482,621	4,629,883	4,916,251	2,968,971	3,486,977	3,357,343
$ 5,810,360	**$ 6,498,324**	**$ 6,482,993**	**$ 6,294,906**	**$ 5,603,450**	**$ 4,668,827**
$ 8,096,233	$ 6,834,353	$ 4,941,555	$ 6,449,312	$ 4,750,027	$ 4,009,000
8,830	-	-	-	-	-
30,067	30,067	30,067	30,067	30,067	30,068
1,419,374	1,328,269	1,141,807	1,218,590	718,716	642,146
-	-	-	-	-	-
99,467	84,991	78,690	108,498	-	-
579,510	368,748	220,905	277,968	180,561	199,308
5,058	7,248	393,076	362,393	467,403	218,125
4,650,935	5,520,322	6,020,482	4,029,744	4,664,527	4,184,624
$ 14,889,474	**$ 14,173,998**	**$ 12,826,582**	**$ 12,476,572**	**$ 10,811,301**	**$ 9,283,271**

CITY OF PATASKALA, OHIO

CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)

	Fiscal Year			
PROGRAM REVENUES:	**2013**	**2012**	**2011**	**2010**
Governmental Activities:				
Charges for Services:				
General government	$ 379,351	$ 348,491	$ 359,222	$ 372,604
Security of persons and property	192,348	216,514	231,099	155,183
Transportation	-	-	-	-
Community environment	-	-	-	-
Leisure time activities	22,690	15,797	11,755	19,375
Operating Grants & Contributions:				
General government	-	1,000	-	-
Security of persons and property	476,701	97,026	53,413	147,517
Transportation	1,129,954	1,372,877	678,261	908,554
Community environment	171,004	436,726	85,387	47,548
Leisure time activities	-	-	239,829	-
Capital Grants & Contributions:				
General government	-	-	-	-
Security of persons and property	-	-	-	-
Transportation	46,219	-	4,098,126	1,031,411
Community environment	-	-	35,536	-
Leisure time activities	-	-	36,542	-
Total Governmental Activities Program Revenues	$ 2,418,267	$ 2,488,431	$ 5,829,170	$ 2,682,192
Business-type activities:				
Charges for Services:				
Water	1,642,290	1,439,095	1,363,563	779,089
Sewer	1,689,448	1,713,051	1,101,552	866,261
Capital Grants & Contributions:				
Water	-	-	-	-
Sewer	-	-	-	56,665
Total Business-Type Activities Program Revenues	$ 3,331,738	$ 3,152,146	$ 2,465,115	$ 1,702,015
Total Primary Government Program Revenues	$ 5,750,005	$ 5,640,577	$ 8,294,285	$ 4,384,207
PROGRAM EXPENSES:				
Governmental Activities:				
General government	$ 706,223	$ 1,357,119	$ 758,581	$ 871,750
Security of persons and property	2,086,324	1,391,309	1,724,472	1,373,081
Public health services	112,101	111,485	60,486	59,300
Transportation	2,642,514	2,279,621	1,561,671	1,228,925
Community environment	543,577	591,589	318,312	270,207
Leisure time activities	157,950	50,103	41,908	46,494
Economic development	-	-	24,799	4,462
Other	-	-	-	-
Interest and fiscal charges	83,157	45,967	37,693	51,942
Total Governmental Activities Expenses	$ 6,331,846	$ 5,827,193	$ 4,527,922	$ 3,906,161

2009	2008	2007	2006	2005	2004
$ 345,726	$ 330,353	$ 329,569	$ 377,297	$ 348,665	$ 465,690
170,419	176,275	169,535	63,076	10,921	29,134
40,568	-	-	-	-	331,435
-	2,182	739	746	328	439
26,808	105,210	123,240	138,684	162,027	80,022
-	-	-	296,711	258,899	283,531
257,748	1,840	7,461	100,724	170,903	141,320
951,379	1,179,526	1,097,946	683,419	678,030	300,938
37,644	37,000	-	-	-	-
3,103	1,125	-	-	-	18,471
-	-	-	-	223,082	85,930
-	-	60,592	-	-	17,848
828,333	1,009,944	207,446	364,566	17,676	178,864
-	-	-	-	-	-
-	-	-	-	-	-
$ 2,661,728	$ 2,843,455	$ 1,996,528	$ 2,025,223	$ 1,870,531	$ 1,933,622
766,464	769,684	1,011,506	953,613	1,120,539	998,463
853,948	853,857	973,410	923,912	1,108,618	934,207
101,460	131,079	79,695	123,070	-	160,611
101,000	216,391	112,898	174,344	-	206,100
$ 1,822,872	$ 1,971,011	$ 2,177,509	$ 2,174,939	$ 2,229,157	$ 2,299,381
$ 4,484,600	$ 4,814,466	$ 4,174,037	$ 4,200,162	$ 4,099,688	$ 4,233,003
$ 826,900	$ 967,338	$ 1,063,385	$ 1,131,868	$ 1,217,964	$ 979,742
1,401,767	1,649,394	1,710,954	1,613,421	1,411,576	1,330,112
57,500	57,500	57,500	57,000	47,693	44,546
1,145,854	1,056,476	1,128,655	1,004,060	774,839	669,463
335,062	410,129	335,154	329,149	386,665	446,947
48,003	108,228	257,006	206,123	136,392	159,546
9,800	-	-	-	-	-
-	-	-	-	-	15
77,952	92,133	117,610	68,765	14,963	19,718
$ 3,902,838	$ 4,341,198	$ 4,670,264	$ 4,410,386	$ 3,990,092	$ 3,650,089

(Continued)

CITY OF PATASKALA, OHIO

CHANGES IN NET POSITION
LAST TEN YEARS (CONTINUED)
(accrual basis of accounting)

	Fiscal Year			
	2013	**2012**	**2011**	**2010**
Business-type activities:				
Water	$ 1,458,080	$ 1,541,391	$ 1,467,074	$ 1,338,996
Sewer	1,573,164	1,349,053	1,416,632	939,701
Total Business-Type Activities Program Expenses	$ 3,031,244	$ 2,890,444	$ 2,883,706	$ 2,278,697
Total Primary Government Program Expenses	$ 9,363,090	$ 8,717,637	$ 7,411,628	$ 6,184,858
Governmental Activities	$ (3,913,579)	$ (3,338,762)	$ 1,301,248	$ (1,223,969)
Business-Type Activities	300,494	261,702	(418,591)	(576,682)
Total Primary Government Net (Expense)/Revenue	$ (3,613,085)	$ (3,077,060)	$ 882,657	$ (1,800,651)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:				
Governmental Activities:				
Taxes:				
Property taxes levied for:				
General purposes	$ 891,357	$ 802,654	$ 623,868	$ 1,063,530
Street fund	-	-	-	-
Police fund	-	-	-	1,259,991
Income taxes levied for:				
Street fund	1,511,685	965,097	833,223	272,986
Police fund	2,016,235	1,668,443	2,299,295	818,953
Debt service fund	148,909	214,930	57,251	-
Capital projects fund	282,067	1,655,919	524,805	-
JEDD income tax fund	803	-	237	-
Payments in lieu of taxes (PILOT)	109,965	127,553	261,409	424,161
Grants and entitlements not restricted to specific programs	234,624	184,454	303,395	331,221
Investment earnings-unrestricted	12,348	16,023	6,594	4,223
Decrease in fair value of investments	(10,535)	-	-	-
Transfers	(10,957)	-	-	-
Miscellaneous	46,520	12,343	106,889	32,346
Total Governmental Activities	$ 5,233,021	$ 5,647,416	$ 5,016,966	$ 4,207,411
Business-Type Activities:				
Investment earnings-unrestricted	36,185	13,834	6,825	4,714
Decrease in fair value of investments	(517)	-	-	-
Transfers	10,957	-	-	-
Miscellaneous	36,141	35,668	164,913	19,348
Total Business-Type Activities	$ 82,766	$ 49,502	$ 171,738	$ 24,062
Total Primary Government	$ 5,315,787	$ 5,696,918	$ 5,188,704	$ 4,231,473
Change in Net Position:				
Governmental Activities	$ 1,319,442	$ 2,308,654	$ 6,318,214	$ 2,983,442
Business-Type Activities	383,260	311,204	(246,853)	(552,620)
Total Primary Government	$ 1,702,702	$ 2,619,858	$ 6,071,361	$ 2,430,822

