



City of Pataskala, Ohio
Comprehensive Annual
Financial Report
For the Year Ended
December 31, 2015





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James M. Nicholson
Finance Director



Introductory Section

City of Pataskala | CAFR



CITY OF PATASKALA, OHIO

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Finance Department

James M. Nicholson
Finance Director

Janice A. Smith
Finance Manager

May 19, 2016

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, 2015, 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 Julian & Grube, 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".

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 seven 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), the Ohio Public Entity Healthcare Consortium (OPEC-HC) and the GROW Licking CIC.

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 and utility funds are included in the annual appropriation ordinance, agency and fiduciary funds are not included. *Program/Function* represents groupings of functionally similar tasks performed by the jurisdiction and is the local equivalent of the ORC-required department. There are nine major programs/functions identified by the City Finance Director, and include the following:

- General Government
- Executive & Legislative
- Legal & Court
- Public Service
- Police
- Finance
- Land's & Buildings
- Debt Service
- 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 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 15,508 residents based on the 2016 annual population estimate by the Mid-Ohio Regional Planning Commission (MORPC), which makes the City the 2nd largest City in the county, and the 15th largest in the central Ohio region.

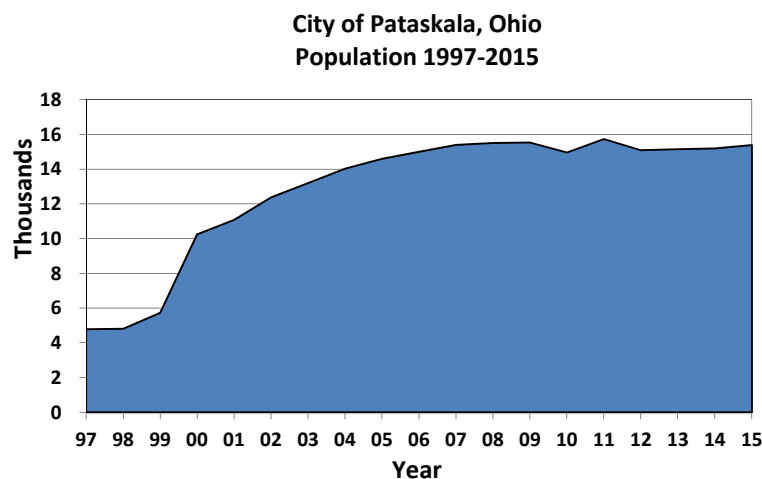
City residents have easy access to downtown Columbus and the entire central Ohio area via Interstate 270 and Interstate 70, U.S. Route 40 and State Routes 16 and 310. Commercial passenger air service is available at Port Columbus International Airport and Rickenbacker International Airport in the City 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
6. Maintaining the City's identity with its agrarian and rail heritage

The Department is comprised of a Director of Planning, Zoning Inspector, and a Zoning Clerk which are responsible for operation 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.

In March of 2015 the Planning and Zoning Department hired a new Zoning Clerk. A new Zoning Inspector was added in September of 2015 following the previous Zoning Inspector's retirement. Both new employees have been a welcome addition to the Planning and Zoning Department.

In 2015 the Planning and Zoning Department undertook a number of new initiatives that have proven successful. These new initiatives include:

- Updating Planning and Zoning Department forms and applications to make them easier to understand and more user-friendly.
- Improving customer service.
- Adjusting the Board of Zoning Appeals and Planning and Zoning Commission schedules to one hearing a month, allowing for more thorough review of applications.
- Including community partners, such as the West Licking Joint Fire District, Southwest Licking Community Water and Sewer District and the Licking County Health Department, in review of Board of Zoning Appeals and Planning and Zoning Commission Applications.
- Improving transparency by posting more information related to Planning and Zoning Department activities on the City website.

Many of the changes that were implemented have shown immediate results and garnered support from residents and businesses alike. The Planning and Zoning Department seeks to continue and build on successes in the reformation process well into 2016 and beyond.

Police Department

The Police Department takes every opportunity to be involved in community events whenever possible. Through that relationship with the community, we are better able to serve the needs of our citizens, business owners, and visitors. It fosters a strong relationship with the public so they feel comfortable in sharing information that helps us by having situations brought to our attention. This allows us to take a more proactive role in the safety and well-being of our city.

We are well into the planning phase of our new police facility. A new police station will allow us to better serve our community as well. Having our home next to the rest of the city offices makes things less confusing and more convenient for visitors. The new location is also more centrally located which will make it easier to reach for the residents on the west side of the city. We will also enjoy being surrounded by green space. Our hope is that the design will be inviting for residents and visitors to make their visit more enjoyable.



We are still hard at work on addressing the continuing opiate issue that has effected so many communities across the nation. We continue to provide a safe way to get unwanted prescription drugs off the streets and out of our water system by maintaining our drop box here at the police station. We also are members of the Central Ohio Drug Enforcement Task Force. This helps us work on problem areas and specific complaints of illegal drug activity.

We have recently retired one of our canine units (Nero), and he is now enjoying his retirement. We replaced him with a new K9 animal, Mutant. He is already a great asset to our department, having made numerous drug arrests as well as apprehensions of fleeing felons. Our second new canine is expected to be here and working before the end of the year. We are all very excited to meet him as well

Last year we started a new event called “Cookout with a Cop”. It was a huge success and has us looking forward to many more events where we can spend time meeting the fine folks of Pataskala. We also look forward to the many other events like the 4th of July fireworks, the Pataskala Street Fair, The Licking Memorial Mini-Triathlon and the many other events that take place every year.

Public Service Department

The Public Service Department’s primary source of funding is the City income tax, and in 2015, approximately one third of the income tax revenue collected was dedicated to the department’s operations. A significant portion of this revenue was used by the department to fund three large scale construction projects that will benefit the City long into the future. The remaining resources were used to maintain and expand the department’s equipment, procure materials, and employ staff to complete various roadway, storm system, traffic control, and other public infrastructure maintenance and improvement projects.

Major construction efforts undertaken by the City in 2015 include the following projects: South Main Street Improvements, Mink Street and Broad Street Improvements, and the 2015 Streets Program. The Main Street project is a multi-faceted effort that included coordinated efforts from the City’s Utility and Public Service Departments, ODOT, and various utility companies. Once complete, the historic section of Pataskala’s Main Street will have new infrastructure including curb and gutter, asphalt pavement, water line, and storm sewer. Beyond the infrastructure improvements, this project will enhance the ambiance of the area by transitioning electric power to underground, removing existing overhead lines and poles, and planting decorative trees.

The Mink Street and Broad Street project will provide much needed intersection improvements to this busy intersection along one of Pataskala’s two major thoroughfares. The primary objective of this project is to improve traffic operations, which will be accomplished by the addition of turn lanes on all approaches. As a secondary objective, the finished project will serve as a model intersection for the City, with the intent that all future intersection improvements will be designed to the same standards. Drainage improvements round out the improvements of this intersection which will be wrapped up in 2016.

For the 2015 street program, the City focused its efforts on two heavily trafficked secondary roads within the City: Havens Corners Road and Summit Road. These two roads each received a 1.5” asphalt mill and fill, followed immediately by a chip and seal in an effort to prolong the life of the new wearing courses. Using this method, the City was able to resurface the entire length of Havens Corners Road (2.4 miles) that lies within the City, and the majority of Summit Road north of Broad Street to Pataskala’s northern boundary (4.3 miles).

To complete small scale infrastructure and maintenance projects, the City relies on the capabilities of its Public Service Department Staff. The following bullet points highlight efforts that were completed by the Departments eight full-time employees and one part-time grounds maintenance employee in 2015:

- Over 13,000 feet of roadside ditch cleaning and restoration.
- Nearly 1,400 feet of storm sewer/culverts replaced/installed.
- Approximately 45 tons of crack seal material applied to roadways throughout the City.
- Roughly 6000 gallons of emulsion and 200 tons of gravel used to dura-patch City roads.

- Patching of hundreds of potholes, using approximately of 300 tons of asphalt.
- Repair of over 100 street lights.
- Replacement/upgrade of about 1100 street and traffic signs.
- 20 traffic signal repairs/bulb replacements.
- Over 1,000 man hours mowing public right-of-way

Other work items include snow removal, emergency tree removals, continuous berm improvement efforts, OUPS locates, and all facility and grounds maintenance. The Department is responsible for maintaining nearly 330 lane miles of roadway, 17 bridges, and all non-utility related public infrastructure.

Utilities Department

The City continued to implement a number of the recommendations set forth within the 2010 Utility Study, including the items listed below.

Wastewater Department

- **2015 Biosolids Storage Building** - At the time of this report the new biosolids storage building has achieved substantial completion. The project was funded by existing funds in efforts to reduce the high cost associated with landfill biosolids disposal costs. The new storage building will allow us to work with local farmers on OEPA approved beneficial reuse sites for disposal. This cost savings measure also allows for the reuse by our local agricultural community.
- **2015 GIS System Project** - The Utility Department took great strides in developing our GIS system for our underground infrastructure. We worked with our consultant to build and update our systems to stream line our department efforts in infrastructure management.
- **Sanitary Sewer Main Line Cleaning and Televising.** A total of 88.9 thousand feet of sanitary sewer main line, or approximately 83% of our main line inventory, was preventively cleaned and televised. During 2012-2015, nearly all 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 2016 along with efforts to address known problem areas.
- **Utility OUPS Locate Requests.** The Water Reclamation Department staff completed 1,935 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

- **Main Street Water Line Project** – The construction of a new water main line for Main Street was completed in early 2016. The project included the replacement and addition of new main line totaling 2,048 feet. This project provides the city with an important distribution system loop in downtown, as well as the addition of a new main line for enhanced fire protection.
- **System Maintenance** – During 2015, the Water Department completed the following repairs and improvements to the water system:
 - 9 water main and/or valve repair jobs
 - 22 service line repair jobs
 - 4 hydrants replaced
 - 15 hydrants repaired
 - 37 curb box repaired
 - All 650 hydrants flushed during the annual hydrant flushing program
 - 54 main line valves were exercised
 - 4,000 laboratory tests to ensure OEPA compliance

Utility Billing Department

- **2015 Meter Replacement Program** - The Billing Department played a pivotal role in the completion of our 2015 Meter Replacement Program. Our staff handled all communication and coordination with our customers to schedule appointments and answer questions. A total of 430 meters were upgraded by our staff in efforts to provide accurate billing and efficient delivery of service to our customers.
- **Water CIP Fee Increase** - The Billing Department worked with the Director and City Administrator to present a plan to the elected body regarding utility rates. Specifically, the Water CIP portion of the monthly bills was not sufficient to cover old debt as designed. In August 2015, legislation was passed to allow for an increase of \$1.50 per 1,000 gallons of water usage, to a level of \$3.00 to cover debt service payments. This increase was shared with the customers through all media outlets and through a concentrated effort through our monthly bills to prepare customers for the change.
- **Information and Outreach Efforts**. The Billing Department worked with the 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 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, as well as technology upgrades completed in 2012. In 2014, the note on the Municipal Building was paid in full, resulting in the City's complete ownership of the facility.



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 2015, the City managed two separate debt issuances (a note issuance and an advanced refunding) totaling \$7.2 million. Of the total, \$5.84 million was issued for the advanced refunding of the 2007 Water System Improvement bonds, and \$1.4 million was issued for road and utility system infrastructure improvements. 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.

This year will mark the twenty-second consecutive year of filing financial statements according to accounting principles generally accepted in the United States of America (GAAP), and the seventh 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 became effective July 1, 2010. The tax provides funding for Police protection and for investment in maintenance and improvements of the City's roadway infrastructure. Initially, 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 2014, City Council directed that the income tax collections were to be allocated as follows: Police (41.5%), Street (46.5%), Capital Improvement (7.0%), and Debt Service (5.0%).

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. Licking County's unemployment rate improved from the December 2013 rate of 5.8% to February 2015's rate of 4.8%, and is slightly better than the State of Ohio's 2015 rate of 5.1% 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. The current City Administrator, Benjamin J. King, became the Administrator in July, 2014 following the non-renewal of the previous Administrator's contract in December, 2013. The Administration has compiled a list of six 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 2015. 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.

1) Economic Development

- **Corporate Park:** Attracting investment in, and development of, The Pataskala Corporate Park/Job Ready Site (JRS). Creation of marketing materials for the Corporate Park. Collaborate with Grow Licking County to improve marketing process for Corporate Park.
- **Community Reinvestment Areas (CRA's):** Improve marking of the city's four CRA districts. Create informational materials to inform business and residents about the CRA program.
- **Local School Districts:** Work with both local school districts to implement a revenue sharing agreement for the Corporate Park CRA. Will benefit expediency of future development of the Park.
- **SR310 TIF:** File additional parcels within the designated SR310 North and South TIF Districts to capitalize on developments.
- **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

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

- **Mink Street Reconstruction Phase II:** Complete design, engineering and construction of the second phase of roadway improvements to Mink Street.
- **Mink Street and Broad Street Intersection Improvements:** Complete construction of the broad Street and Mink Street Intersection Improvements Project to accommodate turn lanes, new signal heads. This intersection will set the standard for future intersection improvements.
- **Street & Road Infrastructure:** Implementation of the Roadway Asset Management Plan (RAMP), including repaving/reconstruction of the following roadways.
- **Main Street Improvements Project:** Complete construction of the Main Street Improvements project to include new curbs, gutters, storm drains, underground electric, street lights, fire hydrants, and water line improvements.

- **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.

3) Public Service & Engineering

- **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
- **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.
- **Salt Bar:** Construction of a salt barn at the Mink Street Public Service Facility to accommodate stockpile of larger salt inventory.
- **NPDES/MS4 Permit:** Improved communication with the EPA and staff efforts to improve compliance with requirements of NPDES/MS4 program.

4) Land Use, Planning & Zoning / Grant Funding, Parks & Recreation:

- **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 2015.
- **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.
- **Planning & Zoning:** Modify existing permit forms and fee schedule to provide more streamlined submittal process.

- **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.
- **Adams Lane ball field rehabilitation:** Coordinate efforts with LEADS, The Evans Foundation, and PRA to execute a lease to accommodate the rehabilitation of the ball fields located at the Evans Foundation property on Adams Lane.
- **Broad Street and SR310 Corridors:** Develop development criteria for the Broad Street and SR310 corridors in anticipation of increased development.
- **Park Master Plans:** Work in conjunction with Parks Advisory Board for master planning for all city parks.

5) Utilities – “Safety, Reliability, Excellence!”

- **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.
- Perform annual sewer main and manhole relining and repair efforts.
- Annual water line, valve, and hydrant replacement and repair efforts.
- Ongoing efforts to implement the Water Department portion of the Radio Read Project
- Study and design work for repair and optimization of the Southeast Water Tower which is currently off line.
- GIS integration work.
- Implementation and efforts in the Source Water Protection Task Force. Practical community events to protect the water supply. Heavy focus on the SWPP.
- Construction of larger sludge storage pad at WRF. Establish program to provide sludge to local farms for field application.

6) Facility & Fleet Management / Community Services

- **Municipal Facilities Inventory:** Investigate potential new uses for all city facilities. What is the most productive use of all city facilities?
- **Pataskala Police Station:** Complete needs assessment and preliminary design for the construction of the new Police Station facility. Determine needs for now and future, how to fund the construction, and where best to locate a new station.

7) Communications / Public Outreach

- **Community Outreach:** Improve regularity of the city’s e-newsletter distribution. Increase the number of registrants for the e-newsletter. Improve use of social media (Facebook, Twitter) and increase the number of registrants to each. Utilize these systems to keep community updated on events and news. Continue distribution of print copy quarterly newsletter.

RELEVANT FINANCIAL POLICIES

By ordinance, City Council adopted a comprehensive *Employee Handbook & Policy Manual* which, in addition to providing employees guidance on employment practices and policies, also 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 financial policy section are 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.

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, 2014. This was the sixth 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 to 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 six consecutive years (2009-2014) 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, 2014

A handwritten signature in black ink, reading "Jeffrey R. Emen". The signature is fluid and cursive.

Executive Director/CEO

City of Pataskala, Ohio
Elected & Appointed Officials
As of December 31, 2015

Elected Officials*

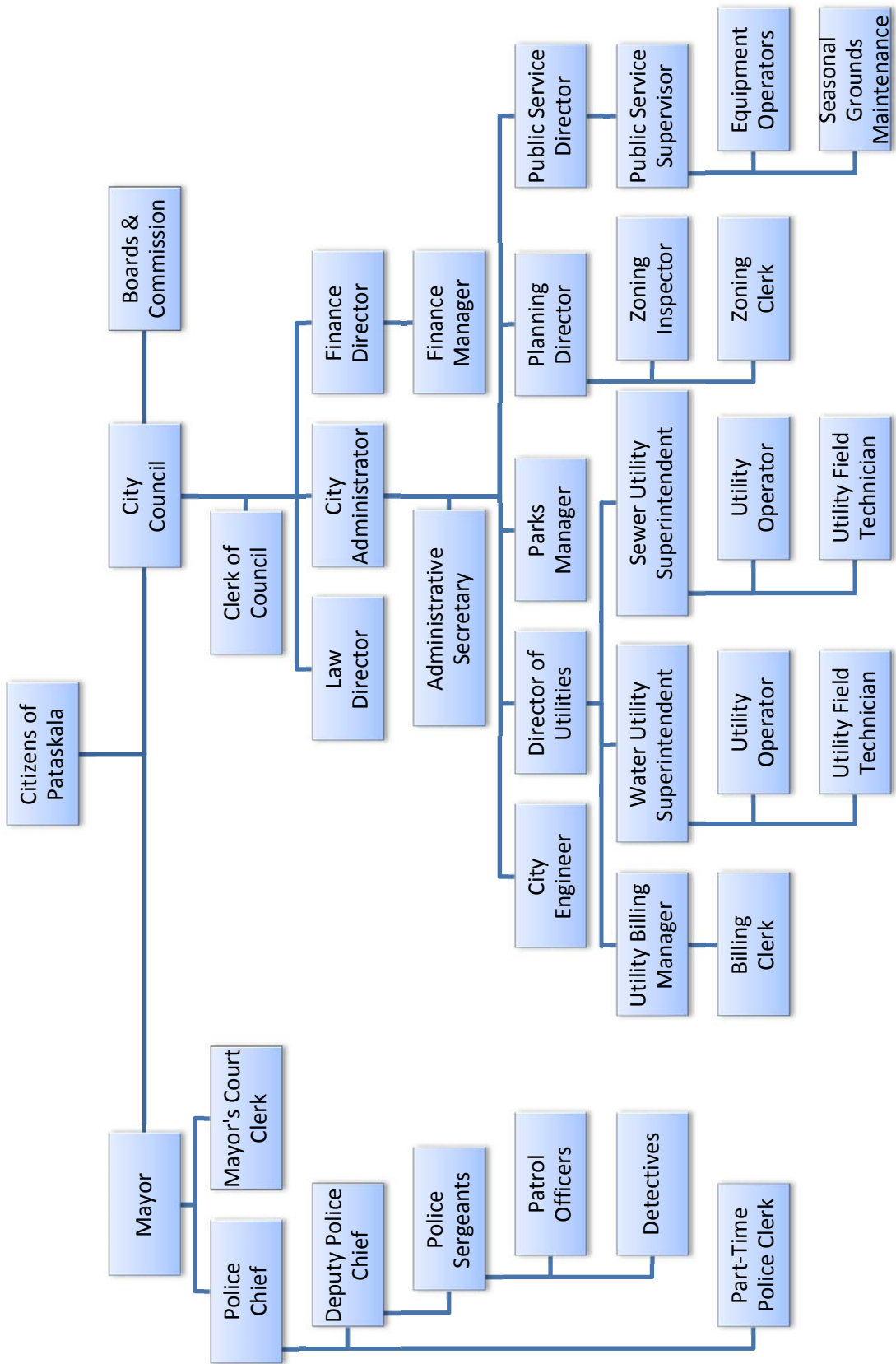
| | |
|-------------------|---|
| Mayor | Michael W. Compton (2017) |
| Council President | Ward 2 – Melissa A. Carter (2019) |
| Council Members | At-Large – Timothy O. Hickin (2017) At-Large – Bryan Lenzo (2017) At-Large – Todd W. Barstow (2017) Ward 1 – Patty A. Sagar (2015) Ward 3 – Michael Fox (2019) Ward 4 – C. Daniel Hayes (2015) |