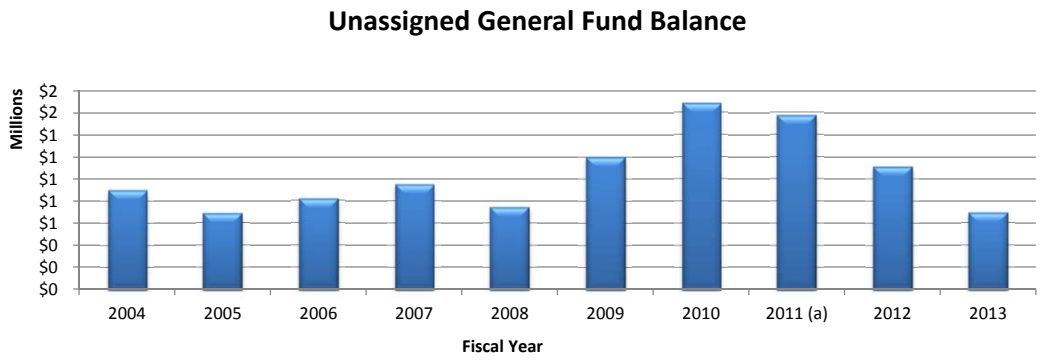
Source: City financial reports

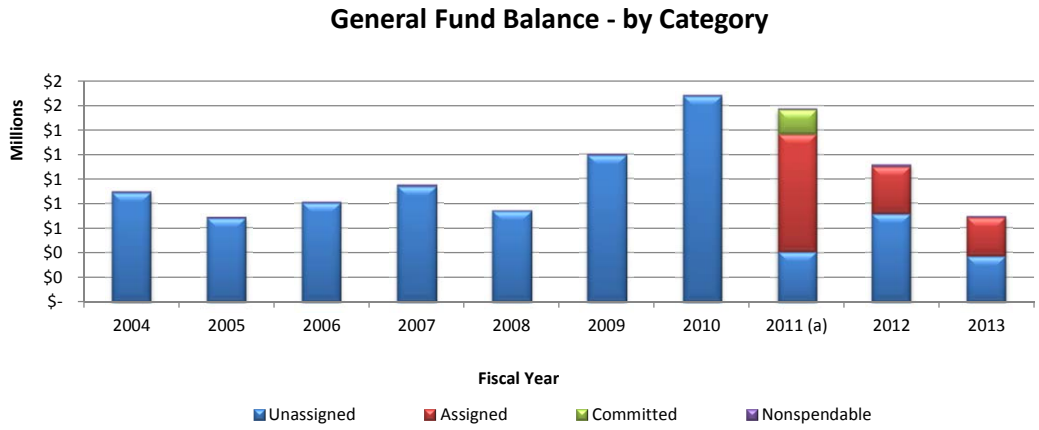
2009	2008	2007	2006	2005	2004
$ 1,614,297	$ 1,244,786	$ 1,525,419	$ 964,444	$ 894,526	$ 893,969
945,829	835,364	788,867	807,882	612,421	717,220
$ 2,560,126	$ 2,080,150	$ 2,314,286	$ 1,772,326	$ 1,506,947	$ 1,611,189
$ 6,462,964	$ 6,421,348	$ 6,984,550	$ 6,182,712	$ 5,497,039	$ 5,261,278
$ (1,241,110)	$ (1,497,743)	$ (2,673,736)	$ (2,385,163)	$ (2,119,561)	$ (1,716,467)
(737,254)	(109,139)	(136,777)	402,613	722,210	688,192
$ (1,978,364)	$ (1,606,882)	$ (2,810,513)	$ (1,982,550)	$ (1,397,351)	$ (1,028,275)
$ 862,226	$ 845,202	$ 826,407	$ 853,878	$ 690,564	$ 693,435
-	-	1,726	525,244	502,568	513,583
1,375,422	1,342,858	1,311,759	1,316,392	996,877	1,007,172
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
368,296	466,879	455,723	434,943	338,895	267,013
11,624	38,676	114,274	110,276	61,951	28,329
-	-	-	-	-	-
-	-	-	-	-	-
26,982	136,213	125,770	118,245	122,113	43,570
$ 2,644,550	$ 2,829,828	$ 2,835,659	$ 3,358,978	$ 2,712,968	$ 2,553,102
27,583	104,178	300,956	271,525	143,716	25,540
-	-	-	-	-	-
-	-	-	-	-	-
21,707	20,292	23,905	17,318	68,697	24,950
$ 49,290	$ 124,470	$ 324,861	$ 288,843	$ 212,413	$ 50,490
$ 2,693,840	$ 2,954,298	$ 3,160,520	$ 3,647,821	$ 2,925,381	$ 2,603,592
$ 1,403,440	$ 1,332,085	$ 161,923	$ 973,815	$ 593,407	$ 836,635
(687,964)	15,331	188,084	691,456	934,623	738,682
$ 715,476	$ 1,347,416	$ 350,007	$ 1,665,271	$ 1,528,030	$ 1,575,317

CITY OF PATASKALA, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	2013	2012	2011 [(a)]	2010
General Fund				
Nonspendable	$ 9,302	$ 15,491	$ 7,442	$ 7,173
Committed	-	-	200,186	-
Assigned	313,403	383,681	958,541	-
Unassigned	369,603	715,312	410,863	1,679,354
Total General Fund	**$ 692,308**	**$ 1,114,484**	**$ 1,577,032**	**$ 1,686,527**
All Other Governmental Funds				
Nonspendable	$ 18,164	$ 49,045	$ 68,667	$ 64,871
Restricted	6,593,931	4,288,119	4,581,579	2,570,543
Committed	32,294	31,809	48,545	-
Unassigned (deficit)	(4,333,597)	(35,066)	(16,304)	-
Total All Other Governmental Funds	**$ 2,310,792**	**$ 4,333,907**	**$ 4,682,487**	**$ 2,635,414**
Total Governmental Funds	**$ 3,003,100**	**$ 5,448,391**	**$ 6,259,519**	**$ 4,321,941**



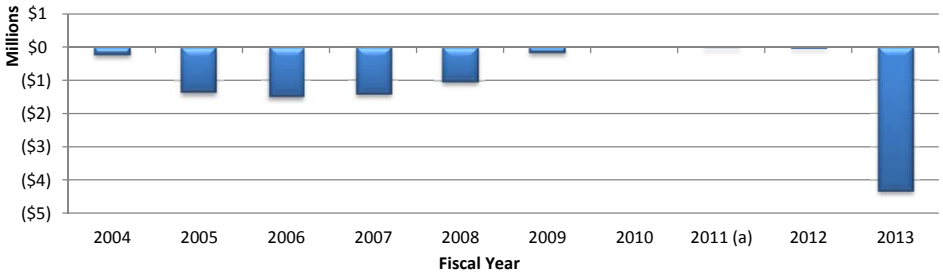


(a) The City implemented GASB 54 in 2011. The prior years (2004-2010) have been restated to reflect the change.

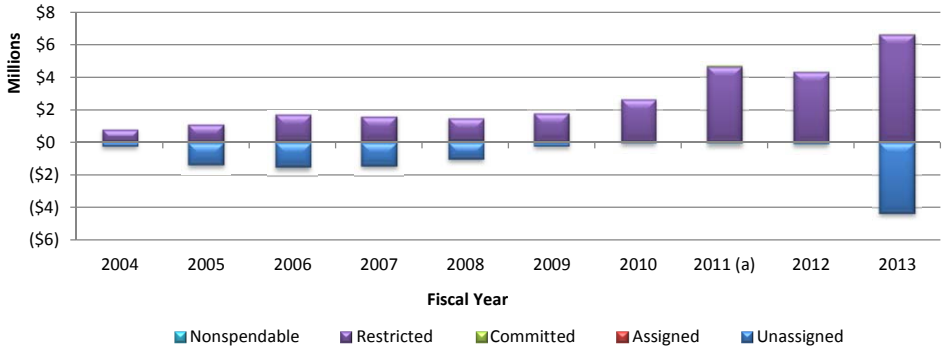
Source: City financial reports

2009	2008	2007	2006	2005	2004
$ 7,825	$ 5,696	$ 12,787	$ 7,569	$ 9,797	$ 10,128
-	-	-	-	-	-
-	-	-	-	-	-
1,193,775	737,870	938,413	807,844	677,499	889,866
$ 1,201,600	**$ 743,566**	**$ 951,200**	**$ 815,413**	**$ 687,296**	**$ 899,994**
$ 66,247	$ 95,809	$ 58,681	$ 63,704	$ 50,908	$ 37,531
1,718,379	1,350,443	1,495,967	1,604,404	1,049,351	726,511
-	-	-	-	-	-
(168,275)	(1,020,333)	(1,411,683)	(1,472,570)	(1,335,209)	(226,547)
$ 1,616,351	**$ 425,919**	**$ 142,965**	**$ 195,538**	**$ (234,950)**	**$ 537,495**
$ 2,817,951	**$ 1,169,485**	**$ 1,094,165**	**$ 1,010,951**	**$ 452,346**	**$ 1,437,489**

Unassigned All Other Governmental Funds Balance



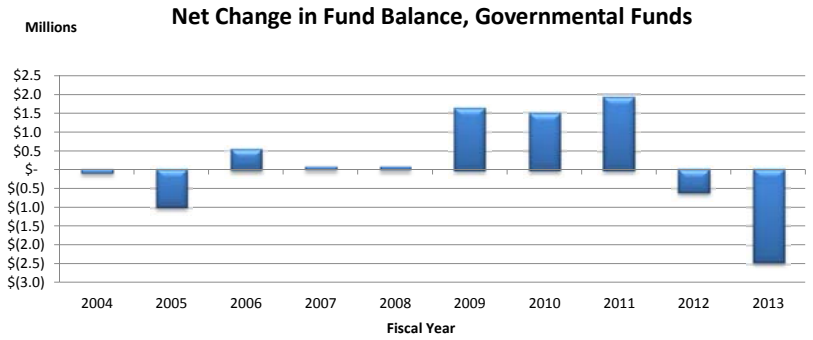
All Other Governmental Fund Balance - by Category



CITY OF PATASKALA, OHIO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	2013	2012	2011	2010
Revenues:				
Income taxes	$ 3,846,461	$ 3,832,475	$ 3,335,770	$ 976,035
Property and other taxes	803,422	802,525	637,042	2,434,278
Charges for services	22,690	15,797	26,293	28,181
Licenses and permits	256,957	206,922	233,253	235,985
Fines and forfeitures	192,348	216,514	231,099	155,183
Intergovernmental	1,953,278	2,026,095	1,938,053	2,480,970
Special assessments	9,527	4,369	2,967	-
Payments in lieu of taxes (PILOT)	155,279	82,239	550,600	-
Investment income	17,521	17,193	7,826	5,118
Decrease in fair value of investments	(10,535)	-	-	-
Contributions	-	-	163	-
Rental Income	118,225	127,673	111,344	120,200
Other	138,240	112,321	106,726	79,661
Total Revenues	**$ 7,503,413**	**$ 7,444,123**	**$ 7,181,136**	**$ 6,515,611**
Expenditures:				
Current:				
General government	$ 861,834	$ 1,207,191	$ 1,012,038	$ 855,648
Security of persons and property	2,638,716	1,930,465	1,722,313	1,360,206
Public health and welfare	112,101	111,485	60,486	59,300
Transportation	1,942,020	2,273,208	1,418,164	1,166,311
Community environment	545,189	592,679	269,258	239,698
Leisure time activity	137,621	33,126	257,165	20,352
Economic development	-	-	24,799	4,462
Other	-	-	-	-
Capital outlay	2,815,454	2,369,511	519,744	1,170,248
Debt service:				
Principal retirement	967,222	217,568	166,928	299,833
Interest and fiscal charges	81,026	39,832	38,434	48,563
Total Expenditures	**$ 10,101,183**	**$ 8,775,065**	**$ 5,489,329**	**$ 5,224,621**
Excess of Revenues Over (Under) Expenditures	**$ (2,597,770)**	**$ (1,330,942)**	**$ 1,691,807**	**$ 1,290,990**
Other Financing Sources (Uses):				
Loan Issued	$ 15,407	$ -	$ -	$ -
Sale of capital assets	-	-	-	18,000
Note issuance	-	720,000	245,771	195,000
Premium on notes sold	-	-	-	-
Sale of bonds	-	-	-	-
Premium on sale of bonds	-	-	-	-
Inception of capital lease	148,029	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	3,306,934	200,000	179,477	172,445
Transfers (out)	(3,317,891)	(200,000)	(179,477)	(172,445)
Total Other Financing Sources (Uses)	**$ 152,479**	**$ 720,000**	**$ 245,771**	**$ 213,000**
Net Change in Fund Balances	**$ (2,445,291)**	**$ (610,942)**	**$ 1,937,578**	**$ 1,503,990**
Capital Expenditures	$ 3,791,327	$ 3,590,210	$ 1,420,744	$ 1,499,257
Debt Service as a Percentage of Noncapital Expenditures	*16.61%*	*4.96%*	*5.05%*	*9.35%*



Source: City financial reports

2009	2008	2007	2006	2005	2004
$ -	$ -	$ -	$ -	$ -	$ -
2,192,130	2,159,252	2,169,911	2,688,325	2,271,826	2,151,815
23,310	179,345	225,982	245,173	235,377	299,487
259,098	237,392	170,188	176,807	270,443	574,103
134,523	115,769	113,232	63,076	10,921	28,964
1,638,319	1,822,969	1,660,086	1,660,587	1,503,542	1,061,429
-	-	-	-	-	-
-	-	-	-	-	-
15,675	53,533	141,600	110,276	61,951	28,329
-	-	-	-	-	-
-	-	-	-	-	-
118,538	106,162	102,879	94,747	-	-
112,133	87,091	129,901	115,796	122,113	112,807
$ 4,493,726	**$ 4,761,513**	**$ 4,713,779**	**$ 5,154,787**	**$ 4,476,173**	**$ 4,256,934**
$ 817,413	$ 927,449	$ 991,432	$ 1,185,194	$ 1,177,317	$ 993,506
1,380,665	1,650,201	1,682,856	1,604,152	1,406,116	1,321,780
57,500	57,500	57,500	57,000	47,693	44,546
821,874	871,259	866,760	693,215	1,061,145	1,003,030
229,192	287,595	242,974	261,046	226,208	197,978
14,340	80,296	135,840	116,516	118,725	137,107
9,800	-	-	-	-	-
-	-	-	-	-	15
270,420	685,462	964,755	536,597	1,276,525	507,705
258,810	83,270	95,818	73,697	132,624	127,595
77,179	92,133	117,610	68,765	14,963	19,718
$ 3,937,193	**$ 4,735,165**	**$ 5,155,545**	**$ 4,596,182**	**$ 5,461,316**	**$ 4,352,980**
$ 556,533	**$ 26,348**	**$ (441,766)**	**$ 558,605**	**$ (985,143)**	**$ (96,046)**
$ -	$ -	$ 101,283	$ -	$ -	$ -
49,500	48,972	-	-	-	-
860,000	-	-	-	-	-
1,730	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
180,703	-	423,697	-	-	-
-	-	-	-	-	-
65,657	461,948	178,093	15,480	-	-
(65,657)	(461,948)	(178,093)	(15,480)	-	-
$ 1,091,933	**$ 48,972**	**$ 524,980**	**$ -**	**$ -**	**$ -**
$ 1,648,466	**$ 75,320**	**$ 83,214**	**$ 558,605**	**$ (985,143)**	**$ (96,046)**
$ 1,083,821	$ 1,522,106	$ 933,118	$ 360,656	$ 1,635,411	$ 1,095,366
11.78%	*5.46%*	*5.05%*	*3.36%*	*3.86%*	*4.52%*

Cash-basis data only

CITY OF PATASKALA, OHIO
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN YEARS
(modified accrual basis of accounting - $000's omitted)

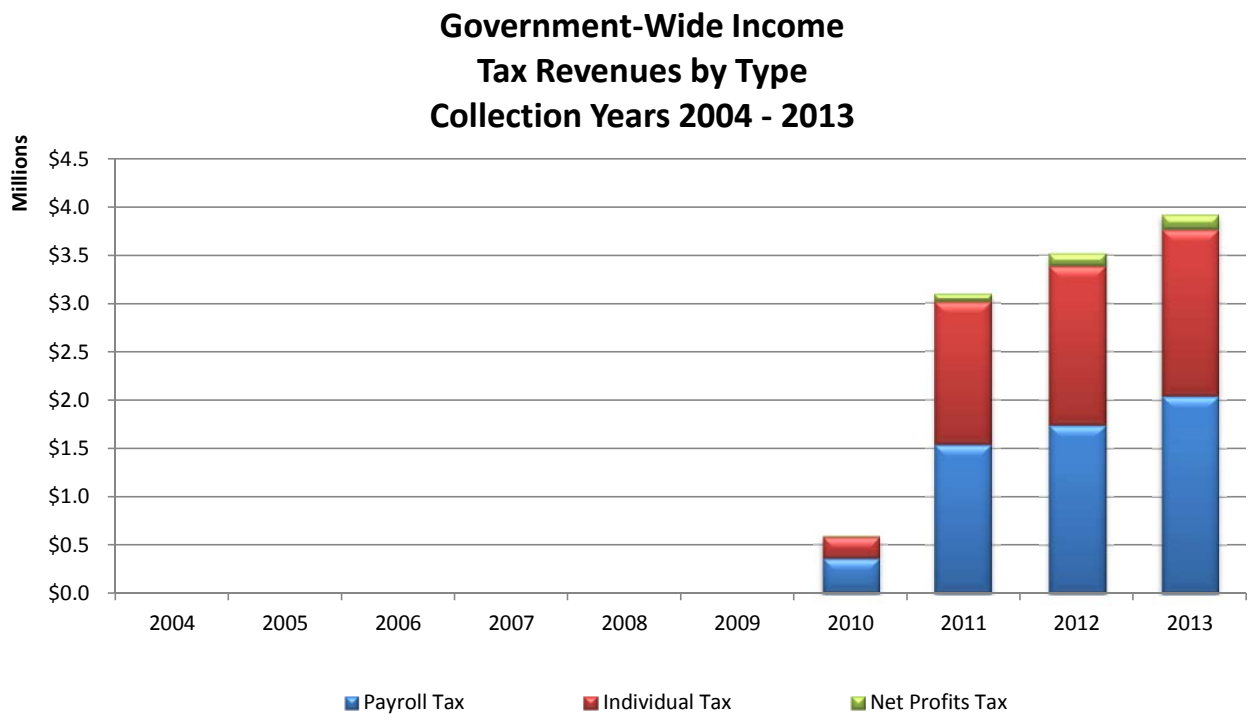
Fiscal Year	Property Tax	Income Tax	Motor Vehicle Tax	Gasoline Tax	Total Tax Revenues
2013	$ 803.4	$ 3,846.5	$ 144.1	$ 561.5	**$ 5,355.5**
2012	805.5	3,832.5	146.3	542.2	**5,326.5**
2011	637.0	3,335.8	152.8	530.9	**4,656.5**
2010	2,434.0	976.0	129.3	546.9	**4,086.2**
2009	2,192.0	-	139.8	529.7	**2,861.5**
2008	2,159.0	-	151.8	554.6	**2,865.4**
2007	2,170.0	-	158.7	534.1	**2,862.8**
2006	2,688.0	-	145.0	507.5	**3,340.5**
2005	2,271.8	-	141.3	444.2	**2,857.3**
2004	2,151.8	-	147.4	383.3	**2,682.5**

CITY OF PATASKALA, OHIO

GOVERNMENT-WIDE INCOME TAX COLLECTIONS
LAST TEN YEARS
(Cash Basis)

Tax Year	Tax Rate	Payroll Tax	Individual Tax	Net Profits Tax	Total Tax Collections	Total Government-Wide Revenues	Total Income Taxes as % of Total Government Revenues
2004	0.0%	$ -	$ -	$ -	$ -	$ -	0.00%
2005	0.0%	-	-	-	-	-	0.00%
2006	0.0%	-	-	-	-	-	0.00%
2007	0.0%	-	-	-	-	-	0.00%
2008	0.0%	-	-	-	-	-	0.00%
2009	0.0%	-	-	-	-	-	0.00%
2010	1.0%*	360,868	223,122	3,297	587,287	-	0.00%
2011	1.0%	1,540,840	1,474,395	79,801	3,095,036	10,846,136	28.54%
2012	1.0%	1,740,511	1,648,552	130,832	3,519,894	8,135,847	43.26%
2013	1.0%	2,044,485	1,724,714	153,638	3,922,837	7,651,288	51.27%
Four Year Average		**$ 1,421,676**	**$ 1,267,696**	**$ 91,892**	**$ 2,781,264**	**$ 6,658,318**	**41.77%**

*Note: A 1.0% of taxable income was passed by the electorate in May, 2010 with the tax becoming effective on July 1, 2010.



Source: Regional Income Tax Agency & City financial reports

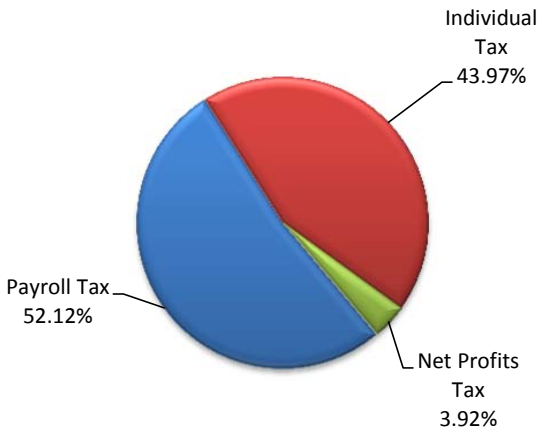
CITY OF PATASKALA, OHIO

GOVERNMENT-WIDE INCOME TAX COLLECTIONS
CURRENT YEAR AND THREE YEARS AGO
(Cash Basis)

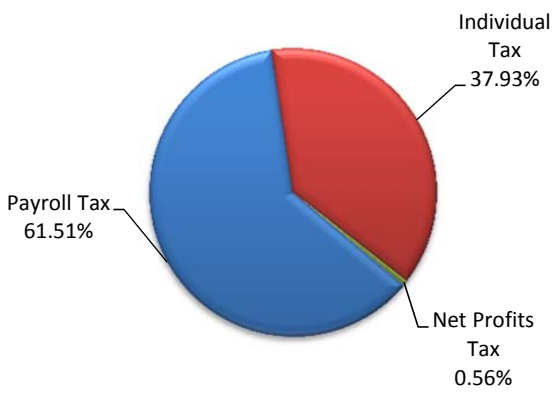
	Fiscal Year 2013		Fiscal Year 2010	
Payroll Tax	$ 2,044,485	52.11%	$ 360,868	61.45%
Individual Tax	1,724,714	43.97%	223,122	37.99%
Net Profits Tax	153,638	3.92%	3,297	0.56%
Total Income Tax Collections	**$ 3,922,837**	**100.00%**	**$ 587,287**	**100.00%**

2013 - 2010 Income Tax Breakdown

Fiscal Year 2013



Fiscal Year 2010



Source: City financial reports

NOTE: The City did not have an income tax in effect until the electorate approved a 1.0% tax in May 2010, effective July 1, 2010.