Appointed Officials:

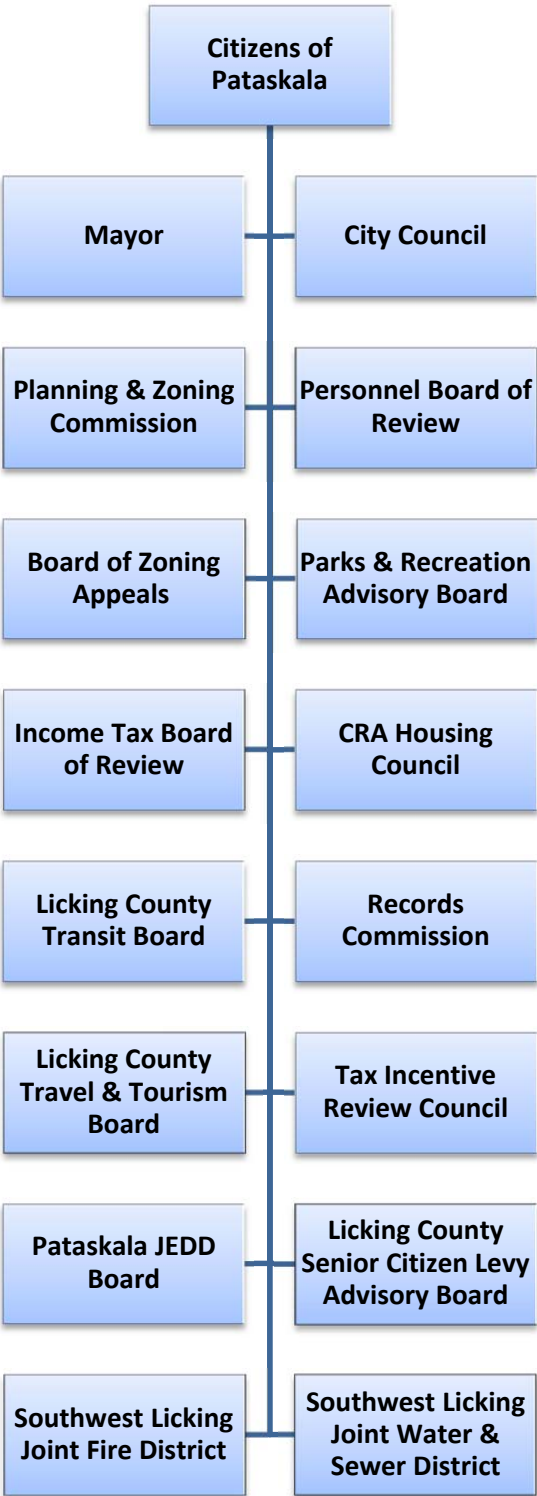
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|-------------------------|-------------------------------|
| City Administrator | Benjamin J. King |
| Director of Finance | James M. Nicholson, MBA, CPFM |
| Law Director | Rufus B. Hurst |
| Planning Director | Scott C. Fulton |
| Public Service Director | Alan W. Haines, P.E. |
| 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





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Independent Auditor's Report

City of Pataskala
Licking County
621 W. Broad Street, Suite 2B
Pataskala, Ohio 43062

To the Members of Council and Mayor:

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, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City of Pataskala's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Independent Auditor's Report
City of Pataskala

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, 2015, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund, Street Fund and Police Fund, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during the year ended December 31, 2015, the City of Pataskala adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

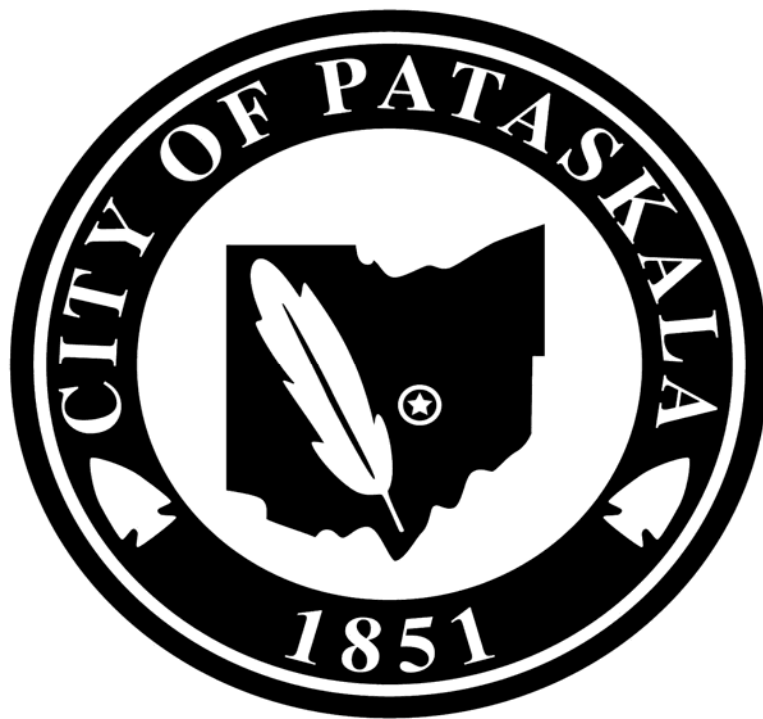
Independent Auditor's Report
City of Pataskala

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2016, on our consideration of the City of Pataskala's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Pataskala's internal control over financial reporting and compliance.

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

Julian & Grube, Inc.
May 19, 2016



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CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

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, 2015. 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 2015 are as follows:

- The total net position of the City increased \$1,890,710. Net position of governmental activities increased \$1,368,368 or 6.30% from 2014's restated net position. Net position of business-type activities increased \$522,342 or 10.49% from 2014's restated net position.
- General revenues accounted for \$5,661,880 or 73.44% of total governmental activities revenue. Program-specific revenues accounted for \$2,047,888 or 26.56% of total governmental activities revenue.
- The City had \$6,341,400 in expenses related to governmental activities; \$2,047,888 of these expenses were offset by program specific charges for services, grants or contributions.
- The general fund had revenues of \$1,440,541 in 2015. This represents a decrease of \$309,593 from 2014 revenues. The expenditures and other financing uses of the general fund, which totaled \$1,446,561 in 2015 increased \$61 from 2014. The net decrease in fund balance for the general fund was \$6,020 or 0.60%.
- The street fund had revenues and other financing sources of \$2,916,075 in 2015, which is a decrease of \$168,329 from 2014 revenues. The expenditures and financing uses in the street fund totaled \$2,776,682 in 2015, which increased \$762,585 from 2014. The net increase in fund balance was \$139,393 or 5.81%.
- The police fund had revenues and other financing sources of \$2,745,073 in 2015, which is an increase of \$431,265 from 2014 revenues. The expenditures and other financing uses in the police fund totaled \$2,391,822 in 2015, which decreased \$42,464 from 2014. The net increase in fund balance was \$353,251 or 27.18%.
- The capital improvements fund had revenues and other financing sources of \$2,495,086 in 2015. The capital improvements fund had expenditures of \$1,096,179 in 2015. The fund balance of the capital improvements funds increased \$1,398,907 or 395.33%.
- Net position for the business-type activities, which are made up of the water and sewer enterprise funds, increased in 2015 by \$522,342.
- In the general fund, the actual revenues came in \$25,152 lower than they were in the final budget. Actual expenditures and other financing uses were \$186,578 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.

CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

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 2015?" 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 57-59 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.

CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

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 focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 47.

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, police levy fund and capital 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 60-69 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 70-73 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 74 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 75-122 of this report.

CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension liability. The required supplementary information can be found on pages 124-130 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, 2015 and 2014. The net position at December 31, 2014 has been restated as described in Note 3.

| | Net Position | | | | | |
|--|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2015 | Restated 2014 | 2015 | Restated 2014 | 2015 | Restated 2014 |
| <u>Assets</u> | | | | | | |
| Current and other assets | \$ 13,390,308 | \$ 13,498,804 | \$ 5,496,233 | \$ 4,678,448 | \$ 18,886,541 | \$ 18,177,252 |
| Capital assets, net | 22,345,241 | 20,238,528 | 14,102,914 | 13,911,775 | 36,448,155 | 34,150,303 |
| Total assets | 35,735,549 | 33,737,332 | 19,599,147 | 18,590,223 | 55,334,696 | 52,327,555 |
| <u>Deferred outflows of resources</u> | | | | | | |
| Unamortized | | | | | | |
| deferred charges | - | - | 337,429 | 1,740 | 337,429 | 1,740 |
| Pension | 470,684 | 293,044 | 112,117 | 71,777 | 582,801 | 364,821 |
| Total deferred outflows | 470,684 | 293,044 | 449,546 | 73,517 | 920,230 | 366,561 |
| <u>Liabilities</u> | | | | | | |
| Current liabilities | 564,082 | 639,409 | 352,216 | 150,821 | 916,298 | 790,230 |
| Long-term liabilities: | | | | | | |
| Due within one year | 697,758 | 496,563 | 693,123 | 341,633 | 1,390,881 | 838,196 |
| Net pension liability | 3,048,031 | 2,892,938 | 531,060 | 519,065 | 3,579,091 | 3,412,003 |
| Other amounts | 7,813,354 | 7,322,359 | 12,955,397 | 12,671,285 | 20,768,751 | 19,993,644 |
| Total liabilities | 12,123,225 | 11,351,269 | 14,531,796 | 13,682,804 | 26,655,021 | 25,034,073 |
| <u>Deferred inflows of resources</u> | | | | | | |
| Property taxes | | | | | | |
| and PILOTs | 992,822 | 976,115 | - | - | 992,822 | 976,115 |
| Pension | 18,826 | - | 13,619 | - | 32,445 | - |
| Total deferred inflows | 1,011,648 | 976,115 | 13,619 | - | 1,025,267 | 976,115 |
| <u>Net Position</u> | | | | | | |
| Net investment in | | | | | | |
| capital assets | 14,059,671 | 14,920,098 | 934,760 | 1,037,561 | 14,994,431 | 15,957,659 |
| Restricted | 7,944,339 | 5,782,079 | - | - | 7,944,339 | 5,782,079 |
| Unrestricted | 1,067,350 | 1,000,815 | 4,568,518 | 3,943,375 | 5,635,868 | 4,944,190 |
| Total net position | \$ 23,071,360 | \$ 21,702,992 | \$ 5,503,278 | \$ 4,980,936 | \$ 28,574,638 | \$ 26,683,928 |

CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

During 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and GASB Statement 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68" which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

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

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

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

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

In accordance with GASB 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, for governmental activities from \$24,299,734 to \$21,702,992 and business-type activities from \$5,425,944 to \$4,980,936.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2015, the City's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$28,574,638. At year end, net positions were \$23,071,360 and \$5,503,278 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 65.87% 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, 2015, were \$14,059,671 and \$934,760 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, \$7,944,339, 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 \$1,067,350.

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CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

The following table shows the changes in net position for 2015 and 2014. The net position at December 31, 2014 has been restated as described in Note 3.

| | <u>Governmental Activities</u> | | <u>Change in Net Position Business-Type Activities</u> | | <u>Total</u> | |
|------------------------------------|--------------------------------|----------------------|--|---------------------|----------------------|---------------------|
| | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> |
| Revenues | | | | | | |
| <u>Program revenues:</u> | | | | | | |
| Charges for services and sales | \$ 535,264 | \$ 638,705 | \$ 3,883,291 | \$ 3,198,960 | \$ 4,418,555 | \$ 3,837,665 |
| Operating grants and contributions | 1,237,885 | 1,615,510 | - | - | 1,237,885 | 1,615,510 |
| Capital grants and contributions | 274,739 | 225,891 | - | - | 274,739 | 225,891 |
| <u>General revenues:</u> | | | | | | |
| Property taxes | 827,781 | 714,826 | - | - | 827,781 | 714,826 |
| Income taxes | 4,470,343 | 5,470,246 | - | - | 4,470,343 | 5,470,246 |
| Payments in lieu of taxes | 153,835 | 201,140 | - | - | 153,835 | 201,140 |
| Unrestricted grants | 189,381 | 185,808 | - | - | 189,381 | 185,808 |
| Interest | 11,049 | 16,203 | 30,006 | 17,501 | 41,055 | 33,704 |
| Other | 9,491 | 172,812 | 2,296 | 27,358 | 11,787 | 200,170 |
| Total Revenues | 7,709,768 | 9,241,141 | 3,915,593 | 3,243,819 | 11,625,361 | 12,484,960 |
| Expenses: | | | | | | |
| General government | 1,919,562 | 1,095,246 | - | - | 1,919,562 | 1,095,246 |
| Security of persons and property | 2,134,698 | 1,992,137 | - | - | 2,134,698 | 1,992,137 |
| Transportation | 1,762,282 | 2,761,450 | - | - | 1,762,282 | 2,761,450 |
| Community environment | 246,113 | 677,184 | - | - | 246,113 | 677,184 |
| Leisure time activity | 67,486 | 94,930 | - | - | 67,486 | 94,930 |
| Interest and fiscal charges | 211,259 | 222,866 | - | - | 211,259 | 222,866 |
| Water | - | - | 1,798,346 | 1,392,928 | 1,798,346 | 1,392,928 |
| Sewer | - | - | 1,594,905 | 1,610,487 | 1,594,905 | 1,610,487 |
| Total Expenses | 6,341,400 | 6,843,813 | 3,393,251 | 3,003,415 | 9,734,651 | 9,847,228 |
| Change in Net Position | 1,368,368 | 2,397,328 | 522,342 | 240,404 | 1,890,710 | 2,637,732 |
| Net position at beginning of year | 21,702,992 | N/A | 4,980,936 | N/A | 26,683,928 | N/A |
| Net Position at End of Year | \$ 23,071,360 | \$ 21,702,992 | \$ 5,503,278 | \$ 4,980,936 | \$ 28,574,638 | \$ 2,637,732 |

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$364,821 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$375,886.

CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

| | Governmental Activities | Business-Type Activities |
|---|----------------------------|-----------------------------|
| Total 2015 program expenses under GASB 68 | \$ 6,341,400 | \$ 3,393,251 |
| Pension expense under GASB 68 | (313,430) | (62,457) |
| 2015 contractually required contributions | 325,565 | 83,270 |
| Adjusted 2015 program expenses | 6,353,535 | 3,414,064 |
| Total 2014 program expenses under GASB 27 | 6,843,813 | 3,003,415 |
| Increase (decrease) in program expenses not related to pension | \$ (490,278) | \$ 410,649 |

Governmental Activities

Governmental activities net position increased \$1,368,368 in 2015.

Security of persons and property, which primarily supports the operations of the police department, had expenses of \$2,134,698 which accounted for 33.66% of the governmental expenses of the City. These expenses were partially funded by \$158,344 in direct charges to users of the services and \$119,192 in operating grants and contributions. Transportation, which primarily supports street construction and maintenance projects, had expenses of \$1,762,282 which accounted for 27.79% of the governmental expenses of the City. These expenses were funded by \$946,405 in operating grants and contributions and \$274,739 in capital grants and contributions. General government expenses totaled \$1,919,562 which was partially funded by \$290,261 in direct charges to users of the services and \$172,288 in operating grants and contributions.

The State and Federal government contributed to the City a total of \$1,237,885 in operating grants and contributions. These revenues are restricted to a particular program or purpose.

General revenues totaled \$5,661,880, and amounted to 73.44% of total governmental revenues. These revenues primarily consist of property tax revenue and income tax revenue making up \$5,451,959 which is 96.29% of general revenues or 70.71% 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.

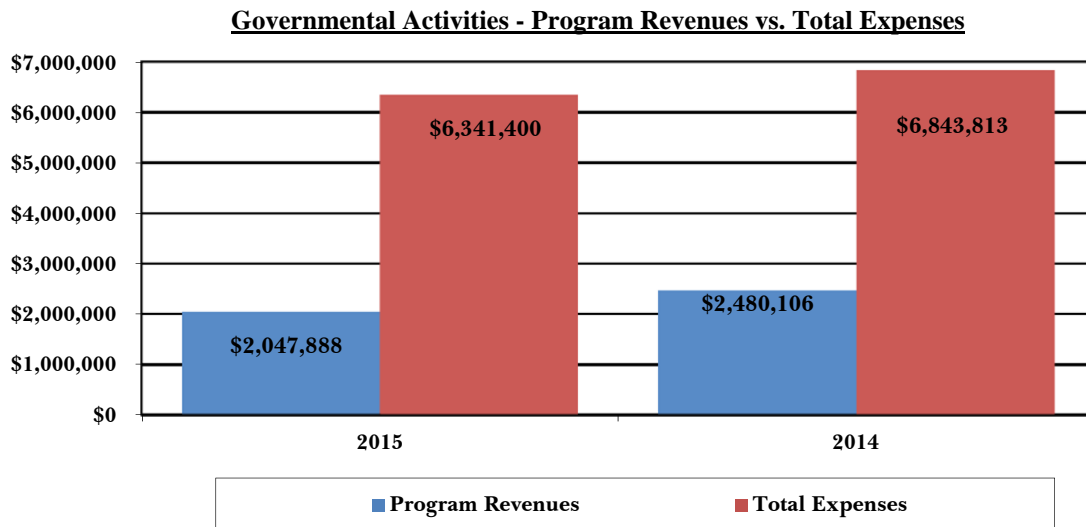
CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

| | Governmental Activities | | | |
|----------------------------------|--------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Total Cost of Services | Net Cost of Services | Total Cost of Services | Net Cost of Services |
| | 2015 | 2015 | 2014 | 2014 |
| <u>Program expenses:</u> | | | | |
| General government | \$ 1,919,562 | \$ 1,457,013 | \$ 1,095,246 | \$ 585,188 |
| Security of persons and property | 2,134,698 | 1,857,162 | 1,992,137 | 1,607,850 |
| Transportation | 1,762,282 | 541,138 | 2,761,450 | 1,580,556 |
| Community environment | 246,113 | 192,844 | 677,184 | 288,518 |
| Leisure time activity | 67,486 | 34,096 | 94,930 | 78,729 |
| Interest and fiscal charges | 211,259 | 211,259 | 222,866 | 222,866 |
| Total Expenses | \$ 6,341,400 | \$ 4,293,512 | \$ 6,843,813 | \$ 4,363,707 |

The dependence upon general revenues for governmental activities is apparent, with 67.71% in 2015 supported through taxes and other general revenues.

The following graph illustrates governmental-activities program revenues and total expenses for years 2015 and 2014.

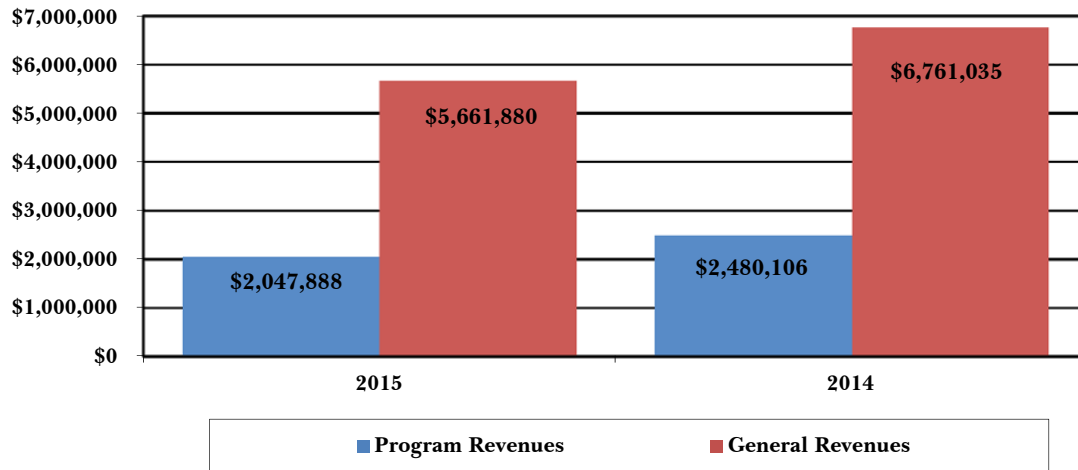


CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

The graph below shows governmental-activities general and program revenues for years 2015 and 2014.