CITY OF PATASKALA, OHIO

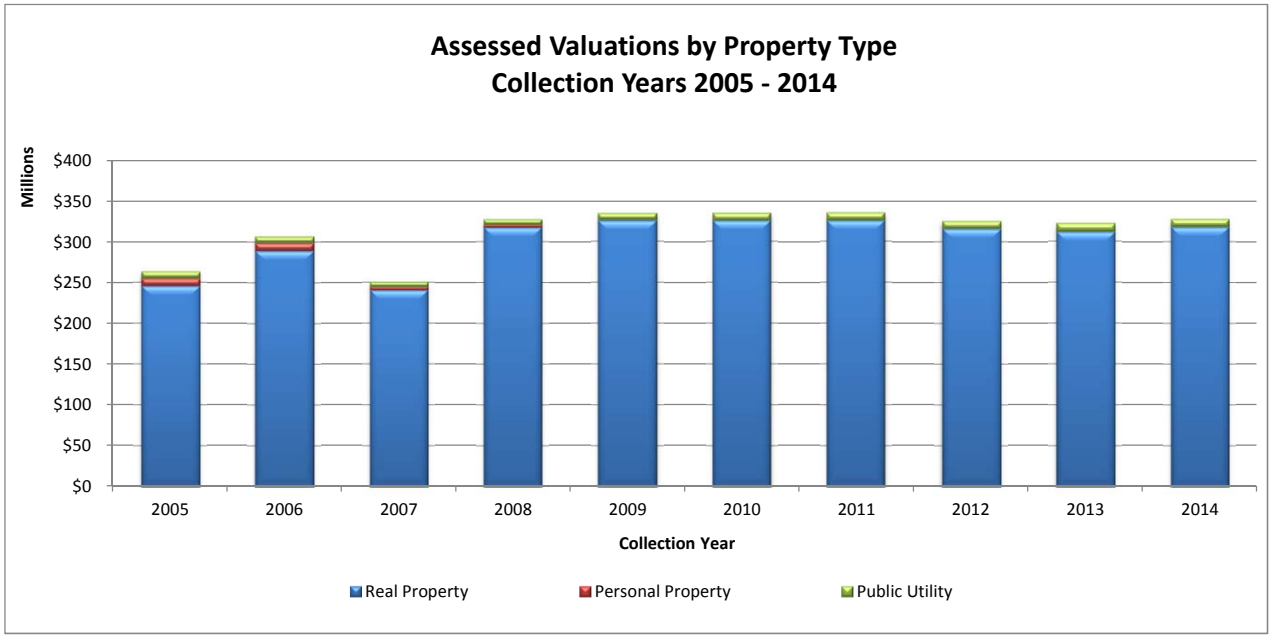
ASSESSED VALUATION & ESTIMATED TRUE VALUES OF TAXABLE PROPERTY
LAST TEN YEARS
($000's omitted)

Tax Year	Collection Year	Real Property		Personal Property		Public Utility		TOTAL		
		Assessed	Estimated Actual [a]	Assessed	Estimated Actual [b]	Assessed	Estimated Actual [c]	Assessed	Estimated Actual	Average Effective Millage
2004	**2005**	$246,001	$702,859	$9,011	$36,044	$8,442	$9,593	**$263,453**	**$748,496**	**$9.4643**
2005	**2006**	289,712	827,748	9,705	38,820	7,793	8,856	**$307,210**	**$875,424**	**$9.5199**
2006	**2007**	240,880	688,228	3,977	20,944	5,720	8,557	**$250,577**	**$717,729**	**$9.4820**
2007	**2008**	318,169	909,054	3,246	12,985	6,371	7,304	**$327,786**	**$929,343**	**$7.4524**
2008	**2009**	326,214	932,039	625	2,500	7,966	9,117	**$334,805**	**$943,656**	**$7.4467**
2009	**2010**	326,066	931,618	0	0	9,095	10,649	**$335,161**	**$942,267**	**$7.5037**
2010	**2011**	325,908	931,167	0	0	9,462	10,753	**$335,371**	**$941,920**	**$2.9000**
2011	**2012**	316,684	904,811	0	0	9,158	10,407	**$325,842**	**$915,218**	**$2.9000**
2012	**2013**	312,438	892,680	0	0	10,288	11,691	**$322,726**	**$904,371**	**$2.9000**
2013	**2014**	318,582	910,234	0	0	9,502	10,798	**$328,084**	**$921,032**	**$2.9000**

Note: Assessed values only include taxable property and do not include any TIF'd or otherwise tax-exempt property.

(a) Real property is assessed at 35% of actual value.
(b) Public utility is assessed at 88% of actual value.
(c) For 2005 and prior, tangible personal is assessed at 25% of true value for capital assets and 23% of true value for inventory included in tangible personal property.
For 2006, tangible personal is assessed at 18.75% of property value, including inventory.
For 2007, tangible personal is assessed at 12.50% of property value, including inventory.
For 2008, tangible personal is assessed at 6.25% of property value, including inventory.
For 2009-2013, tangible personal is assessed at 0% of property value, including inventory.

Source: Licking County, Ohio; Fiscal Officer



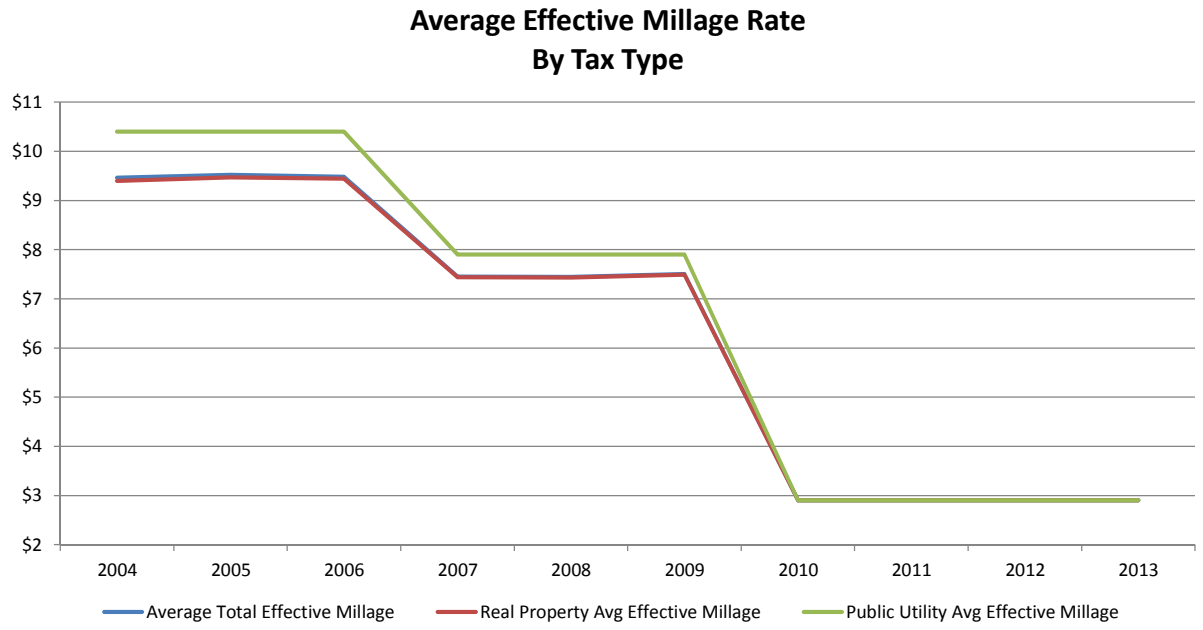
CITY OF PATASKALA, OHIO

ESTIMATED ASSESSED TAXES & AVERAGE EFFECTIVE RATES OF TAXABLE PROPERTY
LAST TEN YEARS

Tax Year	Real Property		Personal Property		Public Utility		TOTAL	
	Estimated Assessed Taxes	Average Effective Millage	Estimated Assessed Taxes	Average Effective Millage	Estimated Assessed Taxes	Average Effective Millage	Estimated Assessed Taxes	Average Effective Millage
2004	2,311,897	9.3979	93,715	10.4000	87,794	10.4000	**$2,493,406**	**$9.4643**
2005	2,742,635	9.4668	100,933	10.4000	81,050	10.4000	**$2,924,618**	**$9.5199**
2006	2,275,121	9.4450	41,364	10.4000	59,490	10.4000	**$2,375,975**	**$9.4820**
2007	2,366,816	7.4389	25,645	7.9000	50,327	7.9000	**$2,442,788**	**$7.4524**
2008	2,425,320	7.4348	4,938	7.9000	62,933	7.9000	**$2,493,191**	**$7.4467**
2009	2,443,103	7.4927	0	0.0000	71,848	7.9000	**$2,514,951**	**$7.5037**
2010	945,134	2.9000	0	0.0000	27,441	2.9000	**$972,575**	**$2.9000**
2011	918,383	2.9000	0	0.0000	26,558	2.9000	**$944,941**	**$2.9000**
2012	906,070	2.9000	0	0.0000	29,835	2.9000	**$935,905**	**$2.9000**
2013	923,888	2.9000	0	0.0000	27,556	2.9000	**$951,444**	**$2.9000**

Notes: Estimated taxes do not include any estimates of prior-year delinquent tax payments, state tax rollbacks or homestead credits provided to the taxpayer.

Source: Licking County, Ohio; County Auditor

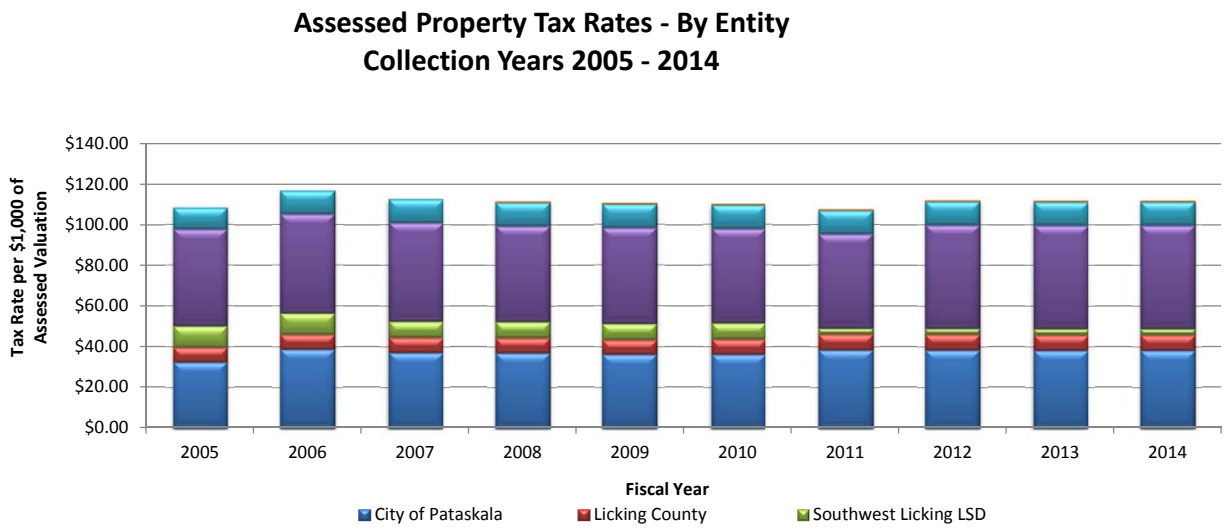


CITY OF PATASKALA, OHIO

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
RATES EXPRESSED PER $1,000 OF ASSESSED VALUATION
LAST TEN YEARS
LICKING COUNTY