Governmental Activities - General and Program Revenues

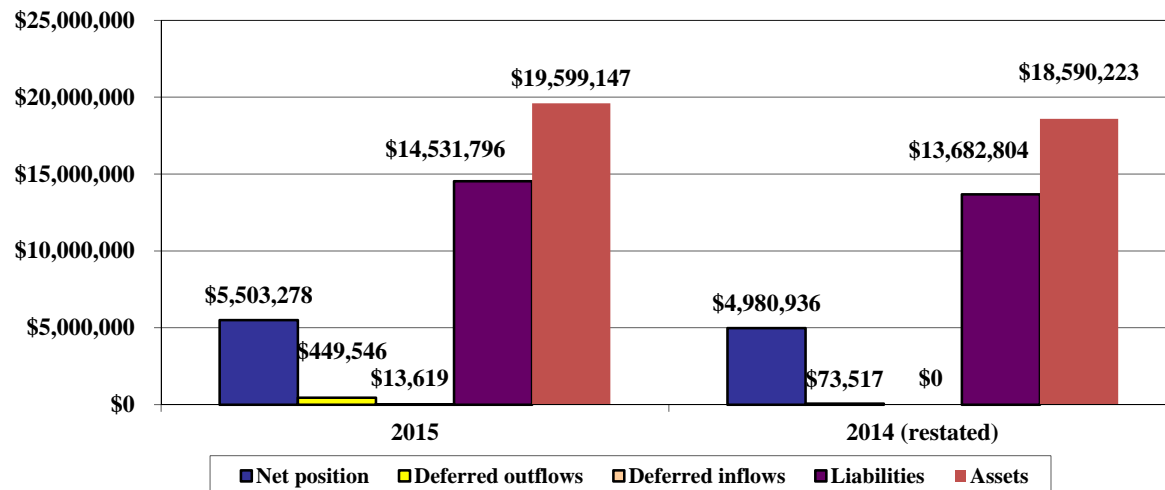


Business-type Activities

Business-type activities include the water and sewer enterprise funds. These programs had program revenues of \$3,883,291, general revenues of \$32,302, and expenses of \$3,393,251 for 2015.

The following graph illustrates the business-type activities assets, deferred outflows, liabilities, deferred inflows and net position at December 31, 2015 and 2014. The December 31, 2014 amounts have been restated as described in Note 3.

Net Position in Business - Type Activities



CITY OF PATASKALA, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

The City's total assets for business-type activities increased due primarily to higher equity in pooled cash balances due primarily to water and sewer rate increases.

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 60-61) reported a combined fund balance of \$9,884,209 which is \$326,399 higher than last year's total of \$9,557,810.

The following schedule indicates the fund balances and the total change in fund balances as of December 31, 2015 for all major and nonmajor governmental funds.

| | Fund Balances 12/31/2015 | Fund Balances 12/31/2014 | Change |
|-----------------------------------|---|---|-------------------|
| Major funds: | | | |
| General | \$ 989,922 | \$ 995,942 | \$ (6,020) |
| Street | 2,539,421 | 2,400,028 | 139,393 |
| Police | 1,652,811 | 1,299,560 | 353,251 |
| Capital improvements | 1,752,764 | 353,857 | 1,398,907 |
| Other nonmajor governmental funds | 2,949,291 | 4,508,423 | (1,559,132) |
| Total | \$ 9,884,209 | \$ 9,557,810 | \$ 326,399 |

CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

General Fund

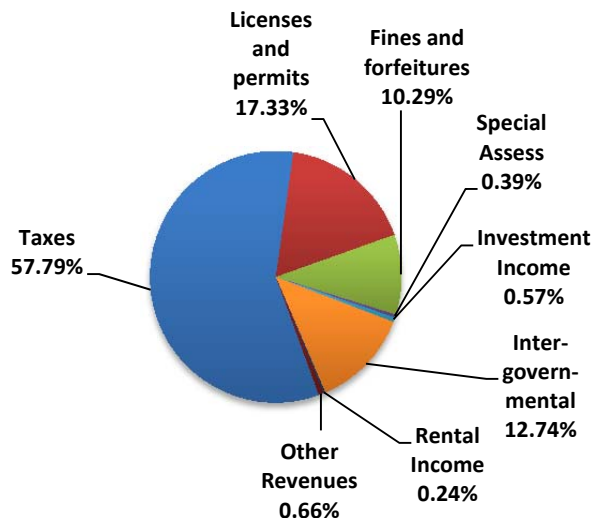
The table that follows assists in illustrating the revenues of the general fund.

| | <u>2015</u> <u>Amount</u> | <u>2014</u> <u>Amount</u> | <u>Percentage</u> <u>Change</u> |
|------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| <u>Revenues</u> | | | |
| Taxes | \$ 832,535 | \$ 819,665 | 1.57% |
| Licenses and permits | 249,575 | 270,812 | (7.84%) |
| Fines and forfeitures | 148,190 | 168,540 | (12.07%) |
| Intergovernmental | 183,477 | 189,359 | (3.11%) |
| Special assessments | 5,591 | 4,169 | 34.11% |
| Investment income | 8,262 | 4,662 | 77.22% |
| Rental income | 3,420 | 121,059 | (97.17%) |
| Other | 9,491 | 171,868 | (94.48%) |
| Total Revenues | <u><u>\$ 1,440,541</u></u> | <u><u>\$ 1,750,134</u></u> | <u><u>(17.69%)</u></u> |

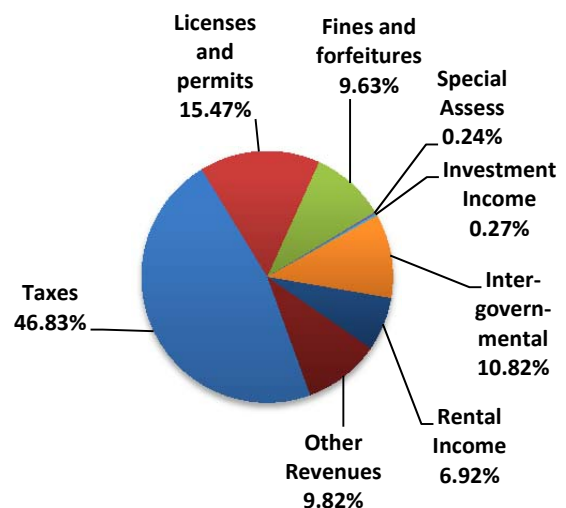
Revenues of the general fund decreased \$309,593 or 17.69%. Tax revenue represents 57.79% of all general fund revenue. The largest decreases were in the areas of rental income and other. Rental income decreased \$117,639 due to the City shifting rental income to a capital projects fund. Other revenue decreased \$162,377 due to a decrease in reimbursements from other funds.

The following graphs illustrate the breakdown of the general fund's revenues for December 31, 2015 and 2014:

Revenues - 2015



Revenues - 2014



CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

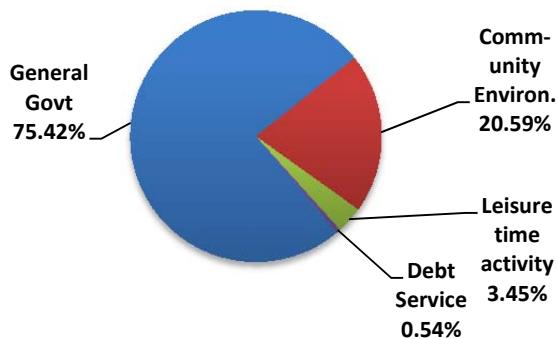
The table that follows assists in illustrating the expenditures of the general fund.

| | <u>2015 Amount</u> | <u>2014 Amount</u> | <u>Percentage Change</u> |
|----------------------------|------------------------|------------------------|------------------------------|
| <u>Expenditures</u> | | | |
| General government | \$ 940,050 | \$ 928,889 | 1.20% |
| Community environment | 256,706 | 191,308 | 34.18% |
| Leisure time activity | 43,033 | 77,118 | (44.20%) |
| Debt service | 6,772 | 6,772 | 0.00% |
| Total Expenditures | \$ 1,246,561 | \$ 1,204,087 | 3.53% |

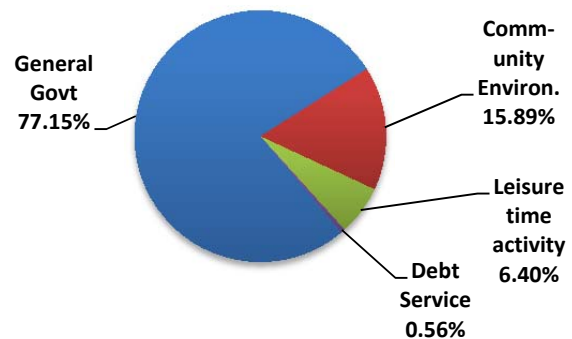
Expenditures of the general fund increased \$1,246,561 or 3.53%. The increase in general government and community environment were the result of increases in salaries and wages as well as increase in overall spending in the planning and zoning department.

The graphs below show the general fund's expenditures for December 31, 2015 and 2014:

Expenditures - 2015



Expenditures – 2014



Street Fund

The street fund had revenues and other financing sources of \$2,916,075 in 2015, which is a decrease of \$168,329 from 2014 revenues. This decrease was primarily the result of less income taxes due to a change in the allocation of the City's 1.00% income tax rate. The expenditures and other financing uses in the street fund totaled \$2,776,682 in 2015, which increased \$762,585 from 2014. Expenditures increased due to more road improvement projects being undertaken during 2015. The net increase in fund balance was \$139,393 or 5.81%.

CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

Police Fund

The police fund had revenues and other financing sources of \$2,745,073 in 2015, which is an increase of \$431,265 from 2014 revenues. This increase was primarily the result of more income taxes due to a change in the allocation of the City's 1.00% income tax rate. The expenditures and other financing uses in the police fund totaled \$2,391,822 in 2015, which decreased \$42,464 from 2014. This decrease is due primarily to a decrease in spending on general operating and capital outlay expenditures made during 2015. The net increase in fund balance was \$353,251 or 27.18%.

Capital Improvements Fund

The capital improvements fund had revenues and other financing sources of \$2,495,086 and expenditures of \$1,096,179 in 2015. The primary source of revenues and other financing sources related to transfers in from other governmental funds for various City projects. The net increase in fund balance was \$1,398,907.

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 63. In the general fund, actual revenues came in \$25,152 lower than projected in the final budget. Actual expenditures and other financing uses were \$186,578 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 \$186,578 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.

CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

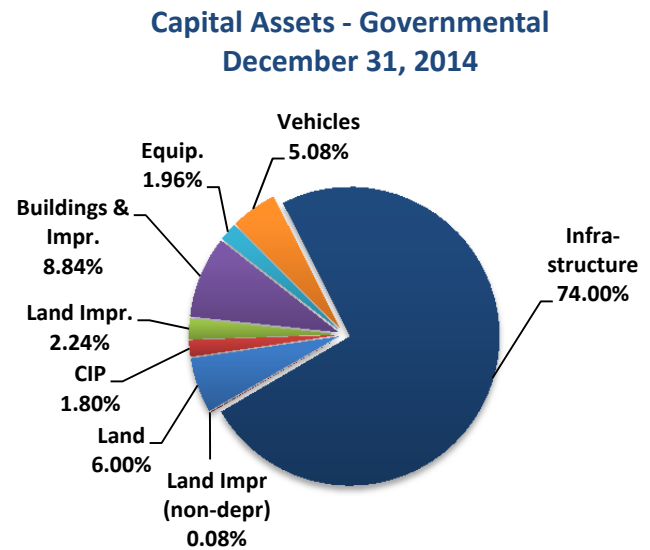
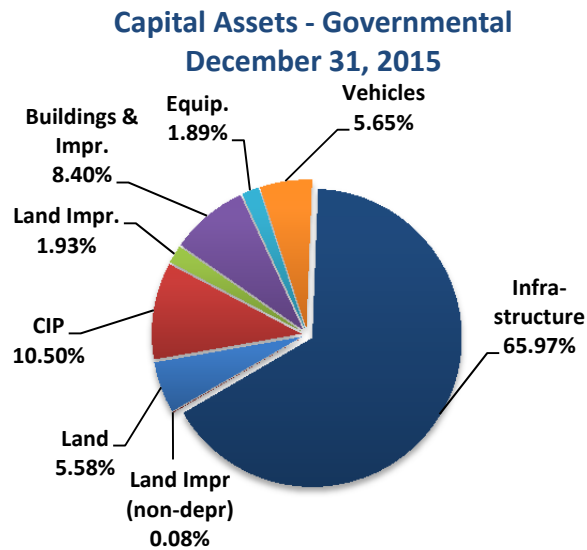
Capital Assets and Debt Administration

Capital Assets

At the end of 2015, the City had \$36,448,155, net of accumulated depreciation, invested in land, construction in progress, land improvements, buildings and improvements, equipment, vehicles, and infrastructure. Of this total, \$22,345,241 was reported in governmental activities and \$14,102,914 was reported in business-type activities. The following table shows December 31, 2015 balances compared to December 31, 2014.

| | Capital Assets at December 31 (Net of Depreciation) | | | | | |
|-------------------------------|--|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Land | \$ 1,247,232 | \$ 1,214,632 | \$ 654,893 | \$ 654,893 | \$ 1,902,125 | \$ 1,869,525 |
| Land improvements (non depr.) | 17,077 | 17,077 | - | - | 17,077 | 17,077 |
| Construction-in-progress | 2,346,075 | 363,839 | 688,662 | - | 3,034,737 | 363,839 |
| Land improvements | 431,025 | 453,215 | 8,754,501 | 9,010,967 | 9,185,526 | 9,464,182 |
| Buildings and improvements | 1,876,625 | 1,788,843 | 744,074 | 822,709 | 2,620,699 | 2,611,552 |
| Equipment | 422,462 | 395,715 | 111,075 | 115,989 | 533,537 | 511,704 |
| Vehicles | 1,262,878 | 1,027,466 | 132,626 | 66,418 | 1,395,504 | 1,093,884 |
| Infrastructure | 14,741,867 | 14,977,741 | 3,017,083 | 3,240,799 | 17,758,950 | 18,218,540 |
| Totals | \$ 22,345,241 | \$ 20,238,528 | \$ 14,102,914 | \$ 13,911,775 | \$ 36,448,155 | \$ 34,150,303 |

The following graphs show the breakdown of governmental capital assets by category for 2015 and 2014.



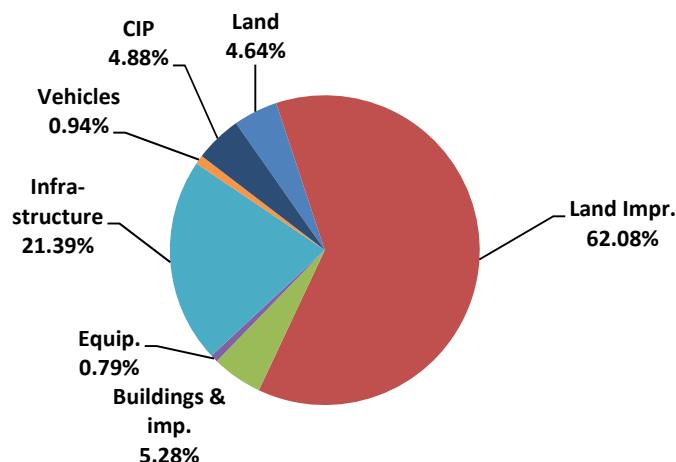
The City's largest capital asset category is infrastructure which includes roads, bridges, culverts, sidewalks and curbs. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant.

CITY OF PATASKALA, OHIO

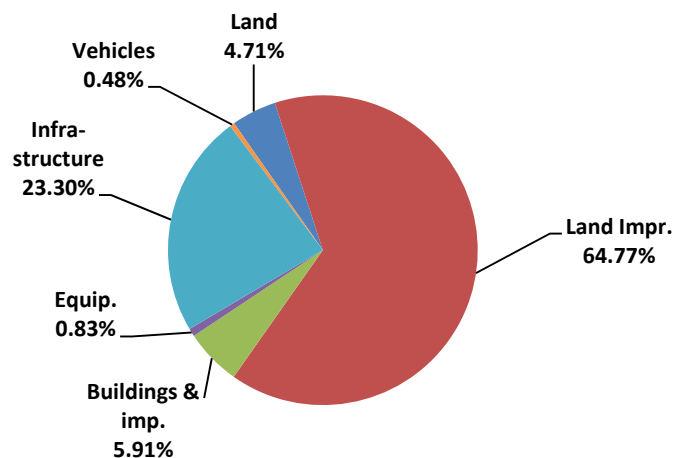
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

The following graphs show the breakdown of business-type capital assets by category for 2015 and 2014.

**Capital Assets - Business-Type Activities
December 31, 2015**



**Capital Assets - Business-Type Activities
December 31, 2015**



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 62.08% 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, 2015 and 2014:

| | Governmental Activities | |
|------------------------------------|---------------------------------|----------------------|
| | 2015 | 2014 |
| SIB loan | \$ 196,985 | \$ 226,528 |
| Note payable | - | 42,756 |
| Bonds | 6,375,000 | 6,630,000 |
| Capital lease obligation payable | 639,033 | 325,436 |
| Loans payable | 868,660 | 174,285 |
| OPWC loans | 86,611 | 89,848 |
| Total Long-Term Obligations | \$ 8,166,289 | \$ 7,488,853 |
| | | |
| | Business-type Activities | |
| | 2015 | 2014 |
| General obligation bonds | \$ 8,680,000 | \$ 8,860,000 |
| OWDA Loans | 3,765,979 | 3,954,462 |
| Loans payable | 700,000 | - |
| Total Long-Term Obligations | \$ 13,145,979 | \$ 12,814,462 |

CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

During 2015, the City's governmental activities entered into a capital lease agreement for \$500,000 for miscellaneous vehicles and equipment and entered into a loan agreement for \$700,000 for the State Route 310/Main St. project.

During 2015, the City's business-type activities refunded water bonds and issued \$5,460,000 and entered into a loan agreement for \$700,000 for the State Route 310/Main St. project.

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% tax on earned income, with no credit given for taxes withheld and 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 2014, Council approved legislation amending that allocation for 2015 to provide additional funding for Police and Public Service. For 2015, the allocation was as follows: 54.1% - Police; 33.3% - Public Service; 0% - Capital Improvements fund; and 12.5% - Debt Service fund; and in 2014 the allocation was: 41.5% - Police; 46.5% - Public Service; 7% - Capital Improvements fund; and 5% - 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 2015 fund balances, estimates of 2016 collections and funding/debt service requirements, the allocation was amended by Council once again. For 2016, the allocation is as follows: 53.0% - Police; 35.65% - Public Service; 2.15% - Capital Improvements fund; and 9.2% - Debt Service fund. It is anticipated that Council will continue to modify the allocation on an annual basis, 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, by year-end 2013, the City would collect approximately \$2.4 million annually. Management continues to closely monitor these estimates and maintain conservative budgeting practices, even though collections have significantly exceeded those estimates. As of December 31, 2015, year to-date income tax collections (cash basis) of approximately \$4.85 million were received. Higher income tax collections, combined with continued conservative budgeting practices, have allowed the City's Police and Street funds to end 2015 with higher than anticipated carryover fund balances. The current 2016 budget estimates that income tax collections (cash-basis) will be approximately \$5.03 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. In November 2014, the city refunded all of its existing BANs into long-term bonds. Included in this transaction, was the issuance of \$2.0 million in new debt to fund the local match on two major road infrastructure projects – the Main Street/State Route 310 improvements project and the Mink Street improvements project.

CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

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 \$1.58 million for water system improvements and \$1.43 million for sewer system improvements. The City's utility funds do not receive income tax receipts, and are self-supporting through user charges. In 2012, the City implemented a new utility rate structure to address operations, needed capital improvements, and provide necessary funds to pay debt service-related charges. The rate schedule called for annual increases through 2016. 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. During 2015, the City advance refunded its \$5.33 million in outstanding 2007 Water System Improvements bonds. The refunding transaction will generate a total savings of approximately \$831 thousand, and has a net present value (NPV) savings of 12.09% as a percentage savings of the refunded amount.

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. Furthermore, the City no longer receives estate tax revenues which will further challenge future budgets. These changes will require the Administration and Council 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 (ODOT). In late 2012, the City was notified that it was 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 of the first phase completed in 2014. The next phase of the project, intersection improvements at Broad and Mink Streets, was started during 2015 and was approximately 50% completed prior to the end of the construction season. This phase is planned for completion in 2016. A major traffic corridor through the City, State Route 310, is scheduled to be completely repaved by ODOT in 2016. This \$735 thousand project is 80% grant funded by ODOT, with a local match of \$148 thousand. In anticipation of this major project, \$2.2 in infrastructure improvements, such as water/sewer lines, street lights, curbs and storm sewers, were constructed during 2015 in the old Village center.

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 jointly marketing 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.

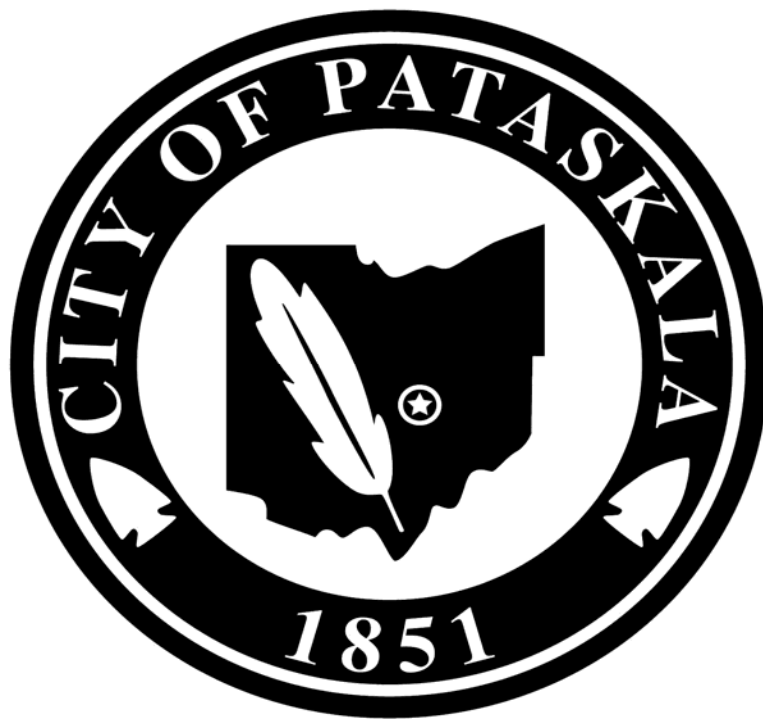
CITY OF PATASKALA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

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.





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CITY OF PATASKALA, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2015

| | Governmental Activities | Business-type Activities | Total |
|--|----------------------------|-----------------------------|----------------------|
| Assets: | | | |
| Equity in pooled cash and investments | \$ 8,940,111 | \$ 4,390,223 | \$ 13,330,334 |
| <u>Receivables:</u> | | | |
| Income taxes | 2,294,632 | - | 2,294,632 |
| Real and other taxes | 831,925 | - | 831,925 |
| Accounts | 64,682 | 517,490 | 582,172 |
| Special assessments | 2,913 | 305,046 | 307,959 |
| Accrued interest | 15,122 | 11,602 | 26,724 |
| Payment in lieu of taxes | 185,824 | - | 185,824 |
| Due from other governments | 764,226 | - | 764,226 |
| Materials and supplies inventory | 43,184 | 193,309 | 236,493 |
| Prepayments | 60,449 | 31,774 | 92,223 |
| Net pension asset | 11,566 | 8,367 | 19,933 |
| <u>Restricted assets:</u> | | | |
| Equity in pooled cash and investments | 99,902 | 38,422 | 138,324 |
| Cash with fiscal and escrow agents | 75,772 | - | 75,772 |
| <u>Capital assets:</u> | | | |
| Non-depreciable capital assets | 3,610,384 | 1,343,555 | 4,953,939 |
| Depreciable capital assets, net | 18,734,857 | 12,759,359 | 31,494,216 |
| Total capital assets, net | 22,345,241 | 14,102,914 | 36,448,155 |
| Total Assets | 35,735,549 | 19,599,147 | 55,334,696 |
| Deferred Outflows of Resources: | | | |
| Unamortized deferred charges on debt refunding | - | 337,429 | 337,429 |
| Pension - OPERS | 154,992 | 112,117 | 267,109 |
| Pension - OP&F | 315,692 | - | 315,692 |
| Total Deferred Outflows of Resources | 470,684 | 449,546 | 920,230 |
| Liabilities: | | | |
| Accounts payable | 29,862 | 236,380 | 266,242 |
| Contracts payable | 272,806 | - | 272,806 |
| Retainage payable | 99,902 | 38,422 | 138,324 |
| Accrued wages and benefits payable | 78,946 | 17,608 | 96,554 |
| Due to other governments | 32,980 | 10,844 | 43,824 |
| Accrued interest payable | 30,535 | 9,216 | 39,751 |
| Pension and postemployment benefits payable | 13,412 | 2,466 | 15,878 |
| Unearned revenue | 5,639 | 37,280 | 42,919 |
| <u>Long-term liabilities:</u> | | | |
| Due within one year | 697,758 | 693,123 | 1,390,881 |
| Due in more than one year: | | | |
| Net pension liability | 3,048,031 | 531,060 | 3,579,091 |
| Other amounts due in more than one year | 7,813,354 | 12,955,397 | 20,768,751 |
| Total Liabilities | 12,123,225 | 14,531,796 | 26,655,021 |
| Deferred Inflows of Resources: | | | |
| Property taxes levied for the next fiscal year | 806,998 | - | 806,998 |
| PILOTs levied for the next fiscal year | 185,824 | - | 185,824 |
| Pension - OPERS | 18,826 | 13,619 | 32,445 |
| Total Deferred Inflows of Resources | 1,011,648 | 13,619 | 1,025,267 |
| Net Position: | | | |
| Net investment in capital assets | 14,059,671 | 934,760 | 14,994,431 |
| Restricted for: | | | |
| Debt service | 429,136 | - | 429,136 |
| Capital projects | 3,481,168 | - | 3,481,168 |
| Transportation projects | 3,557,497 | - | 3,557,497 |
| Community development | 2,285 | - | 2,285 |
| Police | 474,253 | - | 474,253 |
| Unrestricted | 1,067,350 | 4,568,518 | 5,635,868 |
| Total Net Position | \$ 23,071,360 | \$ 5,503,278 | \$ 28,574,638 |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

| | <u>Expenses</u> | <u>Program Revenues</u> | | |
|---------------------------------------|---------------------|---|---|---|
| | | <u>Charges for Services and Sales</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> |
| Governmental activities: | | | | |
| General government | \$ 1,919,562 | \$ 290,261 | \$ 172,288 | \$ - |
| Security of persons and property | 2,134,698 | 158,344 | 119,192 | - |
| Transportation | 1,762,282 | - | 946,405 | 274,739 |
| Community environment | 246,113 | 53,269 | - | - |
| Leisure time activity | 67,486 | 33,390 | - | - |
| Interest and fiscal charges | 211,259 | - | - | - |
| Total Governmental Activities | 6,341,400 | 535,264 | 1,237,885 | 274,739 |
| Business-type activities: | | | | |
| Water | 1,798,346 | 1,880,929 | - | - |
| Sewer | 1,594,905 | 2,002,362 | - | - |
| Total Business-Type Activities | 3,393,251 | 3,883,291 | - | - |
| Total Primary Government | \$ 9,734,651 | \$ 4,418,555 | \$ 1,237,885 | \$ 274,739 |

General revenues:

Property taxes levied for:
 General purposes
Income taxes levied for:
 Street fund
 Police 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
Miscellaneous

Total General Revenues

Change in Net Position

Net Position at Beginning of Year (Restated)

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 |
|------------------------------------|-------------------------------------|----------------------|
| \$ (1,457,013) | \$ - | \$ (1,457,013) |
| (1,857,162) | - | (1,857,162) |
| (541,138) | - | (541,138) |
| (192,844) | - | (192,844) |
| (34,096) | - | (34,096) |
| (211,259) | - | (211,259) |
| (4,293,512) | - | (4,293,512) |
| - | 82,583 | 82,583 |
| - | 407,457 | 407,457 |
| - | 490,040 | 490,040 |
| (4,293,512) | 490,040 | (3,803,472) |
| 827,781 | - | 827,781 |
| 1,542,506 | - | 1,542,506 |
| 2,393,147 | - | 2,393,147 |
| 485,230 | - | 485,230 |
| 49,335 | - | 49,335 |
| 125 | - | 125 |
| 153,835 | - | 153,835 |
| 189,381 | - | 189,381 |
| 11,049 | 30,006 | 41,055 |
| 9,491 | 2,296 | 11,787 |
| 5,661,880 | 32,302 | 5,694,182 |
| 1,368,368 | 522,342 | 1,890,710 |
| 21,702,992 | 4,980,936 | 26,683,928 |
| \$ 23,071,360 | \$ 5,503,278 | \$ 28,574,638 |

CITY OF PATASKALA, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2015

| | <u>General</u> | <u>Street</u> | <u>Police</u> | <u>Capital Improvements</u> |
|---|----------------------------|----------------------------|----------------------------|---------------------------------|
| Assets: | | | | |
| Equity in pooled cash and investments | \$ 961,306 | \$ 2,123,672 | \$ 1,288,060 | \$ 1,812,245 |
| <u>Receivables:</u> | | | | |
| Income taxes | - | 818,036 | 1,216,155 | 49,335 |
| Real and other taxes | 831,925 | - | - | - |
| Accounts | 50,873 | 645 | 12,086 | - |
| Special assessments | 2,913 | - | - | - |
| Accrued interest | 2,527 | 5,612 | 153 | 4,924 |
| Payment in lieu of taxes | - | - | - | - |
| Due from other governments | 86,957 | 342,751 | 69,715 | 120 |
| Materials and supplies inventory | - | 43,184 | - | - |
| Prepayments | 13,589 | 16,343 | 30,517 | - |
| <u>Restricted assets:</u> | | | | |
| Equity in pooled cash and investments | - | 10,434 | - | 59,997 |
| Cash with fiscal and escrow agents | - | - | - | - |
| Total Assets | <u>\$ 1,950,090</u> | <u>\$ 3,360,677</u> | <u>\$ 2,616,686</u> | <u>\$ 1,926,621</u> |
| Liabilities: | | | | |
| Accounts payable | \$ 13,991 | \$ 10,771 | \$ 4,564 | \$ - |
| Contracts payable | - | - | - | 80,091 |
| Retainage payable | - | 10,434 | - | 59,997 |
| Accrued wages and benefits payable | 23,305 | 11,303 | 44,338 | - |
| Due to other governments | 6,110 | 6,876 | 19,814 | - |
| Unearned revenue | - | - | - | - |
| Pension and postemployment benefits payable | 3,263 | 1,582 | 8,567 | - |
| Total Liabilities | <u>46,669</u> | <u>40,966</u> | <u>77,283</u> | <u>140,088</u> |
| Deferred Inflows of Resources: | | | | |
| Property taxes levied for the next fiscal year | 806,998 | - | - | - |
| Delinquent property tax revenue not available | 24,927 | - | - | - |
| Investment income not available | 262 | 582 | 16 | 511 |
| Special assessments revenue not available | 2,913 | - | - | - |
| Income tax revenue not available | - | 551,445 | 819,820 | 33,258 |
| Intergovernmental revenue not available | 78,399 | 228,263 | 66,756 | - |
| PILOTs levied for the next fiscal year | - | - | - | - |
| Total Deferred Inflows of Resources | <u>913,499</u> | <u>780,290</u> | <u>886,592</u> | <u>33,769</u> |
| Fund Balances: | | | | |
| Nonspendable | 13,621 | 59,527 | 30,517 | - |
| Restricted | - | 2,479,894 | 1,622,294 | 1,752,764 |
| Committed | - | - | - | - |
| Assigned | 148,242 | - | - | - |
| Unassigned | 828,059 | - | - | - |
| Total Fund Balances | <u>989,922</u> | <u>2,539,421</u> | <u>1,652,811</u> | <u>1,752,764</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 1,950,090</u> | <u>\$ 3,360,677</u> | <u>\$ 2,616,686</u> | <u>\$ 1,926,621</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

| Other Governmental Funds | Total Governmental Funds |
|---|---|
| \$ 2,754,828 | \$ 8,940,111 |
| 211,106 | 2,294,632 |
| - | 831,925 |
| 1,078 | 64,682 |
| - | 2,913 |
| 1,906 | 15,122 |
| 185,824 | 185,824 |
| 264,683 | 764,226 |
| - | 43,184 |
| - | 60,449 |
| 29,471 | 99,902 |
| 75,772 | 75,772 |
| \$ 3,524,668 | \$ 13,378,742 |

| | |
|----------------|----------------|
| \$ 536 | \$ 29,862 |
| 192,715 | 272,806 |
| 29,471 | 99,902 |
| - | 78,946 |
| 180 | 32,980 |
| 5,639 | 5,639 |
| - | 13,412 |
| 228,541 | 533,547 |

| | |
|----------------|------------------|
| - | 806,998 |
| - | 24,927 |
| 197 | 1,568 |
| - | 2,913 |
| 142,308 | 1,546,831 |
| 18,507 | 391,925 |
| 185,824 | 185,824 |
| 346,836 | 2,960,986 |

| | |
|---------------------|----------------------|
| - | 103,665 |
| 2,637,094 | 8,492,046 |
| 312,197 | 312,197 |
| - | 148,242 |
| - | 828,059 |
| 2,949,291 | 9,884,209 |
| \$ 3,524,668 | \$ 13,378,742 |



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CITY OF PATASKALA, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2015

| | | |
|---|--------------|----------------------|
| Total governmental fund balances | | \$ 9,884,209 |
| <i>Amounts reported for governmental activities on the statement of net position are different because:</i> | | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | 22,345,241 |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds. | | |
| Income taxes receivable | \$ 1,546,831 | |
| Real and other taxes receivable | 24,927 | |
| Special assessments receivable | 2,913 | |
| Accrued interest receivable | 1,568 | |
| Due from other governments | 391,925 | |
| Total | | 1,968,164 |
| Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds. | | (30,535) |
| Unamortized premiums on bond issuances are not recognized in the funds. | | (233,704) |
| The net pension asset and net pension liability are not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds. | | |
| Net pension asset | 11,566 | |
| Deferred outflows of resources | 470,684 | |
| Deferred inflows of resources | (18,826) | |
| Net pension liability | (3,048,031) | |
| Total | | (2,584,607) |
| 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 | (111,119) | |
| General obligation bonds payable | (6,375,000) | |
| LGI loans payable | (868,660) | |
| Capital leases payable | (639,033) | |
| SIB loan payable | (196,985) | |
| OPWC loans payable | (86,611) | |
| Total | | (8,277,408) |
| Net Position of Governmental Activities | | \$ 23,071,360 |

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, 2015

| | <u>General</u> | <u>Street</u> | <u>Police</u> | <u>Capital Improvements</u> |
|--|-------------------|---------------------|---------------------|---------------------------------|
| Revenues: | | | | |
| Income taxes | \$ - | \$ 1,665,260 | \$ 2,668,648 | \$ 16,077 |
| Real and other taxes | 832,535 | - | - | - |
| Charges for services | - | - | 8,326 | - |
| Licenses and permits | 249,575 | - | - | - |
| Fines and forfeitures | 148,190 | - | 525 | - |
| Intergovernmental | 183,477 | 664,425 | 21,852 | 120 |
| Special assessments | 5,591 | - | - | - |
| Investment income | 8,262 | 17,977 | 8,481 | 16,818 |
| Rental income | 3,420 | - | - | - |
| Contributions and donations | - | - | 18,060 | - |
| Payments in lieu of taxes | - | - | - | - |
| Other | 9,491 | 18,413 | 7,095 | 39,797 |
| Total Revenues | 1,440,541 | 2,366,075 | 2,732,987 | 72,812 |
| Expenditures: | | | | |
| <u>Current:</u> | | | | |
| General government | 940,050 | 456,089 | 318,408 | - |
| Security of persons and property | - | - | 2,029,127 | - |
| Transportation | - | 1,494,035 | - | - |
| Community environment | 256,706 | - | - | - |
| Leisure time activity | 43,033 | - | - | - |
| Capital outlay | - | 500,000 | - | 1,096,179 |
| <u>Debt service:</u> | | | | |
| Principal retirement | 6,228 | 156,152 | 24,023 | - |
| Interest and fiscal charges | 544 | 5,226 | 2,764 | - |
| Total Expenditures | 1,246,561 | 2,611,502 | 2,374,322 | 1,096,179 |
| Excess (deficiency) of revenues over (under) expenditures | 193,980 | (245,427) | 358,665 | (1,023,367) |
| Other Financing Sources (Uses): | | | | |
| Sale of capital assets | - | - | 12,086 | - |
| Inception of capital lease | - | 500,000 | - | - |
| Transfers in | - | 50,000 | - | 2,422,274 |
| Transfers (out) | (200,000) | (165,180) | (17,500) | - |
| Issuance of loan proceeds | - | - | - | - |
| Total Other Financing Sources (Uses) | (200,000) | 384,820 | (5,414) | 2,422,274 |
| Net Change in Fund Balances | (6,020) | 139,393 | 353,251 | 1,398,907 |
| Fund Balances at Beginning of Year | 995,942 | 2,400,028 | 1,299,560 | 353,857 |
| Fund Balances at End of Year | \$ 989,922 | \$ 2,539,421 | \$ 1,652,811 | \$ 1,752,764 |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

| Other Governmental Funds | | Total Governmental Funds | |
|---|--------------------|---|------------------|
| \$ | 598,149 | \$ | 4,948,134 |
| | - | | 832,535 |
| | 29,970 | | 38,296 |
| | - | | 249,575 |
| | 5,242 | | 153,957 |
| | 609,345 | | 1,479,219 |
| | - | | 5,591 |
| | 9,454 | | 60,992 |
| | 87,628 | | 91,048 |
| | - | | 18,060 |
| | 153,835 | | 153,835 |
| | - | | 74,796 |
| | 1,493,623 | | 8,106,038 |
| | | | |
| | 35,496 | | 1,750,043 |
| | - | | 2,029,127 |
| | 157,898 | | 1,651,933 |
| | - | | 256,706 |
| | 500 | | 43,533 |
| | 906,446 | | 2,502,625 |
| | 336,161 | | 522,564 |
| | 226,660 | | 235,194 |
| | 1,663,161 | | 8,991,725 |
| | | | |
| | (169,538) | | (885,687) |
| | | | |
| | - | | 12,086 |
| | - | | 500,000 |
| | 1,304,080 | | 3,776,354 |
| | (3,393,674) | | (3,776,354) |
| | 700,000 | | 700,000 |
| | (1,389,594) | | 1,212,086 |
| | | | |
| | (1,559,132) | | 326,399 |
| | | | |
| | 4,508,423 | | 9,557,810 |
| \$ | 2,949,291 | \$ | 9,884,209 |

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, 2015

| | | |
|---|--------------|------------------|
| Net Change in Fund Balances - Total Governmental Funds | \$ | 326,399 |
| <i>Amounts reported for governmental activities in the statement of activities are different because:</i> | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. | | |
| Capital asset additions | \$ 3,446,755 | |
| Current year depreciation | (1,319,928) | |
| Total | | 2,126,827 |
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position. | | |
| | | (20,114) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Income taxes | (477,791) | |
| Real and other taxes | (4,754) | |
| Intergovernmental revenues | 89,192 | |
| Special assessments | (3,203) | |
| Investment income | 286 | |
| Total | | (396,270) |
| Proceeds of leases and loans are reported as other financing sources 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. | | |
| LGI loan | (700,000) | |
| Capital leases | (500,000) | |
| Total | | (1,200,000) |
| Repayment of bond, 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. | | |
| Bonds | 255,000 | |
| Notes | 42,756 | |
| Capital leases | 186,403 | |
| SIB loan | 29,543 | |
| LGI loans | 5,625 | |
| OPWC loans | 3,237 | |
| Total | | 522,564 |
| In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due. | | |
| Accrued interest payable | 11,581 | |
| Amortization of bond premiums and discounts | 12,354 | |
| Total | | 23,935 |
| Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. | | |
| | | 325,565 |
| Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability are reported as pension expense in the statement of activities. | | |
| | | (313,430) |
| 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. | | |
| | | (27,108) |
| Change in Net Position of Governmental Activities | \$ | 1,368,368 |

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, 2015

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------|-------------------|---|
| | Original | Final | Actual | |
| Revenues: | | | | |
| Real and other taxes | \$ 868,350 | \$ 831,578 | \$ 832,535 | \$ 957 |
| Licenses and permits | 249,500 | 265,500 | 249,312 | (16,188) |
| Fines and forfeitures | 180,000 | 174,000 | 152,933 | (21,067) |
| Intergovernmental | 174,125 | 174,025 | 183,541 | 9,516 |
| Special assessments | 4,200 | 6,000 | 5,591 | (409) |
| Investment income | 3,000 | 6,000 | 7,187 | 1,187 |
| Rental income | 117,300 | - | - | - |
| Other | 10,500 | 15,500 | 16,352 | 852 |
| Total Revenues | 1,606,975 | 1,472,603 | 1,447,451 | (25,152) |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 1,165,872 | 1,182,373 | 1,063,460 | 118,913 |
| Community environment | 302,049 | 302,049 | 261,438 | 40,611 |
| Leisure time activity | 78,684 | 90,684 | 63,630 | 27,054 |
| Total Expenditures | 1,546,605 | 1,575,106 | 1,388,528 | 186,578 |
| Excess (deficiency) of Expenditures Over (under) Revenues | 60,370 | (102,503) | 58,923 | 161,426 |
| Other Financing Uses: | | | | |
| Transfers (out) | (200,000) | (200,000) | (200,000) | - |
| Total Other Financing Uses | (200,000) | (200,000) | (200,000) | - |
| Net Change in Fund Balances | (139,630) | (302,503) | (141,077) | 161,426 |
| Fund Balances at Beginning of Year | 870,012 | 870,012 | 870,012 | - |
| Prior Year Encumbrances Appropriated | 100,350 | 100,350 | 100,350 | - |
| Fund Balance at End of Year | \$ 830,732 | \$ 667,859 | \$ 829,285 | \$ 161,426 |

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, 2015

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|---------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Income taxes | \$ 1,506,771 | \$ 1,625,141 | \$ 1,615,053 | \$ (10,088) |
| Intergovernmental | 773,000 | 675,000 | 667,793 | (7,207) |
| Investment income | 7,000 | 10,000 | 16,113 | 6,113 |
| Other | 30,000 | 30,000 | 25,054 | (4,946) |
| Total Revenues | 2,316,771 | 2,340,141 | 2,324,013 | (16,128) |
| Expenditures: | | | | |
| <u>Current:</u> | | | | |
| General government | 425,571 | 524,829 | 486,625 | 38,204 |
| Transportation | 2,034,303 | 2,397,474 | 1,729,681 | 667,793 |
| Total Expenditures | 2,459,874 | 2,922,303 | 2,216,306 | 705,997 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (143,103) | (582,162) | 107,707 | 689,869 |
| Other Financing Sources (Uses): | | | | |
| Transfers in | - | 50,000 | 50,000 | - |
| Transfers (out) | (36,380) | (165,180) | (165,180) | - |
| Total Other Financing Sources (Uses) | (36,380) | (115,180) | (115,180) | - |
| Net Change in Fund Balances | (179,483) | (697,342) | (7,473) | 689,869 |
| Fund Balances at Beginning of Year | 1,875,679 | 1,875,679 | 1,875,679 | - |
| Prior Year Encumbrances Appropriated | 197,382 | 197,382 | 197,382 | - |
| Fund Balance at End of Year | \$ 1,893,578 | \$ 1,375,719 | \$ 2,065,588 | \$ 689,869 |

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, 2015

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|---------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Income taxes | \$ 2,447,899 | \$ 2,640,199 | \$ 2,623,855 | \$ (16,344) |
| Charges for services | 6,000 | 7,500 | 8,326 | 826 |
| Fines and forfeitures | 2,500 | 1,000 | 665 | (335) |
| Intergovernmental | 4,500 | 4,500 | 22,948 | 18,448 |
| Investment income | 6,500 | 6,500 | 8,862 | 2,362 |
| Other | 20,000 | 37,500 | 21,828 | (15,672) |
| Total Revenues | 2,487,399 | 2,697,199 | 2,686,484 | (10,715) |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 325,885 | 342,945 | 326,013 | 16,932 |
| Security of persons and property | 2,193,868 | 2,234,221 | 2,086,278 | 147,943 |
| Total Expenditures | 2,519,753 | 2,577,166 | 2,412,291 | 164,875 |
| Excess of Expenditures Over Revenues | (32,354) | 120,033 | 274,193 | 154,160 |
| Other Financing Uses: | | | | |
| Transfers (out) | (17,500) | (17,500) | (17,500) | - |
| Total Other Financing Uses | (17,500) | (17,500) | (17,500) | - |
| Net change in fund balances | (49,854) | 102,533 | 256,693 | 154,160 |
| Fund Balances at Beginning of Year | 941,011 | 941,011 | 941,011 | - |
| Prior Year Encumbrances Appropriated | 60,724 | 60,724 | 60,724 | - |
| Fund Balance at End of Year | \$ 951,881 | \$ 1,104,268 | \$ 1,258,428 | \$ 154,160 |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

DECEMBER 31, 2015

| | Business-type Activities - Enterprise Funds | | |
|--|---|---------------------|---------------------|
| | Water | Sewer | Total |
| Assets: | | | |
| Current assets: | | | |
| Equity in pooled cash and investments | \$ 1,889,989 | \$ 2,500,234 | \$ 4,390,223 |
| <u>Receivables:</u> | | | |
| Accounts | 238,069 | 279,421 | 517,490 |
| Special assessments | - | 305,046 | 305,046 |
| Accrued interest | 5,048 | 6,554 | 11,602 |
| Materials and supplies inventory | 150,221 | 43,088 | 193,309 |
| Prepayments | 13,821 | 17,953 | 31,774 |
| Total Current Assets | 2,297,148 | 3,152,296 | 5,449,444 |
| Noncurrent assets: | | | |
| Net pension asset | 3,774 | 4,593 | 8,367 |
| <u>Restricted assets:</u> | | | |
| Equity in pooled cash and investments | 29,471 | 8,951 | 38,422 |
| Total Restricted Assets | 29,471 | 8,951 | 38,422 |
| Capital assets: | | | |
| Non-depreciable capital assets | 772,615 | 570,940 | 1,343,555 |
| Depreciable capital assets, net | 5,755,742 | 7,003,617 | 12,759,359 |
| Total Capital Assets, Net | 6,528,357 | 7,574,557 | 14,102,914 |
| Total Noncurrent Assets | 6,561,602 | 7,588,101 | 14,149,703 |
| Total Assets | 8,858,750 | 10,740,397 | 19,599,147 |
| Deferred Outflows of Resources: | | | |
| Unamortized deferred charges on debt refunding | 336,043 | 1,386 | 337,429 |
| Pension - OPERS | 50,573 | 61,544 | 112,117 |
| Total Deferred Outflows of Resources | 386,616 | 62,930 | 449,546 |
| Liabilities: | | | |
| Current liabilities: | | | |
| Accounts payable | 69,070 | 167,310 | 236,380 |
| Retainage payable | 29,471 | 8,951 | 38,422 |
| Accrued wages and benefits payable | 12,383 | 5,225 | 17,608 |
| Due to other governments | 4,993 | 5,851 | 10,844 |
| Accrued interest payable | 5,684 | 3,532 | 9,216 |
| Compensated absences payable - current | 14,885 | 9,641 | 24,526 |
| General obligation bonds payable | 265,000 | 110,000 | 375,000 |
| OWDA loans payable | - | 193,597 | 193,597 |
| OPWC loans payable | 100,000 | - | 100,000 |
| Pension and postemployment benefits payable | 1,734 | 732 | 2,466 |
| Unearned revenue | 19,900 | 17,380 | 37,280 |
| Total Current Liabilities | 523,120 | 522,219 | 1,045,339 |
| <u>Long-term liabilities:</u> | | | |
| Compensated absences payable | 34 | - | 34 |
| General obligation bonds payable | 7,326,432 | 1,456,549 | 8,782,981 |
| OWDA loans payable | - | 3,572,382 | 3,572,382 |
| Other loans payable | 600,000 | - | 600,000 |
| Net pension liability | 239,547 | 291,513 | 531,060 |
| Total Long-Term Liabilities | 8,166,013 | 5,320,444 | 13,486,457 |
| Total Liabilities | 8,689,133 | 5,842,663 | 14,531,796 |
| Deferred Inflows of Resources: | | | |
| Pension - OPERS | 6,143 | 7,476 | 13,619 |
| Total Deferred Inflows of Resources | 6,143 | 7,476 | 13,619 |
| Net Position: | | | |
| Net investment in capital assets | (1,399,088) | 2,333,848 | 934,760 |
| Unrestricted | 1,949,178 | 2,619,340 | 4,568,518 |
| Total Net Position | \$ 550,090 | \$ 4,953,188 | \$ 5,503,278 |

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, 2015

| | Business-type Activities - Enterprise Funds | | |
|---|--|---------------------|---------------------|
| | Water | Sewer | Total |
| Operating Revenues: | | | |
| Charges for services | \$ 1,880,929 | \$ 1,992,544 | \$ 3,873,473 |
| Special assessments | - | 9,818 | 9,818 |
| Other operating revenues | 1,165 | 1,131 | 2,296 |
| Total Operating Revenues | 1,882,094 | 2,003,493 | 3,885,587 |
| Operating Expenses: | | | |
| Salaries & related services | 444,140 | 534,875 | 979,015 |
| Contractual services | 187,406 | 337,928 | 525,334 |
| General operating | 463,186 | 224,077 | 687,263 |
| Depreciation | 304,255 | 343,384 | 647,639 |
| Total Operating Expenses | 1,398,987 | 1,440,264 | 2,839,251 |
| Operating Income | 483,107 | 563,229 | 1,046,336 |
| Nonoperating Revenues (Expenses): | | | |
| Interest and fiscal charges | (308,406) | (154,641) | (463,047) |
| Interest income | 13,042 | 16,964 | 30,006 |
| Bond issuance costs | (90,953) | - | (90,953) |
| Total Nonoperating Revenues (Expenses) | (386,317) | (137,677) | (523,994) |
| Change in Net Position | 96,790 | 425,552 | 522,342 |
| Net Position at Beginning of Year (Restated) | 453,300 | 4,527,636 | 4,980,936 |
| Net Position at End of Year | \$ 550,090 | \$ 4,953,188 | \$ 5,503,278 |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

| | Business-type Activities - Enterprise Funds | | |
|--|--|---------------------|---------------------|
| | Water | Sewer | Total |
| Cash Flows From Operating Activities: | | | |
| Cash received from charges for services | \$ 1,881,645 | \$ 1,974,911 | \$ 3,856,556 |
| Cash received from special assessments | - | 18,854 | 18,854 |
| Cash received from other operations | 5,463 | 5,460 | 10,923 |
| Cash payments for salaries & related services | (455,280) | (553,483) | (1,008,763) |
| Cash payments for contractual services | (171,415) | (303,375) | (474,790) |
| Cash payments for general operating costs | (410,733) | (279,058) | (689,791) |
| Net Cash Provided by Operating Activities | 849,680 | 863,309 | 1,712,989 |
| Cash Flows From Capital and Related Financing Activities: | | | |
| Acquisition of capital assets | (423,680) | (230,342) | (654,022) |
| Principal retirement on bonds & loans | (200,000) | (298,483) | (498,483) |
| Interest paid on bonds, notes & loans | (331,771) | (157,178) | (488,949) |
| Bonds issued | 5,460,000 | - | 5,460,000 |
| Premiums on bonds issued | 380,024 | - | 380,024 |
| Loans issued | 700,000 | - | 700,000 |
| Payment to refunded bond escrow agent | (5,742,093) | - | (5,742,093) |
| Bond issuance costs | (90,953) | - | (90,953) |
| Net Cash Used In Capital and Related Financing Activities | (248,473) | (686,003) | (934,476) |
| Cash Flows From Investing Activities: | | | |
| Interest received | 10,805 | 14,435 | 25,240 |
| Decrease in fair value of investments | (634) | (201) | (835) |
| Net Cash Provided by Investing Activities | 10,171 | 14,234 | 24,405 |
| Net Increase in Cash and Investments | 611,378 | 191,540 | 802,918 |
| Cash and Investments at Beginning of Year | 1,308,082 | 2,317,645 | 3,625,727 |
| Cash and Investments at End of Year | \$ 1,919,460 | \$ 2,509,185 | \$ 4,428,645 |

(Continued)

CITY OF PATASKALA, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2015

| | Business-type Activities - Enterprise Funds | | |
|--|--|-------------------|---------------------|
| | Water | Sewer | Total |
| Reconciliation of Operating Income to Net Cash Provided by Operating Activities: | | | |
| Operating Income | \$ 483,107 | \$ 563,229 | \$ 1,046,336 |
| <u>Adjustments:</u> | | | |
| Depreciation | 304,255 | 343,384 | 647,639 |
| <u>Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:</u> | | | |
| Accounts receivable | (9,911) | (26,339) | (36,250) |
| Special assessment receivable | - | 9,036 | 9,036 |
| Materials and supplies inventory | 62,081 | (25,024) | 37,057 |
| Prepayments | (7,726) | (5,296) | (13,022) |
| Net pension asset | (2,746) | (3,341) | (6,087) |
| Deferred outflows - pension - OPERS | (18,196) | (22,144) | (40,340) |
| Accounts payable | 17,134 | 11,351 | 28,485 |
| Accrued wages and benefits | 2,118 | 626 | 2,744 |
| Due to other governments | (10,672) | (11,186) | (21,858) |
| Compensated absences payable | 3,460 | 1,830 | 5,290 |
| Pension and postemployment benefits payable | 297 | 88 | 385 |
| Unearned revenue | 14,925 | 13,035 | 27,960 |
| Net pension liability | 5,411 | 6,584 | 11,995 |
| Deferred inflows - pension - OPERS | 6,143 | 7,476 | 13,619 |
| Net Cash Provided by Operating Activities | \$ 849,680 | \$ 863,309 | \$ 1,712,989 |

Non-Cash Transactions:

At December 31, 2015, the Water fund and Sewer fund purchased \$66,427 and \$127,150, respectively, in capital assets on account.

At December 31, 2014, the Water fund purchased \$8,821 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, 2015

| | <u>Agency</u> |
|---|--------------------------|
| Assets: | |
| Equity in pooled cash and investments | \$ 309,967 |
| Cash in segregated accounts | <u>200</u> |
| Total Assets | <u>\$ 310,167</u> |
| Liabilities: | |
| Undistributed monies | \$ 200 |
| Pension and postemployment benefits payable | 62,580 |
| Deposits held and due to others | <u>247,387</u> |
| Total Liabilities | <u>\$ 310,167</u> |

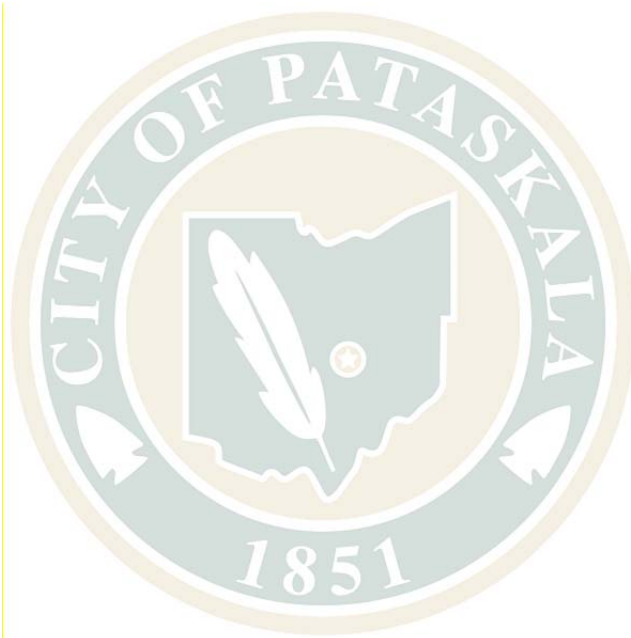
SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF PATASKALA, OHIO
SCHEDULE OF NOTES TO THE
BASIC FINANCIAL STATEMENTS

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CITY OF PATASKALA, OHIO
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CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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) and the Licking Heights Youth Association (girls softball). 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.

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 ORGANIZATIONS

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 2015 for the operation of the West Licking Joint Fire District.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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 2015 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.

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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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. Regardless of the population or tax collections of member municipalities, each member of the RCOG has an equal say in the operations of RITA.

GROW Licking County - Formed in 2012, GROW Licking County (GROW) is a 501(c)(3) non-profit, public-private partnership for the purpose of serving as the lead economic development organization for Licking County, Ohio. The organization is governed by a 15-member board that is tasked with setting the annual operating and capital budgets for GROW. Board members are appointed by the founding members of the organization (the Licking County Chamber of Commerce, the Licking County Commissioner's Office, and the Heath-Newark-Licking County Port Authority), and serve staggered 3-year terms. The Mayor of Pataskala was appointed to the Board by the Licking County Chamber of Commerce to serve on the board as the City of Pataskala's representative. The Mayor's term expires on December 31, 2018. The City of Pataskala contributed \$10,000 towards GROW in 2015.

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.

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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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

Capital improvements fund - The capital improvements fund is used to account for income taxes 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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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, the construction accounts fund and the payroll clearing account 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.

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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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.

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 Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources have been reported for the following items related to the City's net pension liability: (1) the net difference between projected and actual investment earnings on pension plan assets, (2) the City's contributions to the pension systems subsequent to the measurement date and (3) differences between employer's contributions and the employer's proportional share of contributions.

In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance 2016 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes, but is not limited to, delinquent property taxes, income taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

The City also reports deferred inflow of resources for the following items related to the City's net pension liability: (1) differences between expected and actual experience and (2) differences between employer's contributions and the employer's proportional share of contributions. These deferred inflows of resources are only reported on the government-wide statement of net position.

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 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.

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 2015.

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 2015.

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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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 2015, investments were limited to State Treasury Asset Reserve of Ohio (STAR Ohio), Federal Home Loan Bank (FHLB) Securities, Federal Farm Credit Bank (FFCB) Securities, Federal National Mortgage Association (FNMA) Securities, negotiable certificates of deposit and a governmental money market account. Except for any nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

The City has 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 2015. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price, which is the price the investment could be sold for on December 31, 2015.