		City Direct Rates						
Tax Year	**Collection Year**	**Operating**	**Street Levy**	**Police**	**Total Direct Rate**	**Licking County**	**Southwest Licking Local School District**	**Licking Heights Local School District**
2004	**2005**	$2.90	$2.50	$5.00	$10.40	$7.20	$32.62	$47.52
2005	**2006**	$2.90	$2.50	$5.00	$10.40	$7.40	$38.83	$48.50
2006	**2007**	$2.90	$0.00	$5.00	$7.90	$7.40	$37.30	$48.52
2007	**2008**	$2.90	$0.00	$5.00	$7.90	$7.40	$37.22	$47.07
2008	**2009**	$2.90	$0.00	$5.00	$7.90	$7.10	$36.39	$47.00
2009	**2010**	$2.90	$0.00	$5.00	$7.90	$7.40	$36.41	$46.24
2010	**2011**	$2.90	$0.00	$0.00	$2.90	$7.70	$38.62	$46.22
2011	**2012**	$2.90	$0.00	$0.00	$2.90	$7.70	$38.58	$50.89
2012	**2013**	$2.90	$0.00	$0.00	$2.90	$7.70	$38.37	$50.87
2013	**2014**	$2.90	$0.00	$0.00	$2.90	$7.70	$38.37	$50.87

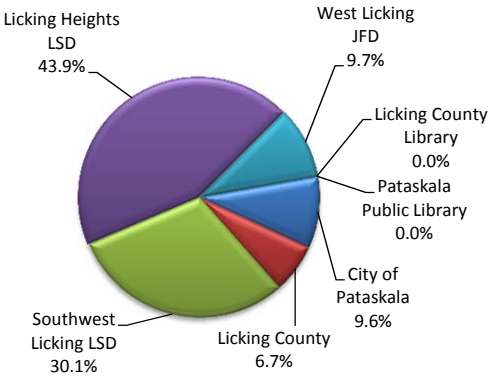
Source: Franklin County, Ohio; County Auditor



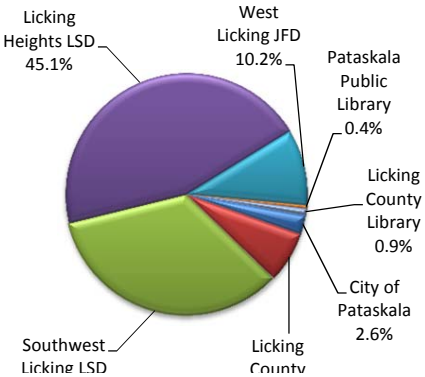
West Licking Joint Fire District	Pataskala Public Library	Licking County Library	TOTAL	Res/Agr Effective Rate	Com/Ind Effective Rate
$10.50	$0.00	$0.00	**$108.24**	$8.9371	$9.8587
$11.50	$0.00	$0.00	**$116.63**	$9.5327	$9.4009
$11.50	$0.00	$0.00	**$112.62**	$9.4835	$9.4066
$11.50	$0.50	$0.00	**$111.59**	$7.5503	$7.3274
$11.50	$0.50	$0.00	**$110.39**	$7.5115	$7.3580
$11.50	$0.50	$0.00	**$109.95**	$7.5259	$7.4594
$11.50	$0.50	$1.00	**$108.44**	$2.9000	$2.9000
$11.50	$0.50	$1.00	**$113.07**	$2.9000	$2.9000
$11.50	$0.50	$1.00	**$112.84**	$2.9000	$2.9000
$11.50	$0.50	$1.00	**$112.84**	$2.9000	$2.9000

2005 - 2014 Property Tax Breakdown by Government Entity

2005 Collection Year



2014 Collection Year



CITY OF PATASKALA, OHIO

TOP PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND FOUR YEARS AGO

Taxpayer Name	2013 Rank	2013 Assessed Valuation	2013 % of Total Assessed Valuation	2009 Rank	2009 Assessed Valuation	2009 % of Total Assessed Valuation
Real Estate						
Catalina Club, LLC	1	$2,486,020	0.76%	2	$2,469,290	0.74%
Village Gate Apt Ltd	2	$1,750,000	0.53%	4	$2,021,600	0.60%
Kroger Co.	3	$1,576,470	0.48%	5	$1,562,960	0.47%
Reyno Holding Co.	4	$1,102,230	0.34%	6	$900,900	0.27%
Pataskala Green IV Limited	5	$817,880	0.25%	10	$705,810	0.21%
Hazelton Management Group LLC	6	$761,290	0.23%	1	$2,636,100	0.79%
Pataskala Green	7	$721,500	0.22%			
Tolson Investments LLC	8	$706,830	0.22%			
Newcon, Inc.	9	$704,060	0.21%			
Fernco Dev Ltd, Norco Dev Ltd, Lenco Dev	10	$689,790	0.21%	7	$800,940	0.24%
Licking Memorial Health Systems				3	$2,288,090	0.68%
Dominion Homes Inc.				8	$799,330	0.24%
Hazelton Retail LTD				9	$765,140	0.23%
Public Utility						
Ohio Power Co.	1	8,687,090	2.65%	2	869,890	0.26%
Columbia Gas of Ohio	2	761,170	0.23%	4	508,790	0.15%
National Gas & Oil Corp	3	602,340	0.18%	3	584,450	0.17%
Columbus Southern Power	4	264,530	0.08%	1	6,509,410	1.94%
General Electric Capital Commercial Inc.				5	353,540	0.11%
ALL OTHER TAXPAYERS		**$306,452,800**	**93.41%**		**$311,594,450**	**92.91%**
TOTAL ASSESSED VALUATION		**$328,084,000**	**100.00%**		**$335,370,690**	**100.00%**

Source: Licking County Auditor's Office. Top 10 taxpayer information not available prior to 2009.

CITY OF PATASKALA, OHIO

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

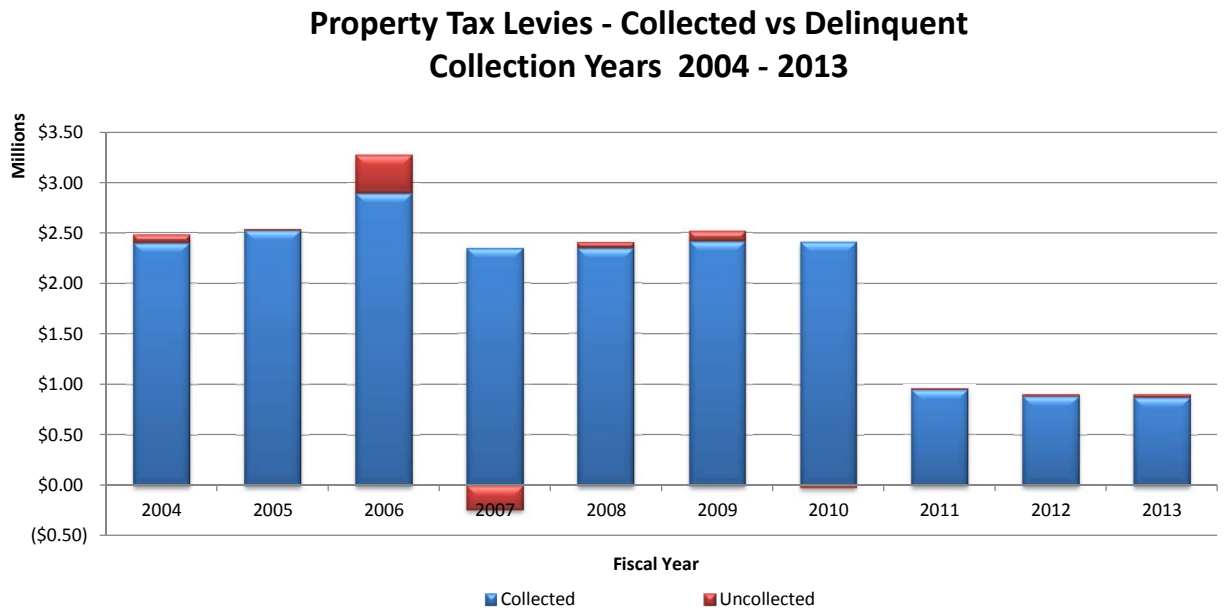
Tax Year	Collection Year	Total Tax Levy	Current Collection	Delinquent Collection [1]	Total Tax Collections	Accumulated Outstanding Delinquent Taxes	Percent of Current Collections to Tax Levy [2]	Percent of Delinquent Taxes to Total Tax Levy
2003	**2004**	**$2,537,479**	$2,401,520	$77,045	**$2,478,565**	**$200,780**	94.64%	7.91%
2004	**2005**	**2,639,130**	2,523,104	81,367	**2,604,471**	**130,359**	95.60%	4.94%
2005	**2006**	**3,020,403**	2,896,778	83,307	**2,980,085**	**427,856**	95.91%	14.17%
2006	**2007**	**2,422,756**	2,342,779	60,072	**2,402,851**	**126,039**	96.70%	5.20%
2007	**2008**	**2,419,380**	2,341,780	60,071	**2,401,851**	**124,869**	96.79%	5.16%
2008	**2009**	**2,510,313**	2,416,286	61,676	**2,477,962**	**164,135**	96.25%	6.54%
2009	**2010**	**2,507,307**	2,413,468	88,874	**2,502,342**	**56,037**	96.26%	2.23%
2010	**2011**	**1,056,076**	939,100	19,155	**958,255**	**48,264**	88.92%	4.57%
2011	**2012**	**934,491**	883,993	22,726	**906,719**	**44,000**	94.60%	4.71%
2012	**2013**	**933,045**	873,402	27,375	**900,777**	**45,042**	93.61%	4.83%
Ten Year Average		**$ 2,098,038**	**$ 2,003,221**	**$ 58,167**	**$ 2,061,388**	**$ 136,738**	**95.48%**	**6.52%**

Note: Annual property tax rates can be found on pages 200-201.

Source: Licking County, Ohio; County Auditor

[1] Represents collection of delinquent prior period taxes during the indicated collection year. Information provided from County was not available by tax levy year.

[2] Total could exceed 100% due to the current year collection of delinquent prior period taxes during the indicated collection year.