Interest income is distributed to the funds according to statutory requirements and City policy. Interest revenue earned and credited to the general fund during 2015 amounted to \$8,262, which included \$5,586 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.

CITY OF PATASKALA, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

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

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.

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

| <u>Description</u> | <u>Governmental Activities Estimated Lives</u> | <u>Business-type Activities Estimated Lives</u> | <u>Capitalization Thresholds</u> |
|----------------------------|--|---|--------------------------------------|
| 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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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, 2015, 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 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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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, 2015, there were no interfund loans receivable/payable.

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.

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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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 of resources less liabilities plus deferred inflows of resources. 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.

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 25-35% 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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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 and monies held separately for retainage related to construction projects.

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 2015.

V. Unamortized Bond Premium and Discount/Unamortized Accounting Gain or Loss/Bond Issuance Costs

Bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds and bond discounts are presented as a reduction to the face amount of the bonds.

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

On the governmental fund financial statements, bond premiums and discounts are recognized in the current period. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 13.

Bond issuance costs are expensed when they occur.

W. Pensions

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles/Restatement of Net Position

For 2015, the City implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68".

GASB Statement No. 68 improves the accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The implementation of GASB Statement No. 68 affected the City's pension plan disclosures, as presented in Note 15 to the financial statements, and added required supplementary information which is presented after the notes to the basic financial statements.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 71 improves the accounting and financial reporting by addressing an issue in GASB Statement No. 68, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities.

A net position restatement is required in order to implement GASB Statement No 68 and 71. The governmental activities and business-type activities at January 1, 2015 have been restated as follows:

| | Governmental Activities | | |
|--|-----------------------------|-------------------|---------------------|
| Net position as previously reported | \$ 24,299,734 | | |
| Net pension asset | 3,152 | | |
| Deferred outflows - payments subsequent to measurement date | 293,044 | | |
| Net pension liability | <u>(2,892,938)</u> | | |
| Restated net position at January 1, 2015 | <u>\$ 21,702,992</u> | | |
| | Business-Type Activities | Water Fund | Sewer Fund |
| Net position as previously reported | \$ 5,425,944 | \$ 654,031 | \$ 4,771,913 |
| Net pension asset | 2,280 | 1,028 | 1,252 |
| Deferred outflows - payments subsequent to measurement date | 71,777 | 32,377 | 39,400 |
| Net pension liability | <u>(519,065)</u> | <u>(234,136)</u> | <u>(284,929)</u> |
| Restated net position at January 1, 2015 | <u>\$ 4,980,936</u> | <u>\$ 453,300</u> | <u>\$ 4,527,636</u> |

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available. The restatement had no effect on governmental fund balances.

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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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;
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.
9. Time certificates of deposit (CDs) in authorized depositories, provided those funds are properly insured or collateralized as provided in Ohio Revised Code Section 135.18. The payment of the principal and interest thereon for which eligible securities are pledged must be paid and deposited with the City or qualified and approved trustee.
10. Negotiable time certificates of deposit (negotiable CDs) which have a secondary market in which to trade such securities. The underlying issuer must be covered by FDIC insurance, and the amount of the acquired security is limited to ninety seven percent (97%) of the available FDIC coverage. For example, an investment in a negotiable certificate of deposit (CD) would be limited to \$242,500 assuming FDIC coverage limit of \$250,000.

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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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 \$75,772 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, 2015. 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 \$200 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.

C. Deposits with Financial Institutions

At December 31, 2015, the carrying amount of all City deposits was \$6,680,884. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2015, \$410,858 of the City's bank balance of \$6,811,900 was exposed to custodial risk as discussed below, while \$6,401,042 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, 2015, the City had the following investments:

| <u>Investment type</u> | <u>Fair Value</u> | <u>Investment Maturities</u> | | | | |
|---------------------------|---------------------|------------------------------|-----------------------|------------------------|------------------------|-------------------------------|
| | | <u>6 months or less</u> | <u>7 to 12 months</u> | <u>13 to 18 months</u> | <u>19 to 24 months</u> | <u>Greater than 24 months</u> |
| FHLB | \$ 318,794 | \$ - | \$ - | \$ - | \$ - | \$ 318,794 |
| FFCB | 312,656 | - | - | - | - | 312,656 |
| FNMA | 634,247 | - | - | - | - | 634,247 |
| Negotiable CD's | 4,328,729 | 546,126 | 245,397 | 245,125 | 490,341 | 2,801,740 |
| Governmental money market | 815 | 815 | - | - | - | - |
| STAR Ohio | 1,502,700 | 1,502,700 | - | - | - | - |
| Total | \$ 7,097,941 | \$ 2,049,641 | \$ 245,397 | \$ 245,125 | \$ 490,341 | \$ 4,067,437 |

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

The weighted average maturity of investments is 2.27 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. The City has a policy which states that all security transactions, including collateral for repurchase agreements, entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. That is, broker/dealers will not be paid until the securities purchased are delivered to the City or to the City's designated centralized safekeeping account. The securities will be held by centralized safekeeping at a qualified financial institution, hereafter designated "custodian". The centralized custodian will be designated by the Finance Director. The securities will be free and clear of any lien. The custodian will issue a safekeeping receipt to the City, listing the instrument, maturity date and rate. Month-end reports will also be provided to the City by the custodian, including held securities, book and market values, in addition to a written custodial agreement.

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 and the governmental money market 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, 2015:

| <u>Investment type</u> | <u>Fair Value</u> | <u>% to Total</u> |
|---------------------------|---------------------|-------------------|
| FHLB | \$ 318,794 | 4.49 |
| FFCB | 312,656 | 4.40 |
| FNMA | 634,247 | 8.94 |
| Negotiable CD's | 4,328,729 | 60.99 |
| Governmental money market | 815 | 0.01 |
| STAR Ohio | 1,502,700 | 21.17 |
| Total | \$ 7,097,941 | 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, 2015:

| <u>Cash and Investments per Note</u> | |
|--------------------------------------|----------------------|
| Carrying amount of deposits | \$ 6,680,684 |
| Investments | 7,097,941 |
| Cash with fiscal and escrow agent | 75,772 |
| Cash in segregated accounts | 200 |
| Total | \$ 13,854,597 |

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Cash and Investments per Statement of Net Position

| | |
|--------------------------|-----------------------------|
| Governmental activities | \$ 9,115,785 |
| Business type activities | 4,428,645 |
| Agency fund | 310,167 |
| Total | <u>\$ 13,854,597</u> |

NOTE 5 - INTERFUND TRANSACTIONS

Interfund transfers for the year ended December 31, 2015, consisted of the following:

| | <u>Transfer from</u> | | | | |
|------------------------------|-----------------------------|--------------------------|-------------------------|--|--|
| <u>Transfer to</u> | <u>General</u> | <u>Street</u> | <u>Police</u> | | |
| Street fund | \$ - | \$ - | \$ - | | |
| Capital improvements fund | 200,000 | 28,800 | - | | |
| Nonmajor governmental funds: | | | | | |
| Issue II fund | - | 100,000 | - | | |
| Columbia Rd. bridge fund | - | 36,380 | - | | |
| Debt service fund | - | - | 17,500 | | |
| Total | <u>\$ 200,000</u> | <u>\$ 165,180</u> | <u>\$ 17,500</u> | | |

| | <u>Nonmajor Governmental</u> | | | | |
|------------------------------|--------------------------------------|--------------------------|-----------------------------------|---------------------------------|----------------------------|
| <u>Transfer to</u> | <u>Permissive License Tax</u> | <u>Issue II</u> | <u>State Route 310 TIF</u> | <u>Bond Improvements</u> | <u>Total</u> |
| Street fund | \$ - | \$ - | \$ 50,000 | \$ - | \$ 50,000 |
| Capital improvements fund | 199,617 | 111,497 | - | 1,882,360 | 2,422,274 |
| Nonmajor governmental funds: | | | | | |
| Issue II fund | 25,000 | - | - | 1,000,000 | 1,125,000 |
| Columbia Rd. bridge fund | 113,800 | - | - | - | 150,180 |
| Debt service fund | - | - | 11,400 | - | 28,900 |
| Total | <u>\$ 338,417</u> | <u>\$ 111,497</u> | <u>\$ 61,400</u> | <u>\$ 2,882,360</u> | <u>\$ 3,776,354</u> |

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 transfers to the capital improvements fund, Issue II fund and Columbia Rd. Bridge fund from various City funds were to fund capital projects of the City. The transfers out of the police fund and the State Route 310 TIF fund to the debt service fund were for debt service payments.

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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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 thirty-five percent (35%) 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. 2015 public utility property taxes became a lien December 31, 2014, are levied after October 1, 2015, and are collected in 2016 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, 2015 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 2015 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, 2015 was \$2.90 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2015 property tax receipts were based are as follows:

| | |
|-----------------------------|------------------------------|
| Real Property | \$ 314,971,760 |
| Public Utility | <u>13,103,680</u> |
| Total Assessed Value | <u>\$ 328,075,440</u> |

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 the tax on employee earnings, and to 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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 7 - INCOME TAXES - (Continued)

Income tax revenue is credited to five funds. During 2015, of the tax levied, the street fund received 33.30%, the police fund received 54.10% and the debt service fund (a nonmajor governmental fund) received 12.60% and shall be used for operations specific to those departments. Income tax collections allocated to the street, police, debt service and capital improvement funds totaled \$1,665,260, \$2,668,648, \$598,024 and \$16,077, respectively, for the year ended December 31, 2015. The Pataskala Corporate Park Joint Economic Development District fund (a nonmajor governmental fund) receives income taxes from collections within the Pataskala Corporate Park which are restricted for improvements within the park. This fund received \$125 from income taxes in 2015.

RITA administers and collects income taxes for the City. Payments are remitted semi-monthly, net of collection fees of three percent (3.0%). The JEDD income taxes are administered and collected by the City of Newark.

NOTE 8 - RECEIVABLES

Receivables at December 31, 2015, 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, 2015.

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

Governmental activities:

| | |
|----------------------------|--------------|
| Income taxes | \$ 2,294,632 |
| Real and other taxes | 831,925 |
| Accounts | 64,682 |
| Special assessments | 2,913 |
| Accrued interest | 15,122 |
| Payments in lieu of taxes | 185,824 |
| Due from other governments | 764,226 |

Business-type activities:

| | |
|---------------------|---------|
| Accounts | 517,490 |
| Special assessments | 305,046 |
| Accrued interest | 11,602 |

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

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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 2015 was \$153,835 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.

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CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 10 - CAPITAL ASSETS

A. Governmental activities capital asset activity for the year ended December 31, 2015, was as follows.

| <u>Governmental activities:</u> | <u>Balance 12/31/14</u> | <u>Additions</u> | <u>Disposals</u> | <u>Balance 12/31/15</u> |
|---|------------------------------------|----------------------------|----------------------------|------------------------------------|
| <i>Capital assets, not being depreciated:</i> | | | | |
| Land | \$ 1,214,632 | \$ 32,600 | \$ - | \$ 1,247,232 |
| Land improvements | 17,077 | - | - | 17,077 |
| Construction in progress | 363,839 | 2,240,221 | (257,985) | 2,346,075 |
| Total capital assets, not being depreciated | <u>1,595,548</u> | <u>2,272,821</u> | <u>(257,985)</u> | <u>3,610,384</u> |
| <i>Capital assets, being depreciated:</i> | | | | |
| Land improvements | 532,885 | - | - | 532,885 |
| Buildings and improvements | 2,403,576 | 155,270 | - | 2,558,846 |
| Equipment | 680,718 | 108,972 | (40,228) | 749,462 |
| Vehicles | 2,607,498 | 433,887 | (163,607) | 2,877,778 |
| Infrastructure | 18,863,937 | 733,790 | - | 19,597,727 |
| Total capital assets, being depreciated | <u>25,088,614</u> | <u>1,431,919</u> | <u>(203,835)</u> | <u>26,316,698</u> |
| <i>Less: accumulated depreciation:</i> | | | | |
| Land improvements | (79,670) | (22,190) | - | (101,860) |
| Buildings and improvements | (614,733) | (67,488) | - | (682,221) |
| Equipment | (285,003) | (62,111) | 20,114 | (327,000) |
| Vehicles | (1,580,032) | (198,475) | 163,607 | (1,614,900) |
| Infrastructure | (3,886,196) | (969,664) | - | (4,855,860) |
| Total accumulated depreciation | <u>(6,445,634)</u> | <u>(1,319,928)</u> | <u>183,721</u> | <u>(7,581,841)</u> |
| Total capital assets, being depreciated, net | <u>18,642,980</u> | <u>111,991</u> | <u>(20,114)</u> | <u>18,734,857</u> |
| Governmental activities capital assets, net | <u>\$ 20,238,528</u> | <u>\$ 2,384,812</u> | <u>\$ (278,099)</u> | <u>\$ 22,345,241</u> |

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

Governmental activities:

| | |
|---|----------------------------|
| General government | \$ 219,578 |
| Security of persons and property | 137,240 |
| Transportation | 947,185 |
| Leisure time activity | <u>15,925</u> |
| Total Depreciation Expense - Governmental Activities | <u>\$ 1,319,928</u> |

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 10 - CAPITAL ASSETS - (Continued)

B. Business-type activities capital asset activity for the year ended December 31, 2015, was as follows.

| <u>Business-type activities:</u> | <u>Balance</u> <u>12/31/14</u> | <u>Additions</u> | <u>Disposals</u> | <u>Balance</u> <u>12/31/15</u> |
|---|---|--------------------------|-------------------------|---|
| <i>Capital Assets, Not Being Depreciated:</i> | | | | |
| Land | \$ 654,893 | \$ - | \$ - | \$ 654,893 |
| Construction in progress | <u>-</u> | <u>688,662</u> | <u>-</u> | <u>688,662</u> |
| Total Capital Assets, Not Being Depreciated | <u>654,893</u> | <u>688,662</u> | <u>-</u> | <u>1,343,555</u> |
| <i>Capital Assets, Being Depreciated:</i> | | | | |
| Land improvements | 11,651,521 | 55,416 | - | 11,706,937 |
| Buildings and improvements | 2,483,755 | - | - | 2,483,755 |
| Equipment | 153,325 | 8,500 | - | 161,825 |
| Vehicles | 193,681 | 86,200 | - | 279,881 |
| Infrastructure | <u>7,755,525</u> | <u>-</u> | <u>-</u> | <u>7,755,525</u> |
| Total Capital Assets, Being Depreciated | <u>22,237,807</u> | <u>150,116</u> | <u>-</u> | <u>22,387,923</u> |
| <i>Less: Accumulated Depreciation:</i> | | | | |
| Land improvements | (2,640,554) | (311,882) | - | (2,952,436) |
| Buildings and improvements | (1,661,046) | (78,635) | - | (1,739,681) |
| Equipment | (37,336) | (13,414) | - | (50,750) |
| Vehicles | (127,263) | (19,992) | - | (147,255) |
| Infrastructure | <u>(4,514,726)</u> | <u>(223,716)</u> | <u>-</u> | <u>(4,738,442)</u> |
| Total Accumulated Depreciation | <u>(8,980,925)</u> | <u>(647,639)</u> | <u>-</u> | <u>(9,628,564)</u> |
| Total Capital Assets, Being Depreciated, Net | <u>13,256,882</u> | <u>(497,523)</u> | <u>-</u> | <u>12,759,359</u> |
| Business-Type Activities Capital Assets, Net | <u>\$ 13,911,775</u> | <u>\$ 191,139</u> | <u>\$ -</u> | <u>\$ 14,102,914</u> |

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

Business-type activities:

| | |
|--|--------------------------|
| Water | \$ 304,255 |
| Sewer | <u>343,384</u> |
| Total Depreciation Expense - Business Type Activities | <u>\$ 647,639</u> |

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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 are permitted to earn compensatory-time and may accrue a maximum of between 80-120 hours depending upon the applied collective bargaining agreement or City policy and may be carried forward to the next year.

As of December 31, 2015, the liability for compensated absences in governmental activities and business-type activities was \$111,119 and \$24,560, respectively. The total liability for the City's compensated absences reported on the statement of net position was \$135,679 with \$117,694 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 a backhoe, durapatcher, dump truck and a skid steer. In previous years, the City entered into capital lease agreements for the acquisition of two dump trucks, 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.

Vehicles and equipment in the amount of \$765,235 have been capitalized, which is equal to the present value of the future minimum lease payment at the time of acquisition. A corresponding liability was recorded. Accumulated depreciation on the vehicles totaled \$56,751, leaving a current book value of \$708,484.

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 \$83,611 at December 31, 2015 has been recorded in the government-wide financial statements. Principal and interest payments in 2015 totaled \$6,228 and \$544, respectively, are reported as debt service payments of the general fund. Principal and interest payments of \$156,152 and \$5,226, respectively, are reported as debt service payments in the street fund. Principal and interest payments of \$24,023 and \$2,764, respectively, are reported as debt service payments in the police fund.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 12 - CAPITAL LEASES - LESSEE DISCLOSURE - (Continued)

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, 2015:

| <u>Fiscal Year Ending</u> <u>December 31,</u> | <u>Amount</u> |
|--|--------------------------|
| 2016 | \$ 194,936 |
| 2017 | 189,116 |
| 2018 | 188,165 |
| 2019 | <u>105,178</u> |
| Total minimum lease payment | 677,395 |
| Less: amount representing interest | <u>(38,362)</u> |
| Present value of minimum lease payments | <u>\$ 639,033</u> |

NOTE 13 - LONG-TERM OBLIGATIONS

A. During 2015, the following activity occurred in the City's governmental long-term obligations. The governmental long-term obligations have been restated as described in Note 3.

| | <u>Restated</u> <u>Balance</u> <u>12/31/14</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance</u> <u>12/31/15</u> | <u>Amounts</u> <u>Due in</u> <u>One Year</u> |
|--|--|----------------------------|----------------------------|-----------------------------------|--|
| Governmental activities: | | | | | |
| Series 2014 general obligation bonds | \$ 6,630,000 | \$ - | \$ (255,000) | \$ 6,375,000 | \$ 270,000 |
| Miscellaneous loans payable | 174,285 | 700,000 | (5,625) | 868,660 | 122,500 |
| Notes payable | 42,756 | - | (42,756) | - | - |
| Capital leases | 325,436 | 500,000 | (186,403) | 639,033 | 178,417 |
| SIB loan | 226,528 | - | (29,543) | 196,985 | 30,436 |
| OPWC loans | 89,848 | - | (3,237) | 86,611 | 3,237 |
| Net pension liability | 2,892,938 | 155,093 | - | 3,048,031 | - |
| Compensated absences | <u>84,011</u> | <u>285,730</u> | <u>(258,622)</u> | <u>111,119</u> | <u>93,168</u> |
| Total Governmental Activities | | | | | |
| Long-Term Obligations | <u>\$ 10,465,802</u> | <u>\$ 1,640,823</u> | <u>\$ (781,186)</u> | 11,325,439 | <u>\$ 697,758</u> |
| Add: unamortized premium on bond issuance | | | | <u>233,704</u> | |
| Total Reported on Statement of Net Position | | | | <u>\$ 11,559,143</u> | |

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.

Net pension liability: See Note 15 for more details.

Series 2014 General Obligation Bonds: On October 30, 2014, the City issued \$6,630,000 in Series 2014 general obligation bonds to refund the bond anticipation notes - Series 2013B and bond anticipation notes - Series 2014, as well as to provide \$1,955,000 in proceeds for street projects. This bond issue was part of an overall bond issue of \$9,390,000 with \$2,760,000 being reported in the business-type activities (see Note 13.B). The bonds carry interest rates ranging from 2.00-4.00% and have a final maturity date of December 1, 2034. At December 31, 2015, there were \$30,812 in unspent bond proceeds.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

Miscellaneous Loans: During 2014, the City entered into a loan agreement with the State of Ohio Development Service Agency for a Local Government Innovation Fund (LGIF) Loan in the amount of \$174,285 for a Multi-Agency Radio Communications System (MARCS) that will be shared with the West Licking Joint Fire District. The loan is a 0% loan and has a final maturity date of April 30, 2023.