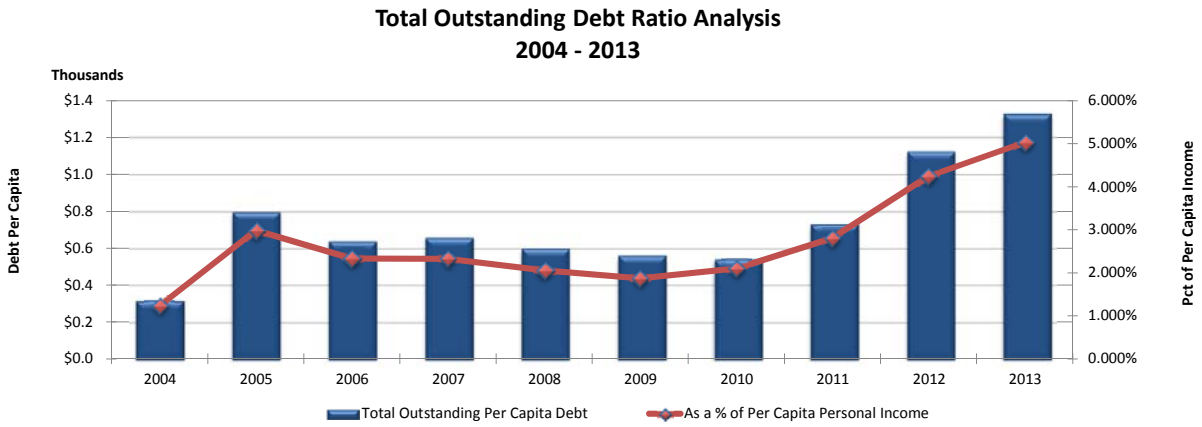


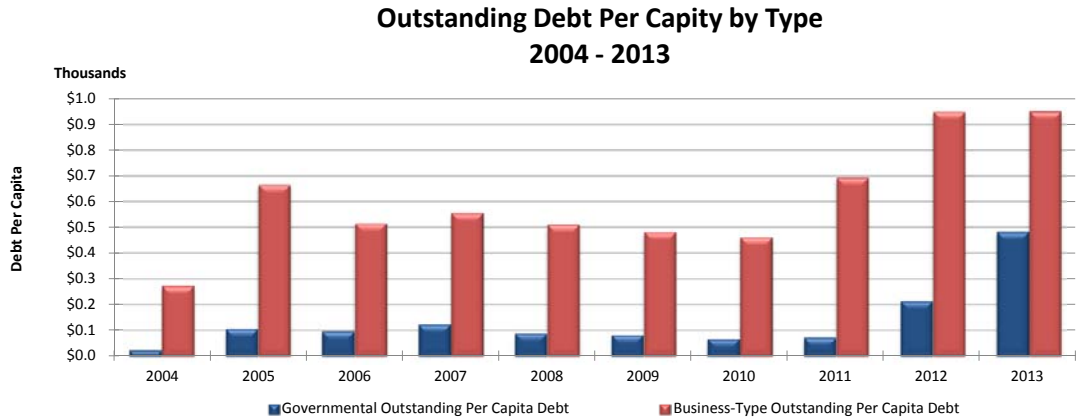
CITY OF PATASKALA, OHIO

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
($000's omitted)

	Governmental Activities				Business-Type Activities							
Fiscal Year	**Notes Payable**	**OPWC Loans**	**SIB Loan**	**Capital Leases**	**General Obligation Bonds**	**Premiums**	**OWDA Loans**	**Notes Payable**	**Total Debt**	**Percent of Per Capita Income**	**Total Debt Per Capita**	**% of Personal Income**
2013	$6,307.5	$64.0	$255.2	$143.2	$6,300.0	$79.4	$4,116.8	$2,845.0	**$20,111.1**	5.03%	$1,329.7	5.03%
2012	2,833.0	55.4	245.7	0.0	6,485.0	82.7	4,297.0	3,013.0	**17,011.8**	4.25%	1,127.2	4.25%
2011	790.0	66.0	245.8	0.0	6,670.0	86.0	3,665.0	0.0	**11,522.8**	2.81%	732.3	2.81%
2010	946.4	76.5	0.0	0.0	6,840.0	89.3	183.4	0.0	**8,135.6**	2.10%	543.8	2.10%
2009	1,022.0	81.8	0.0	191.6	6,990.0	92.6	411.2	0.0	**8,789.2**	1.87%	564.3	1.87%
2008	1,036.0	92.4	0.0	253.5	7,130.0	96.0	733.1	0.0	**9,341.0**	2.06%	602.3	2.06%
2007	1,427.0	101.3	0.0	327.9	7,190.0	99.3	1,030.6	0.0	**10,176.1**	2.33%	660.7	2.33%
2006	1,530.0	0.0	0.0	0.0	675.0	0.0	1,305.6	6,145.0	**9,655.6**	2.33%	643.4	2.33%
2005	1,537.0	0.0	0.0	73.7	710.0	0.0	1,559.8	7,782.0	**11,662.5**	2.98%	798.9	2.98%
2004	225.0	0.0	0.0	132.6	740.0	0.0	1,794.7	1,595.0	**4,487.3**	1.23%	319.9	1.23%

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.





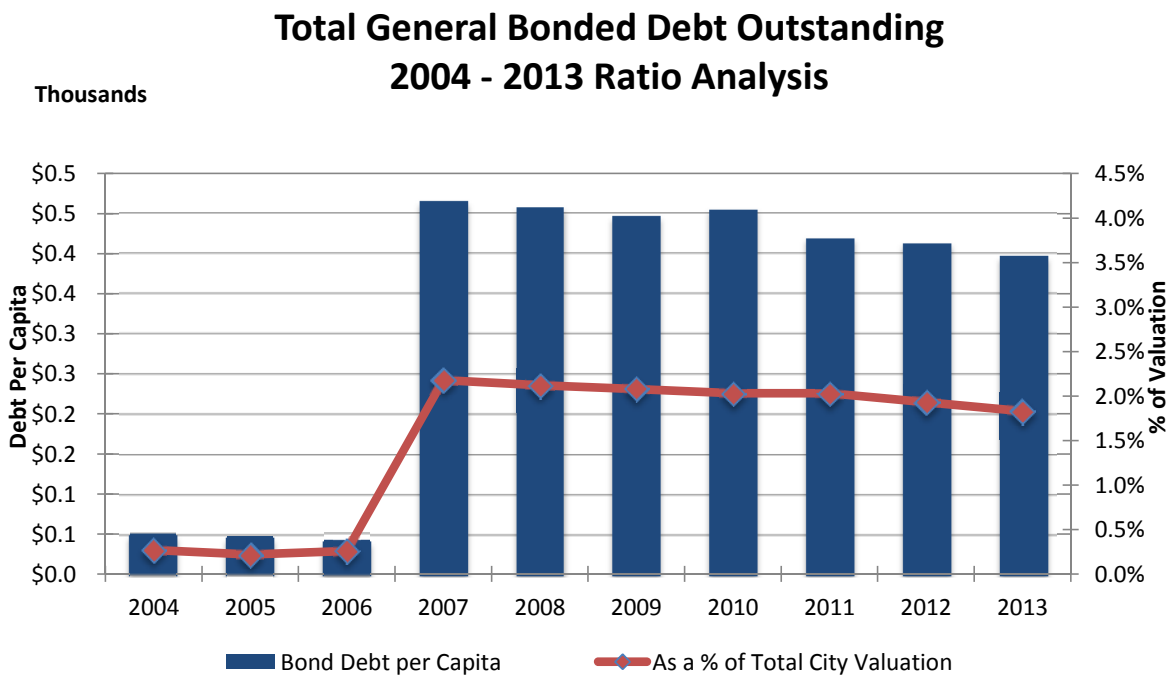
Source: City financial reports

CITY OF PATASKALA, OHIO

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

Fiscal Year	General Bonded Debt Outstanding ($000)				Percent of Actual Taxable Property Value	Outstanding Debt Per Capita
	General Obligation Bonds Business-Type	Total	Less: Restricted for Debt Service	Total Net General Bonded Debt Outstanding		
2013	$6,300.0	**$6,300.0**	$300.4	**$5,999.6**	**1.83%**	**$396.67**
2012	6,485.0	**6,485.0**	245.7	**6,239.3**	**1.93%**	**413.42**
2011	6,670.0	**6,670.0**	67.2	**6,602.8**	**2.03%**	**419.60**
2010	6,840.0	**6,840.0**	30.0	**6,810.0**	**2.03%**	**455.15**
2009	6,990.0	**6,990.0**	30.0	**6,960.0**	**2.08%**	**446.87**
2008	7,130.0	**7,130.0**	30.0	**7,100.0**	**2.12%**	**457.83**
2007	7,190.0	**7,190.0**	30.0	**7,160.0**	**2.18%**	**464.87**
2006	675.0	**675.0**	30.0	**645.0**	**0.26%**	**42.98**
2005	710.0	**710.0**	30.0	**680.0**	**0.22%**	**46.58**
2004	740.0	**740.0**	30.0	**710.0**	**0.27%**	**50.61**

Note: Details regarding the Cit's outstanding debt can be found in the notes to the financial statements.



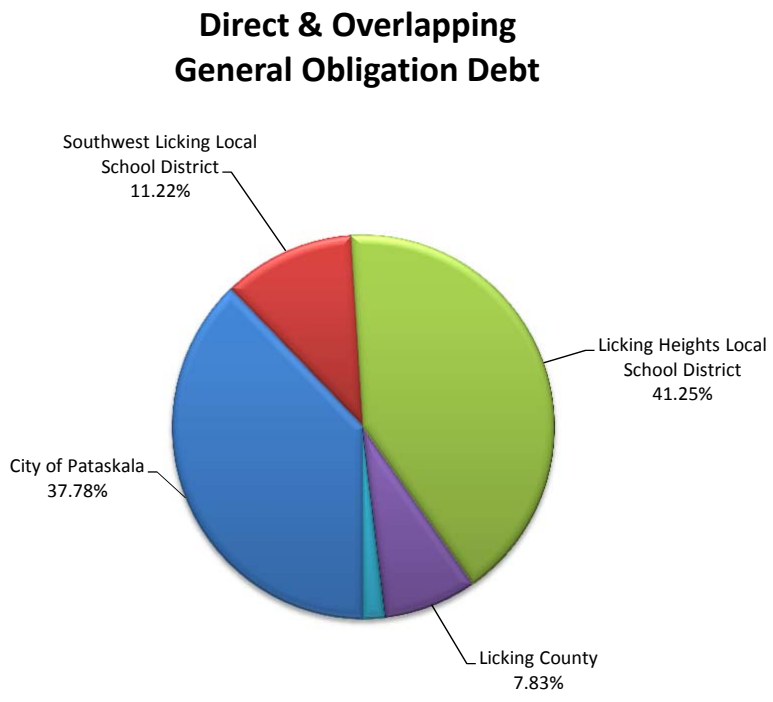
Source: City financial reports

CITY OF PATASKALA, OHIO

COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
As of December 31, 2013
($000's omitted)

Governmental Unit	Assessed Valuation	Total Debt Outstanding	Percent Applicable to City [1]	Amount Applicable to City
Direct				
City of Pataskala	$328,084.0	$6,769.9	100.00%	$6,769.9
Overlapping				
Southwest Licking Local School District	$575,138.1	$3,525.0	57.04%	$2,010.8
Licking Heights Local School District	502,272.7	11,315.0	65.32%	7,390.9
Licking County	3,803,192.2	16,265.3	8.63%	1,403.1
Central Ohio Technical College	3,926,801.4	4,115.0	8.35%	343.8
Total Overlapping Debt		**$35,220.3**		**$11,148.6**
Total Direct & Overlapping Debt		**$41,990.2**		**$17,918.5**

[1] The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the government's boundaries and dividing it by the County's total taxable assessed value.