On June 9, 2015, the City entered into a loan with Park National Bank in the amount of \$1,400,000 for the State Route 310/Main St. improvements. Of this amount, \$700,000 was related to governmental activities. The loan carries an interest rate of 3.35% and has a final maturity date of June 1, 2022.

Notes Payable: 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 bore an interest rate of 4.8165% and matured on August 20, 2015. There are no further liabilities outstanding.

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 bore an interest rate of 4.8177% and matured on August 20, 2015. There are no further liabilities outstanding.

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

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, 2015, the City has a \$196,985 balance outstanding on the loan.

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, 2015, the City had OPWC loans outstanding for Refugee Road and Mink Street. The OPWC loan for Mink Street (balance of \$44,535) is currently "open" meaning the final distributions have not been made from the OPWC; therefore, future debt service requirements have not been finalized.

A summary of the City's future debt service requirements for governmental activities long-term obligations outstanding as of December 31, 2015 are as follows:

| Year Ending December 31, | Series 2014 GO Bonds | | |
|-----------------------------|----------------------|---------------------|---------------------|
| | Principal | Interest | Total |
| 2016 | \$ 270,000 | \$ 182,424 | \$ 452,424 |
| 2017 | 275,000 | 177,025 | 452,025 |
| 2018 | 285,000 | 171,524 | 456,524 |
| 2019 | 290,000 | 165,825 | 455,825 |
| 2020 | 290,000 | 160,024 | 450,024 |
| 2021 - 2025 | 1,555,000 | 709,625 | 2,264,625 |
| 2026 - 2030 | 1,755,000 | 504,326 | 2,259,326 |
| 2031 - 2034 | 1,655,000 | 166,850 | 1,821,850 |
| Total | \$ 6,375,000 | \$ 2,237,623 | \$ 8,612,623 |

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

| Year Ending December 31, | Miscellaneous Loans | | |
|-------------------------------------|----------------------------|-------------------------|--------------------------|
| | Principal | Interest | Total |
| 2016 | \$ 122,500 | \$ 22,139 | \$ 144,639 |
| 2017 | 122,500 | 18,676 | 141,176 |
| 2018 | 122,500 | 15,279 | 137,779 |
| 2019 | 122,500 | 11,884 | 134,384 |
| 2020 | 122,500 | 8,515 | 131,015 |
| 2021 - 2023 | <u>256,160</u> | <u>6,784</u> | <u>262,944</u> |
| Total | <u>\$ 868,660</u> | <u>\$ 83,277</u> | <u>\$ 951,937</u> |

| Year Ending December 31, | SIB Loan | | |
|-------------------------------------|--------------------------|-------------------------|--------------------------|
| | Principal | Interest | Total |
| 2016 | \$ 30,436 | \$ 5,683 | \$ 36,119 |
| 2017 | 31,356 | 4,763 | 36,119 |
| 2018 | 32,304 | 3,815 | 36,119 |
| 2019 | 33,280 | 2,839 | 36,119 |
| 2020 | 34,286 | 1,833 | 36,119 |
| 2021 | <u>35,323</u> | <u>797</u> | <u>36,120</u> |
| Total | <u>\$ 196,985</u> | <u>\$ 19,730</u> | <u>\$ 216,715</u> |

| Year Ending December 31, | OPWC Loans | | |
|-------------------------------------|-------------------------|--------------------|-------------------------|
| | Principal | Interest | Total |
| 2016 | \$ 3,237 | \$ - | \$ 3,237 |
| 2017 | 3,236 | - | 3,236 |
| 2018 | 3,237 | - | 3,237 |
| 2019 | 3,237 | - | 3,237 |
| 2020 | 3,236 | - | 3,236 |
| 2021 - 2025 | 16,184 | - | 16,184 |
| 2026 - 2028 | <u>9,709</u> | <u>-</u> | <u>9,709</u> |
| Total | <u>\$ 42,076</u> | <u>\$ -</u> | <u>\$ 42,076</u> |

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

B. During 2015, the following activity occurred in the City's business-type long-term obligations. The business-type long-term obligations have been restated as described in Note 3.

| Business-type activities: | Interest Rate | Restated Balance 12/31/14 | Additions | Reductions | Balance 12/31/15 | Amounts Due in One Year |
|---|--------------------------|--|---------------------|-----------------------|-----------------------------|--|
| <u>General Obligation Bonds</u> | | | | | | |
| Series 2011 Sewer bonds | 5.50-6.125% | \$ 320,000 | \$ - | \$ (60,000) | \$ 260,000 | \$ 60,000 |
| Series 2014 Sewer bonds | 2.00-4.00% | 1,310,000 | - | (50,000) | 1,260,000 | 50,000 |
| Series 2007 Water bonds | 4.25-5.00% | 5,780,000 | - | (5,475,000) | 305,000 | 150,000 |
| Series 2014 Water bonds | 2.00-4.00% | 1,450,000 | - | (55,000) | 1,395,000 | 60,000 |
| Series 2015 Water refunding bonds | 2.00-4.00% | - | 5,460,000 | - | 5,460,000 | 55,000 |
| Total General Obligation Bonds | | 8,860,000 | 5,460,000 | (5,640,000) | 8,680,000 | 375,000 |
| <u>OWDA Loans</u> | | | | | | |
| Sewer planning loan #5374 | 3.25% | 40,612 | - | (2,139) | 38,473 | 2,210 |
| Sewer design loan #5917 | 3.17% | 319,223 | - | (10,224) | 308,999 | 10,551 |
| Sewer system loan #5735 | 2.66% | 3,594,627 | - | (176,120) | 3,418,507 | 180,836 |
| Total OWDA loans | | 3,954,462 | - | (188,483) | 3,765,979 | 193,597 |
| <u>Other Obligations</u> | | | | | | |
| Miscellaneous loans payable | 3.35% | - | 700,000 | - | 700,000 | 100,000 |
| Net pension liability | | 519,065 | 11,995 | - | 531,060 | - |
| Compensated absences | | 19,270 | 107,909 | (102,619) | 24,560 | 24,526 |
| Total Other Obligations | | 538,335 | 819,904 | (102,619) | 1,255,620 | 124,526 |
| Total Business-Type Activities Long-Term Obligations | | \$ 13,352,797 | \$ 6,279,904 | \$ (5,931,102) | 13,701,599 | \$ 693,123 |
| Add: Unamortized premium on bond issue | | | | | 477,981 | |
| Total Reported on the Statement of Net Position | | | | | \$ 14,179,580 | |

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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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. During 2015, \$5,330,000 of the bonds were refunded by the Series 2015 Water Refunding Bonds. The remaining bonds bear an interest rate of 4.25% and mature on December 1, 2017. The water bonds are general obligation bonds, which are supported by the full faith and credit of the City.

On October 30, 2014, the City issued \$1,450,000 in Series 2014 general obligation bonds for the sewer fund and \$1,310,000 for the water fund to refund the bond anticipation notes - Series 2013B and bond anticipation notes - Series 2014. This bond issue was part of an overall bond issue of \$9,390,000 with \$6,630,000 being reported in the governmental activities (See Note 13.A). The bonds carry interest rates ranging from 2.00-4.00% and have a final maturity date of December 1, 2034. At December 31, 2015, there were \$27,944 in water unspent bond proceeds and \$90,433 in sewer unspent bond proceeds.

On December 29, 2015, the City issued \$5,460,000 in Series 2015 Water Refunding Bonds to advance refund \$5,330,000 of the Series 2007 Water System Improvement General Obligation Bonds. The 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 \$5,460,000. Principal and interest payments are made from the water fund and are due on June 1 and December 1 of each year. The refunding bonds carry interest rates ranging from 2.00-4.00% and have a final maturity date of December 1, 2037.

The reacquisition price of the Series 2015 bonds exceeded the net carrying amount of the old debt by \$336,043. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which equal to the life of the Series 2015 issued. This advance refunding was undertaken to reduce the combined total debt service payments over the next 22 years by \$831,166 and resulted in an economic gain of \$644,347.

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, 2015, the City had outstanding borrowings of \$3,765,979. During 2015, the sewer fund made \$188,483 principal payments on the OWDA loans.

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 31.09 percent of the sewer fund net revenues and 14.33 percent of total revenues. Principal and interest paid for the current year were \$287,097, total net revenues were \$923,577 and total revenues were \$2,003,493.

Miscellaneous Loan: On June 9, 2015, the City entered into a loan with Park National Bank in the amount of \$1,400,000 for the State Route 310/Main St. improvements. Of this amount, \$700,000 was related to business-type activities in the water fund. The loan carries an interest rate of 3.35% and has a final maturity date of June 1, 2022.

Net pension liability: See Note 15 for details.

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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

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

| Year Ending December 31, | General Obligation Bonds | | |
|-------------------------------------|---------------------------------|---------------------|----------------------|
| | Principal | Interest | Total |
| 2016 | \$ 375,000 | \$ 258,485 | \$ 633,485 |
| 2017 | 375,000 | 261,175 | 636,175 |
| 2018 | 400,000 | 250,026 | 650,026 |
| 2019 | 400,000 | 241,325 | 641,325 |
| 2020 | 340,000 | 232,674 | 572,674 |
| 2021 - 2025 | 1,775,000 | 1,059,610 | 2,834,610 |
| 2026 - 2030 | 2,035,000 | 820,300 | 2,855,300 |
| 2031 - 2035 | 2,260,000 | 406,775 | 2,666,775 |
| 2036 - 2037 | 720,000 | 43,400 | 763,400 |
| Total | \$ 8,680,000 | \$ 3,573,770 | \$ 12,253,770 |
| Year Ending December 31, | OWDA Loans | | |
| | Principal | Interest | Total |
| 2016 | \$ 193,597 | \$ 100,683 | \$ 294,280 |
| 2017 | 198,848 | 95,430 | 294,278 |
| 2018 | 204,243 | 90,036 | 294,279 |
| 2019 | 209,784 | 84,495 | 294,279 |
| 2020 | 215,476 | 78,803 | 294,279 |
| 2021 - 2025 | 1,168,330 | 303,066 | 1,471,396 |
| 2026 - 2030 | 1,332,263 | 135,691 | 1,467,954 |
| 2031 - 2035 | 223,641 | 12,955 | 236,596 |
| 2036 | 19,791 | 472 | 20,263 |
| Total | \$ 3,765,973 | \$ 901,631 | \$ 4,667,604 |
| Year Ending December 31, | Miscellaneous Loans | | |
| | Principal | Interest | Total |
| 2016 | \$ 100,000 | \$ 22,139 | \$ 122,139 |
| 2017 | 100,000 | 18,676 | 118,676 |
| 2018 | 100,000 | 15,279 | 115,279 |
| 2019 | 100,000 | 11,884 | 111,884 |
| 2020 | 100,000 | 8,515 | 108,515 |
| 2021 - 2022 | 200,000 | 6,784 | 206,784 |
| Total | \$ 700,000 | \$ 83,277 | \$ 783,277 |

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

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, 2015, the City's total debt margin was \$34,753,226 and the unvoted debt margin was \$18,044,149.

NOTE 14 - 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.

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, 2014 and 2013 (the latest information available):

| | <u>2014</u> | <u>2013</u> |
|------------------------|----------------------------|----------------------------|
| Assets | \$14,830,185 | \$13,774,304 |
| Liabilities | <u>(8,942,504)</u> | <u>(7,698,395)</u> |
| Members' Equity | <u>\$ 5,887,681</u> | <u>\$ 5,805,909</u> |

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

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 14 - RISK MANAGEMENT - (Continued)

B. Workers' Compensation

During 2015, the City participated 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.

C. Employee Medical, Dental, Vision and Life

On September 1, 2014, the City joined the Ohio Public Entity Consortium Healthcare Cooperative (OPEC-HC), a risk-sharing pool, which provides employee health care benefits for all full-time employees who wish to participate in the plan. The OPEC-HC consists of one hundred sixty (160) political subdivisions that pool risk for basic hospital, surgical and prescription drug coverage for approximately 3,300 employees. The OPEC-HC is governed by a seven member Board of Directors consisting of: three (3) duly elected representatives of the member organizations; the Plan Administrator; a representative of the plan's marketing firm; the Executive Director of the Ohio Public Entity Consortium (OPEC); the OPEC Board Chairman. The Board elects a chairman, vice-chairman, and recording secretary. The Board is responsible for its own financial matters and the Plan Administrator maintains the plan's books of account. Budgeting and financing of the OPEC-HC are subject to the approval of the Board. The City pays monthly contributions to the OPEC-HC, which are used to purchase excess loss insurance for the OPEC-HC, to pay current claims and related claim settlement expenses, and to establish and maintain sufficient reserves. The monthly contribution is determined for each member in accordance with the number of covered officers and employees, and the prior loss experience of the respective member group. The Board shall determine annually, on or before the annual meeting, the percentage increase or decrease in the excess reserves for future operations. The funds are maintained in a bank trust account established for the sole purpose and benefit of the OPEC-HC's operations. Financial information for the OPEC-HC can be obtained from Erin Patton, President, Ohio Public Entity Consortium, 8120 Corporate Blvd, Suite 102, Plain City, Ohio 43064.

The OPEC-HC has entered into an agreement for individual and aggregate excess loss coverage with a commercial insurance carrier. The individual excess loss coverage has been structured to indemnify the OPEC-HC for medical claims in excess of \$500,000 per participant. In the event that the losses of the consortium in any year exceeds amounts paid to the OPEC-HC, together with all stop-loss, reinsurance and other coverage then in effect, then the payment of all uncovered losses shall revert to and be the sole obligation of the political subdivision against which the claim was made.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 14 - RISK MANAGEMENT - (Continued)

The City currently has no specified percentage share of the OPEC-HC. The only time at which a percentage share would be calculated occurs if the OPEC-HC voted to terminate ongoing operations. After a vote to terminate the OPEC-HC, the Board would wind-up the OPEC-HC's business as quickly as practicable, but in any event would complete this process no later than six months after the termination date. During such period, the OPEC-HC would continue to pay all claims and expenses until the OPEC-HC's funds are exhausted. After payment of all claims and expenses, or upon the termination of the aforesaid six month period, any remaining surplus funds held by the OPEC-HC would be paid to the members of the OPEC-HC who are members as of the termination date. The Board would determine the manner in which such surplus funds would be distributed, and would consider the percentage relationship which each member's contributions to the OPEC-HC for the prior three calendar years of the OPEC-HC bore to all members' contributions to the OPEC-HC for that same period, and the loss experience of each plan in which the member participated for the prior three years of the OPEC-HC. The City's payment for health insurance coverage to OPEC-HC in 2015 was \$555,902.

Dental, vision and life insurance benefits are also provided. The family and single rates are not gender and age sensitive, and are the same for each class of employees.

NOTE 15 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability/Asset

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

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

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

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

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

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans: Traditional; Member-Directed and Combined. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in the Traditional Plan.

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

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

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

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

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

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

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.0% to the member's FAS for the first 30 years of service. A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 3% COLA adjustment on the defined benefit portion of their benefit.

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

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

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

The City's contractually required contribution was \$198,383 for 2015. Of this amount, \$7,512 is reported as pension and postemployment benefits payable.

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

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

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

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$210,451 for 2015. Of this amount \$8,366 is reported as pension and postemployment benefits payable.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

| | <u>OPERS</u> | <u>OP&F</u> | <u>Total</u> |
|--|--------------|-----------------|--------------|
| Proportionate share of the net pension liability | \$ 1,265,211 | \$ 2,313,880 | \$ 3,579,091 |
| Proportionate share of the net pension asset | 19,933 | - | 19,933 |
| Proportion of the net pension liability | 0.01049% | 0.0446659% | |
| Proportion of the net pension asset | 0.051772% | | |
| Pension expense | 148,798 | 227,088 | 375,886 |

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

| | <u>OPERS</u> | <u>OP&F</u> | <u>Total</u> |
|--|-------------------|-------------------|-------------------|
| Deferred outflows of resources | | | |
| Net difference between projected and actual earnings on pension plan investments | \$ 68,726 | \$ 99,726 | \$ 168,452 |
| Difference between employer contributions and proportionate share contributions | - | 5,515 | 5,515 |
| City contributions subsequent to the measurement date | 198,383 | 210,451 | 408,834 |
| Total deferred outflows of resources | <u>\$ 267,109</u> | <u>\$ 315,692</u> | <u>\$ 582,801</u> |
| Deferred inflows of resources | | | |
| Differences between expected and actual experience | \$ 28,311 | \$ - | \$ 28,311 |
| Differences between employer contributions and proportionate share contributions | 4,134 | - | 4,134 |
| Total Deferred Inflows of Resources | <u>\$ 32,445</u> | <u>\$ -</u> | <u>\$ 32,445</u> |

\$408,834 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| Year Ending December 31: | OPERS | OP&F | Total |
|--------------------------|------------------|-------------------|-------------------|
| 2016 | \$ 4,295 | \$ 26,311 | \$ 30,606 |
| 2017 | 4,295 | 26,311 | 30,606 |
| 2018 | 14,423 | 26,311 | 40,734 |
| 2019 | 16,459 | 26,308 | 42,767 |
| 2020 | (723) | - | (723) |
| 2021 - 2024 | (2,468) | - | (2,468) |
| Total | <u>\$ 36,281</u> | <u>\$ 105,241</u> | <u>\$ 141,522</u> |

Actuarial Assumptions - OPERS

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

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

| | |
|--|---|
| Wage inflation | 3.75% |
| Future salary increases, including inflation | 4.25 to 10.05% including wage inflation |
| COLA or ad hoc COLA | 3%, simple |
| Investment rate of return | 8% |
| Actuarial cost method | Individual entry age |

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

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

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

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

| | 1% Decrease (7.00%) | Current Discount Rate (8.00%) | 1% Increase (9.00%) |
|---|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net pension liability (asset) | | | |
| Traditional plan | \$ 2,327,626 | \$ 1,265,211 | \$ 370,402 |
| Combined plan | 2,589 | (19,933) | (37,794) |

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - OPF

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

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

| | |
|----------------------------|------------------|
| Valuation date | January 1, 2014 |
| Actuarial cost method | Entry age normal |
| Investment rate of return | 8.25% |
| Projected salary increases | 4.25-11.00% |
| Payroll increases | 3.75% |
| Inflation assumptions | 3.25% |
| Cost of living adjustments | 2.60% and 3.00% |

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

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

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

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

* levered 2x

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

| | 1% Decrease (7.25%) | Current Discount Rate (8.25%) | 1% Increase (9.25%) |
|--|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net pension liability | \$ 3,200,446 | \$ 2,313,880 | \$ 1,563,228 |

NOTE 16 - 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 twenty (20) 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/financial/reports.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 16 - POSTRETIREMENT BENEFIT PLANS - (Continued)

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2015, 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 and Combined Plan for 2015 was 2.00%.

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, 2015, 2014, and 2013 were \$33,064, \$27,094, and \$15,746, respectively; 96.75% has been contributed for 2015 and 100% has been contributed for 2014 and 2013. The remaining 2015 post-employment health care benefits liability has been reported as due to other governments/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 4.00% 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 OPF Pension Fund sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OPF. OPF 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.

OPF 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 OPF to provide OPEB benefits. Authority for the OPF 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.

OPF 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 OPF, 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 OPF (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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 16 - POSTRETIREMENT BENEFIT PLANS - (Continued)

OPF 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 OPF 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. For 2015, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OPF 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 OPF which were allocated to fund post-employment healthcare benefits for police officers was \$5,688 for the year ended December 31, 2015, \$4,921 for the year ended December 31, 2014, and \$34,237 for the year ended December 31, 2013. 100% has been contributed for 2014 and 2013. 96.13% has been contributed for police for 2015. The remaining 2015 post-employment health care benefits liability has been reported as pension and postemployment benefits payable on the basic financial statements.