Source: Licking County, Ohio; County Auditor

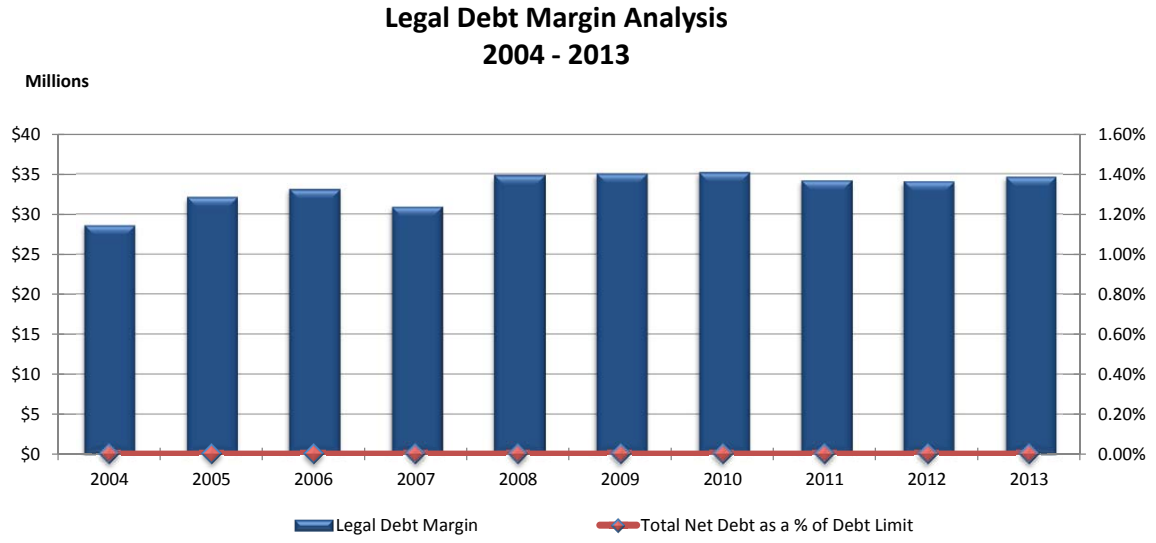
CITY OF PATASKALA, OHIO

LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

Fiscal Year	Assessed Value	Voted Debt Limit	Total Net Debt Applicable to Limit	Debt Service Available Balance	Legal Debt Margin	Unvoted Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2013	$328,084,130	$34,448,834	$0	$236,421	**$34,685,255**	**$18,281,048**	0.00%
2012	$322,725,800	$33,886,209	0	213,636	**34,099,845**	**17,963,555**	0.00%
2011	325,841,880	34,213,397	0	30,067	**34,243,464**	**17,951,370**	0.00%
2010	335,370,730	35,213,927	0	30,067	**35,243,994**	**18,475,457**	0.00%
2009	333,857,610	35,055,049	0	30,067	**35,085,116**	**18,392,236**	0.00%
2008	331,707,830	34,829,322	0	30,067	**34,859,389**	**18,273,998**	0.00%
2007	294,592,358	30,932,198	0	30,067	**30,962,265**	**16,232,647**	0.00%
2006	314,988,340	33,073,776	0	30,067	**33,103,843**	**17,354,426**	0.00%
2005	305,787,780	32,107,717	0	30,068	**32,137,785**	**16,848,396**	0.00%
2004	272,531,960	28,615,856	0	30,083	**28,645,939**	**15,019,341**	0.00%

Note: Debt limit is calculated as assessed valuation multiplied by 10.5% plus the debt service fund equity. Unvoted debt limit is calculated as assessed valuation multiplied by 5.5%.

Note: HB66 began the phase-out of Tangible Personal Property Tax in the next three years. To reflect this phase-out, the assessed valuation listed above has been reduced for TPP by 50% of the 2006 Assessed Valuation.



Source: City financial reports

CITY OF PATASKALA, OHIO

PLEDGED REVENUE LOAN COVERAGE - OWDA LOANS
LAST TEN YEARS

SEWER OWDA LOANS:

				Debt Service Requirements (2)			
Year	**Operating Revenue**	**Operating Expenses (1)**	**Net Revenue Available for Debt Service**	**Principal**	**Interest**	**Total**	**Coverage Ratio**
2013	$ 1,701,478	$ 1,079,355	$ 622,123	$ 180,148	$ 118,137	**$ 298,285**	2.09
2012	1,728,713	937,029	791,684	416,942	165,787	**582,729**	1.36
2011	1,106,985	1,166,708	(59,723)	5,831	1,728	**7,559**	(7.90)
2010	872,648	705,169	167,479	237,773	17,719	**255,492**	0.66
2009	861,758	701,994	159,764	212,185	30,787	**242,972**	0.66
2008	857,372	585,809	271,563	197,290	48,148	**245,438**	1.11
2007	982,872	534,225	448,647	183,441	61,998	**245,439**	1.83
2006	932,038	545,373	386,665	170,563	74,876	**245,439**	1.58
2005	1,132,105	341,732	790,373	158,590	86,850	**245,440**	3.22
2004	946,938	210,480	736,458	147,457	97,982	**245,439**	3.00

WATER OWDA LOANS:

				Debt Service Requirements (2)			
Year	**Operating Revenue**	**Operating Expenses (1)**	**Net Revenue Available for Debt Service**	**Principal**	**Interest**	**Total**	**Coverage Ratio**
2013	N/A	N/A	N/A	N/A	N/A	**N/A**	N/A
2012	N/A	N/A	N/A	N/A	N/A	**N/A**	N/A
2011	1,378,810	868,165	510,645	62,802	4,374	**67,176**	7.60
2010	788,378	724,931	63,447	120,127	12,805	**132,932**	0.48
2009	780,361	993,715	(213,354)	109,725	20,474	**130,199**	(1.64)
2008	786,461	629,673	156,788	100,224	37,245	**137,469**	1.14
2007	1,025,952	658,638	367,314	91,546	45,923	**137,469**	2.67
2006	962,805	570,721	392,084	83,619	53,850	**137,469**	2.85
2005	1,165,749	565,509	600,240	76,378	61,091	**137,469**	4.37
2004	1,010,682	650,715	359,967	69,764	67,705	**137,469**	2.62

(1) Total Operating expenses are exclusive of depreciation

(2) Includes principal and interest of OWDA loans only.

There are no Water OWDA loans outstanding after December 31, 2011. Therefore, this calculation is not applicable.

Source: City financial reports

CITY OF PATASKALA, OHIO

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Fiscal Year	Population [3]	Total Median Household Income [1]	Personal Income [1][6]	Per Capita Personal Income [1]	Median Age	Combined School Enrollment [4]	Unemployment Rate [2]
2013	15,125	$ 59,341	$ 399,859,625	$ 26,437	35.8	7,558	5.9%
2012	15,092	56,470	400,556,772	26,541	35.8	7,408	8.6%
2011	15,736	56,470	410,426,352	26,082	35.8	7,161	8.6%
2010	14,962	59,038	386,797,624	25,852	34.0	7,140	9.3%
2009	15,575	58,041	469,414,925	30,139	34.0	6,960	6.1%
2008	15,508	56,626	453,779,588	29,261	34.0	6,685	5.2%
2007	15,402	55,920	437,555,418	28,409	34.0	6,293	5.0%
2006	15,007	55,214	413,908,067	27,581	34.0	5,978	5.7%
2005	14,598	54,508	390,905,244	26,778	34.0	5,709	5.9%
2004	14,028	53,802	364,699,944	25,998	34.0	5,473	6.0%

OTHER MISCELLANEOUS INFORMATION [5]

Date of Incorporation	1891
Form of Government	Charter City
Population [1]	15,031
Area in square miles	28.72

City Acreage by class:	**Total**	**Percent**
Agricultural	10,539	58.8%
Residential	5,577	31.1%
Office/Commercial/Industrial	1,153	6.4%
Roadways, utilities, other	647	3.6%
Total City Acreage	**17,916**	**100.0%**

Facilities & Services	
Miles of streets	165
Number of signalized intersections	11

Sources:

(1) U.S. Census Bureau
(2) Ohio Job & Family Services, Office of Workforce Development
(3) 2010 U.S. Census Bureau and Mid Ohio Regional Planning Commission
(4) Southwest Licking and Licking Heights Local School Districts
(5) City departments
(6) Sperling's Best Places (www.bestplaces.net)

CITY OF PATASKLA, OHIO

PRINCIPAL EMPLOYERS
CURRENT YEAR AND THREE YEARS AGO

Employer	2013		2010	
	Percent of Total Withholding Taxes Paid	Rank	Percent of Total Withholding Taxes Paid	Rank
Licking Heights Local School District	6.78%	1	8.89%	1
West Licking Joint Fire District	2.42%	2	4.10%	3
Southwest Licking Local School District	2.13%	3	4.94%	2
Kroger	1.85%	4	3.71%	5
Pataskala Oaks Care Center	1.32%	5	3.98%	4
American Electric Power Service Corp.	1.29%	6	1.93%	6
City of Pataskala	1.22%	7	1.52%	9
Buckeye Ready Mix	1.11%	8	1.41%	10
Craft Wholesalers	1.07%	9	1.70%	8
Ohio Steel Industries	1.03%	10	0.89%	N/A
Mulch Manufacturing	0.00%	14	1.77%	7
Total of Top Ten	**20.22%**		**34.84%**	
Total Withholdings - All Employers	**2,044,485**		**$360,868**	

Source: Regional Income Tax Agency (RITA) records.
'NA' indicates no data available for time period.

Note: Information on principal employers prior to 2010 was not available, due to the implementation of the income tax in mid-2010.

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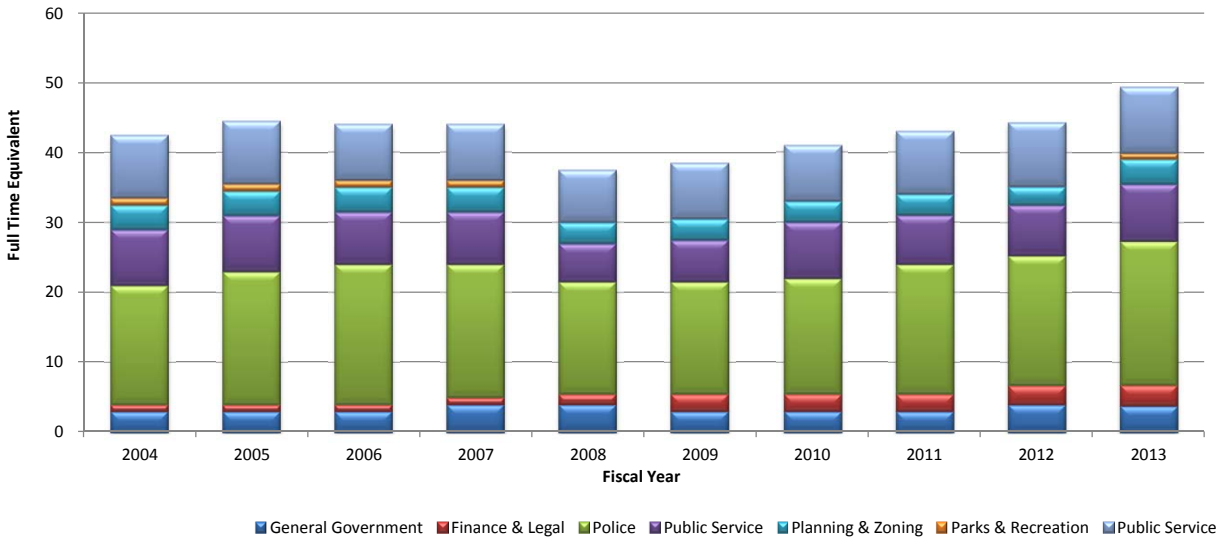
CITY OF PATASKALA, OHIO

FULL TIME EQUIVALENT CITY GOVERNMENT
EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2013	2012	2011	2010
General Government	**3.80**	**4.00**	**3.00**	**3.00**
Clerk of Council	1.00	1.00	1.00	1.00
Mayor's Court	1.00	1.00	1.00	1.00
City Administrator	1.00	1.00	1.00	1.00
Assistant City Administrator	-	-	-	-
Project Manager	0.80	1.00	-	-
Finance & Legal	**3.00**	**2.75**	**2.50**	**2.50**
Finance	2.00	1.75	1.50	1.50
Law	1.00	1.00	1.00	1.00
Public Safety	**20.56**	**18.54**	**18.50**	**16.50**
Police/Clerk	20.56	18.54	18.50	16.50
Transportation	**8.15**	**7.25**	**7.00**	**8.00**
Public Service	8.15	7.25	7.00	8.00
Community Environment	**3.61**	**2.63**	**3.00**	**3.00**
Planning & Zoning	3.61	2.63	3.00	3.00
Leisure Time Activity	**0.83**	**-**	**-**	**-**
Parks Administration	0.83	-	-	-
Parks Maintenance	-	-	-	-
Utility Services	**9.49**	**9.15**	**9.00**	**8.00**
Water	6.35	3.45	4.50	4.00
Sewer	3.14	5.70	4.50	4.00
Total Full-Time Equivalent (FTE)	**49.44**	**44.32**	**43.00**	**41.00**

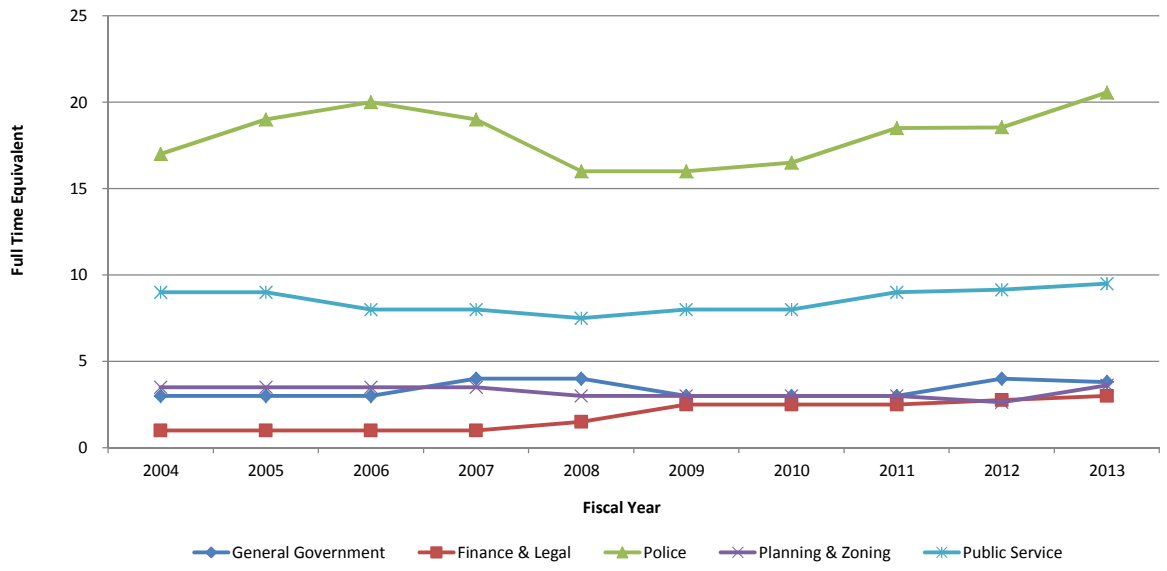
Source: City payroll systems

Full-Time Equivalent Employees
By Function 2004 - 2013



2009	2008	2007	2006	2005	2004
3.00	**4.00**	**4.00**	**3.00**	**3.00**	**3.00**
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	-	-	-
-	-	-	-	-	-
2.50	**1.50**	**1.00**	**1.00**	**1.00**	**1.00**
1.50	1.50	1.00	1.00	1.00	1.00
1.00	-	-	-	-	-
16.00	**16.00**	**19.00**	**20.00**	**19.00**	**17.00**
16.00	16.00	19.00	20.00	19.00	17.00
6.00	**5.50**	**7.50**	**7.50**	**8.00**	**8.00**
6.00	5.50	7.50	7.50	8.00	8.00
3.00	**3.00**	**3.50**	**3.50**	**3.50**	**3.50**
3.00	3.00	3.50	3.50	3.50	3.50
-	**-**	**1.00**	**1.00**	**1.00**	**1.00**
-	-	0.50	0.50	0.50	0.50
-	-	0.50	0.50	0.50	0.50
8.00	**7.50**	**8.00**	**8.00**	**9.00**	**9.00**
4.00	3.50	4.00	4.00	4.50	4.50
4.00	4.00	4.00	4.00	4.50	4.50
38.50	**37.50**	**44.00**	**44.00**	**44.50**	**42.50**

Full-Time Equivalent Employees
By Function 2004 - 2013



CITY OF PATASKALA, OHIO

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2013	2012	2011	2010
General Government				
Positions Filled	8.0	10.5	4.0	2.0
Zoning Permits Issued	517	447	401	457
Zoning Inspections Performed	274	279	236	362
Ordinances & Resolutions	118	101	115	86
Public Safety				
Number of Arrests	406	715	436	405
Incidents/Police Reports Taken	1,035	1,853	1,521	1,390
Traffic Violations/Citations	1,528	1,850	1,167	1,254
Mayor's Court				
Misdemeanor Cases	108	123	142	151
O.V.I. Cases	1	1	14	15
Other Traffic Cases	1,325	1,557	1,583	1,402
Leisure Time Activities *				
Youth Soccer Participation	825	452	833	802
Select Soccer	122	216	108	190
Middle School Participation	80	43	84	20
High School Participation	75	44	54	20
Youth Softball Participation	142	135	115	145
Adult Softball Participation	256	120	NA	NA
Youth Baseball Participation	56	175	NA	NA
Porpose Swim Team Members	197	190	NA	NA
Transportation				
Street Resurfacing (miles)	12.48	7.00	0.75	2.06
Tons of salt used	3,100	2,500	1,571	1,829
Bridges Replaced/Repaired	-	1	1	1
Water				
New Connections	51	48	19	19
Service Calls	736	689	578	578

Source: City of Pataskala Departments.

'NA' indicates that the data was not available for that specific time period.

Note: Information for 10 years prior was not available for all functions.

2009	2008	2007	2006	2005	2004
-	2.0	4.5	3.0	9.0	9.0
503	605	484	891	1,006	NA
385	449	669	842	781	NA
77	69	80	95	66	63
534	610	726	794	351	332
1,345	1,534	1,851	1,928	1,596	1,764
1,342	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
788	820	865	725	637	NA
112	90	82	107	116	NA
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
426	183	186	180	150	NA
NA	205	226	201	210	NA
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
-	-	20	NA	NA	NA
279	163	399	NA	NA	NA
1	1	1	-	-	1
16	20	32	44	110	89
610	NA	NA	NA	NA	NA

CITY OF PATASKALA, OHIO

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2013	2012	2011	2010
Public Safety				
Police:				
Stations	1	1	1	1
Cruisers/Patrol Vehicles	23	20	19	18
Leisure Time Activities				
Parks	6	6	6	6
Park Acreage	127	200	200	200
Swimming Pools	1	1	1	1
Wading Pools	1	1	1	1
Baseball Diamonds	3	3	3	4
Softball Fields	1	1	NA	NA
Soccer Fields	23			
		NA	NA	NA
Transportation				
Lane Miles	328	328	321	320
Water				
Water Mains (linear feet)	291,100	291,100	291,100	291,215
Sewer				
Sewer Lines (linear feet)	181,923	181,908	161,500	161,500
Lift Stations	7	7	7	7
Manholes	762	760	737	737
Force Main Sewer Lines (linear feet)	15,365	15,365	15,365	15,365

Source: City of Pataskala Departments

'NA' indicates that the data was not available for that specific time period.

2009	2008	2007	2006	2005	2004
1	1	1	1	1	1
24	32	35	NA	NA	NA
6	6	6	6	6	6
200	200	200	200	200	200
1	1	1	1	1	1
1	1	1	1	1	1
4	4	4	4	4	4
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
320	320	320	320	320	320
291,215	290,400	289,200	283,200	280,100	270,600
161,500	160,252	154,892	148,452	140,952	134,152
7	7	7	7	7	7
737	737	737	737	737	737
15,365	15,365	15,365	15,365	15,365	15,365

END OF REPORT