NOTE 17 - 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);
- (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).

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

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 | | |
|---|-----------------------------------|---------------------------|---------------------------|
| | <u>General fund</u> | <u>Street Fund</u> | <u>Police Fund</u> |
| Budget basis | \$ (141,077) | \$ (7,473) | \$ 256,693 |
| Net adjustment for revenue accruals | (11,537) | 42,062 | 46,503 |
| Net adjustment for expenditure accruals | 45,211 | (465,934) | 17,799 |
| Net adjustment for other sources/uses | - | 500,000 | 12,086 |
| Funds budgeted elsewhere | 3,487 | - | - |
| Adjustment for encumbrances | <u>97,896</u> | <u>70,738</u> | <u>20,170</u> |
| GAAP basis | <u>\$ (6,020)</u> | <u>\$ 139,393</u> | <u>\$ 353,251</u> |

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 unclaimed monies fund, recreation fund and sesquicentennial fund.

NOTE 18 - 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, 2015.

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.

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 19 - 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:

| <u>Fund balance</u> | <u>General</u> | <u>Street Fund</u> | <u>Police Fund</u> | <u>Capital Improvements Fund</u> | <u>Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|----------------------------------|-------------------|---------------------|---------------------|----------------------------------|------------------------------------|---------------------------------|
| Nonspendable: | | | | | | |
| Materials and supplies inventory | \$ - | \$ 43,184 | \$ - | \$ - | \$ - | \$ 43,184 |
| Prepays | 13,589 | 16,343 | 30,517 | - | - | 60,449 |
| Unclaimed monies | 32 | - | - | - | - | 32 |
| Total Nonspendable | 13,621 | 59,527 | 30,517 | - | - | 103,665 |
| Restricted: | | | | | | |
| Debt service | - | - | - | - | 305,305 | 305,305 |
| Capital improvements | - | - | - | 1,752,764 | 1,725,439 | 3,478,203 |
| Transportation projects | - | 2,479,894 | - | - | 525,903 | 3,005,797 |
| Community development | - | - | - | - | 9 | 9 |
| Police | - | - | 1,622,294 | - | 80,438 | 1,702,732 |
| Total Restricted | - | 2,479,894 | 1,622,294 | 1,752,764 | 2,637,094 | 8,492,046 |
| Committed: | | | | | | |
| Capital improvements | - | - | - | - | 237,808 | 237,808 |
| Community development programs | - | - | - | - | 4,461 | 4,461 |
| Parks and recreation | - | - | - | - | 69,928 | 69,928 |
| Total Committed | - | - | - | - | 312,197 | 312,197 |
| Assigned: | | | | | | |
| Subsequent year appropriation | 29,199 | - | - | - | - | 29,199 |
| General government | 75,190 | - | - | - | - | 75,190 |
| Community environment | 5,602 | - | - | - | - | 5,602 |
| Leisure time activities | 37,884 | - | - | - | - | 37,884 |
| Other purposes | 367 | - | - | - | - | 367 |
| Total Assigned | 148,242 | - | - | - | - | 148,242 |
| Unassigned | 828,059 | - | - | - | - | 828,059 |
| Total Fund Balances | \$ 989,922 | \$ 2,539,421 | \$ 1,652,811 | \$ 1,752,764 | \$ 2,949,291 | \$ 9,884,209 |

CITY OF PATASKALA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 20 - CONTRACTUAL COMMITMENTS

As a result of various projects that were in progress at December 31, 2015, the City had the following outstanding contractual commitments at year end:

| <u>Vendor</u> | <u>Contract Amount</u> | <u>Amount Paid</u> | <u>Amount Outstanding</u> |
|---------------------------------|----------------------------|------------------------|-------------------------------|
| Robertson Construction Services | \$ 130,420 | \$ (119,985) | \$ 10,435 |
| Frost Brown Todd, LLC | 95,700 | (95,126) | 574 |
| Poggemeyer Design Group, Inc. | 133,870 | (122,848) | 11,022 |
| Stantec Consulting | 400,732 | (357,723) | 43,009 |
| Englefield Oil Company | 75,000 | (57,440) | 17,560 |
| Jobes Henderson & Associates | 244,598 | (199,572) | 45,026 |
| Shelly Company | 1,888,747 | (329,362) | 1,559,385 |
| Fields Excavating | 2,210,312 | (1,126,308) | 1,084,004 |
| PRIME AE Group, Inc. | 183,000 | (45,009) | 137,991 |
| Morton Salt, Inc. | 100,000 | (94,456) | 5,544 |
| Fee Corp | 75,000 | (17,853) | 57,147 |
| Charter Hill Construction | 291,440 | (102,942) | 188,498 |
| Total | \$ 5,828,819 | \$ (2,668,624) | \$ 3,160,195 |

NOTE 21 - 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:

| <u>Fund</u> | <u>Year-End Encumbrances</u> |
|-----------------------------|----------------------------------|
| General fund | \$ 84,025 |
| Street fund | 59,905 |
| Police fund | 22,606 |
| Capital improvements fund | 423,448 |
| Nonmajor governmental funds | 1,836,705 |
| Total | \$ 2,426,689 |

NOTE 22 - SUBSEQUENT EVENTS

On February 17, 2016, the City entered into a capital lease for public service department equipment. The lease was for \$260,000 and will have an annual payment of \$54,797 for five years. The interest rate on the lease is 2.69%.

On April 14, 2016, Council authorized the issuance of \$500,000 debt for design and architectural services for a new Police Facility (ORD 2016-4255).

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PATASKALA, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY/NET PENSION ASSET
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TWO YEARS

| | <u>2014</u> | <u>2013</u> |
|---|--------------|--------------|
| <i>Traditional Plan:</i> | | |
| City's proportion of the net pension liability | 0.010490% | 0.010490% |
| City's proportionate share of the net pension liability | \$ 1,265,211 | \$ 1,236,634 |
| City's covered-employee payroll | \$ 1,257,250 | \$ 1,367,477 |
| City's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 100.63% | 90.43% |
| Plan fiduciary net position as a percentage of the total pension liability | 86.45% | 86.36% |
| <i>Combined Plan:</i> | | |
| City's proportion of the net pension asset | 0.051772% | 0.051772% |
| City's proportionate share of the net pension asset | \$ 19,933 | \$ 5,432 |
| City's covered-employee payroll | \$ 167,775 | \$ 207,762 |
| City's proportionate share of the net pension asset as a percentage of its covered-employee payroll | 11.88% | 2.61% |
| Plan fiduciary net position as a percentage of the total pension asset | 114.83% | 104.56% |

Note: Information prior to 2013 was unavailable.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PATASKALA, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
OHIO POLICE AND FIRE (OP&F) PENSION FUND**

LAST TWO YEARS

| | 2014 | 2013 |
|---|--------------|--------------|
| City's proportion of the net pension liability | 0.04466590% | 0.04466590% |
| City's proportionate share of the net pension liability | \$ 2,313,880 | \$ 2,175,369 |
| City's covered-employee payroll | \$ 1,020,095 | \$ 896,285 |
| City's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 226.83% | 242.71% |
| Plan fiduciary net position as a percentage of the total pension liability | 72.20% | 73.00% |

Note: Information prior to 2013 was unavailable.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PATASKALA, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|--|------------------|------------------|------------------|------------------|
| <i>Traditional Plan:</i> | | | | |
| Contractually required contribution | \$ 178,665 | \$ 150,870 | \$ 177,772 | \$ 100,627 |
| Contributions in relation to the contractually required contribution | <u>(178,665)</u> | <u>(150,870)</u> | <u>(177,772)</u> | <u>(100,627)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| City/County's covered-employee payroll | \$ 1,488,875 | \$ 1,257,250 | \$ 1,367,477 | \$ 1,006,270 |
| Contributions as a percentage of covered-employee payroll | 12.00% | 12.00% | 13.00% | 10.00% |
| <i>Combined Plan:</i> | | | | |
| Contractually required contribution | \$ 19,718 | \$ 20,133 | \$ 27,009 | \$ 13,814 |
| Contributions in relation to the contractually required contribution | <u>(19,718)</u> | <u>(20,133)</u> | <u>(27,009)</u> | <u>(13,814)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| City/County's covered-employee payroll | \$ 164,317 | \$ 167,775 | \$ 207,762 | \$ 173,761 |
| Contributions as a percentage of covered-employee payroll | 12.00% | 12.00% | 13.00% | 7.95% |

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|-----------------|------------------|-----------------|-----------------|------------------|-----------------|
| \$ 99,504 | \$ 104,862 | \$ 87,782 | \$ 73,097 | \$ 118,914 | \$ 94,806 |
| <u>(99,504)</u> | <u>(104,862)</u> | <u>(87,782)</u> | <u>(73,097)</u> | <u>(118,914)</u> | <u>(94,806)</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 995,040 | \$ 1,176,022 | \$ 1,080,394 | \$ 1,044,243 | \$ 1,424,120 | \$ 1,030,500 |
| 10.00% | 8.92% | 8.13% | 7.00% | 8.35% | 9.20% |
| | | | | | |
| \$ 3,381 | \$ - | \$ - | \$ - | \$ - | \$ - |
| <u>(3,381)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 42,528 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7.95% | 9.69% | 8.13% | 7.00% | 8.35% | 9.20% |

CITY OF PATASKALA, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|--|------------------|------------------|------------------|------------------|
| <i>Police:</i> | | | | |
| Contractually required contribution | \$ 210,451 | \$ 193,818 | \$ 142,360 | \$ 110,378 |
| Contributions in relation to the contractually required contribution | <u>(210,451)</u> | <u>(193,818)</u> | <u>(142,360)</u> | <u>(110,378)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| City's covered-employee payroll | \$ 1,107,637 | \$ 1,020,095 | \$ 896,285 | \$ 865,710 |
| Contributions as a percentage of covered-employee payroll | 19.00% | 19.00% | 15.88% | 12.75% |

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|-----------------|-----------------|-----------------|------------------|------------------|-----------------|
| \$ 93,036 | \$ 84,305 | \$ 97,263 | \$ 103,913 | \$ 108,646 | \$ 96,928 |
| <u>(93,036)</u> | <u>(84,305)</u> | <u>(97,263)</u> | <u>(103,913)</u> | <u>(108,646)</u> | <u>(96,928)</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 729,694 | \$ 661,216 | \$ 762,847 | \$ 815,004 | \$ 852,128 | \$ 824,918 |
| 12.75% | 12.75% | 12.75% | 12.75% | 12.75% | 11.75% |

CITY OF PATASKALA, OHIO

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015**

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

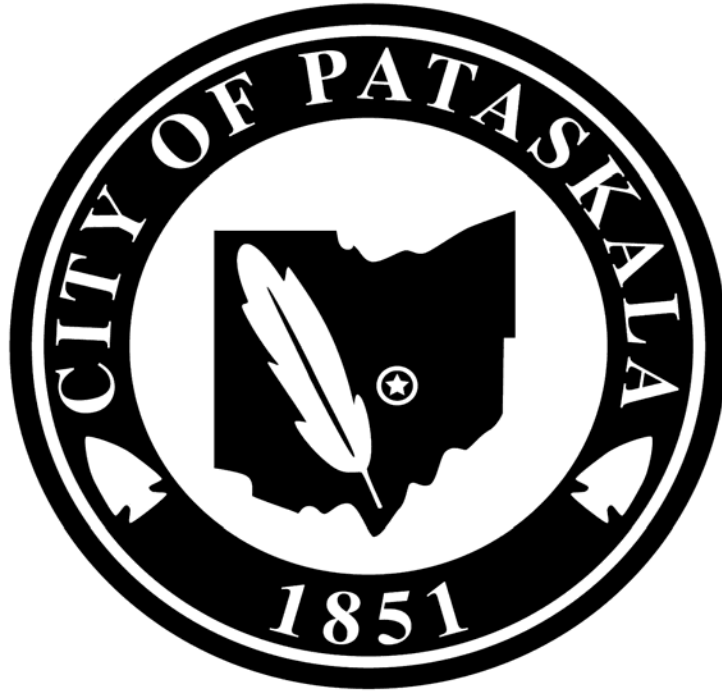
Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014 and 2015.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014 and 2015. See the notes to the basic financial statements for the methods and assumptions in this calculation.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014 and 2015.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014 and 2015. See the notes to the basic financial statements for the methods and assumptions in this calculation.



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 accounts for tax and other revenues collected that are restricted for police operations.

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.

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 (JEDD Income Tax) 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 assessed from the City's Mayor's Court and are restricted to improve the court computer systems.

CITY OF PATASKALA, OHIO

**INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS**

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 within the City.

Federal Emergency Management Agency Fund (FEMA)

This fund receives federal and state money to reimburse the City for costs incurred for disasters within the City.

Law Enforcement Training Fund

This fund accounts for federal and state grant dollars that are restricted for the purpose of training police officers in the City.

Indigent Driver Interlock Fund

This fund accounts for fine and forfeitures that are restricted for expenditures related to indigent drivers.

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

Unclaimed Monies Fund

This fund is used to account for resources that are unclaimed monies that have not been distributed. The fund balance of this fund is nonspendable.

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:

Debt Service Fund

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

Street Bond Fund

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

CITY OF PATASKALA, OHIO

**INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS**

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

Bond Improvement 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.

Issue II Fund

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

Municipal Building Purchase Fund

This fund is used to account for the purchase of the municipal building.

Courter Bridge Improvement Fund

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

State Route 310 Tax Increment Finance Equivalent Fund

This fund accounts for tax incentive equivalent funds.

Columbia Road Bridge Improvement Fund

This fund is used to account for transfers that are committed to improvements to be made on the Columbia Road Bridge.

Capital Facilities Fund

This fund is used to account for rental income that is committed to various capital facilities projects in the City.

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, 2015

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Real and Other Taxes | \$ 868,350 | \$ 831,578 | \$ 832,535 | \$ 957 |
| Licenses and Permits | 249,500 | 265,500 | 249,312 | (16,188) |
| Fines and Forfeitures | 180,000 | 174,000 | 152,933 | (21,067) |
| Intergovernmental | 174,125 | 174,025 | 183,541 | 9,516 |
| Special Assessments | 4,200 | 6,000 | 5,591 | (409) |
| Investment Income | 3,000 | 6,000 | 7,187 | 1,187 |
| Rental Income | 117,300 | - | - | - |
| Other | 10,500 | 15,500 | 16,352 | 852 |
| Total Revenues | 1,606,975 | 1,472,603 | 1,447,451 | (25,152) |
| Expenditures: | | | | |
| <i>Current:</i> | | | | |
| <u>General Government</u> | | | | |
| General Government | | | | |
| Salaries & related | 111,597 | 68,048 | 65,076 | 2,972 |
| Contractual services | 205,058 | 204,178 | 177,359 | 26,819 |
| General operating | 105,863 | 96,776 | 87,570 | 9,206 |
| Total General Government | 422,518 | 369,002 | 330,005 | 38,997 |
| Court & Legal | | | | |
| Salaries & related | 106,220 | 107,720 | 101,449 | 6,271 |
| Contractual services | 122,114 | 202,542 | 195,155 | 7,387 |
| General operating | 11,117 | 15,425 | 8,119 | 7,306 |
| Total Court & Legal | 239,451 | 325,687 | 304,723 | 20,964 |
| Executive & Legislative | | | | |
| Salaries & related | 132,583 | 132,583 | 132,166 | 417 |
| Contractual services | 5,392 | 4,500 | 249 | 4,251 |
| General operating | 17,334 | 16,322 | 11,987 | 4,335 |
| Total Executive & Legislative | 155,309 | 153,405 | 144,402 | 9,003 |
| Finance | | | | |
| Salaries & related | 50,436 | 50,436 | 49,083 | 1,353 |
| Contractual services | 38,103 | 37,808 | 27,255 | 10,553 |
| General operating | 12,764 | 12,727 | 6,217 | 6,510 |
| Capital outlay | 5,975 | 5,975 | 5,975 | - |
| Total Finance | 107,278 | 106,946 | 88,530 | 18,416 |
| Parks, Lands & Municipal Facilities | | | | |
| Contractual services | 59,260 | 46,611 | 41,402 | 5,209 |
| General operating | 133,935 | 132,601 | 118,257 | 14,344 |
| Capital outlay | 48,121 | 48,121 | 36,141 | 11,980 |
| Total Parks, Lands & Municipal Facilities | 241,316 | 227,333 | 195,800 | 31,533 |
| Total General Government | 1,165,872 | 1,182,373 | 1,063,460 | 118,913 |

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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, 2015

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------|-------------------|---|
| | Original | Final | Actual | |
| <u>Community Environment</u> | | | | |
| General Government | | | | |
| Salaries & related | 242,171 | 242,171 | 215,816 | 26,355 |
| Contractual services | 16,259 | 16,259 | 12,443 | 3,816 |
| General operating | 43,619 | 43,619 | 33,179 | 10,440 |
| Total General Government | 302,049 | 302,049 | 261,438 | 40,611 |
| Total Community Environment | 302,049 | 302,049 | 261,438 | 40,611 |
| <u>Leisure Time Activities</u> | | | | |
| Parks, Lands & Municipal Facilities | | | | |
| Salaries & related | - | 12,000 | 11,549 | 451 |
| General operating | 62,184 | 62,184 | 48,183 | 14,001 |
| Capital outlay | 16,500 | 16,500 | 3,898 | 12,602 |
| Total Parks, Lands & Municipal Facilities | 78,684 | 90,684 | 63,630 | 27,054 |
| Total Leisure Time Activities | 78,684 | 90,684 | 63,630 | 27,054 |
| Total Expenditures | 1,546,605 | 1,575,106 | 1,388,528 | 186,578 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 60,370 | (102,503) | 58,923 | 161,426 |
| Other Financing Uses: | | | | |
| Transfers out | (200,000) | (200,000) | (200,000) | - |
| Total Other Financing Uses | (200,000) | (200,000) | (200,000) | - |
| Net Change in Fund Balance | (139,630) | (302,503) | (141,077) | 161,426 |
| Fund Balance at Beginning of Year | 870,012 | 870,012 | 870,012 | - |
| Prior Year Encumbrances Appropriated | 100,350 | 100,350 | 100,350 | - |
| Fund Balance at End of Year | \$ 830,732 | \$ 667,859 | \$ 829,285 | \$ 161,426 |

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, 2015

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|---------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Income taxes | \$ 1,506,771 | \$ 1,625,141 | \$ 1,615,053 | \$ (10,088) |
| Intergovernmental | 773,000 | 675,000 | 667,793 | (7,207) |
| Investment income | 7,000 | 10,000 | 16,113 | 6,113 |
| Other | 30,000 | 30,000 | 25,054 | (4,946) |
| Total Revenues | 2,316,771 | 2,340,141 | 2,324,013 | (16,128) |
| Expenditures: | | | | |
| <i>Current:</i> | | | | |
| <u>General Government</u> | | | | |
| General Government | | | | |
| Salaries & related | 31,613 | 48,179 | 45,594 | 2,585 |
| Contractual services | 206,881 | 271,881 | 244,693 | 27,188 |
| Total General Government | 238,494 | 320,060 | 290,287 | 29,773 |
| Court & Legal | | | | |
| Salaries & related | 32,601 | 32,601 | 32,598 | 3 |
| Total Court & Legal | 32,601 | 32,601 | 32,598 | 3 |
| Finance | | | | |
| Salaries & related | 43,571 | 43,571 | 42,603 | 968 |
| Contractual services | 10,039 | 10,039 | 9,671 | 368 |
| General operating | 75,107 | 95,992 | 94,932 | 1,060 |
| Total Finance | 128,717 | 149,602 | 147,206 | 2,396 |
| Parks, Lands & Municipal Facilities | | | | |
| Contractual services | 1,000 | 1,000 | - | 1,000 |
| General operating | 24,759 | 21,566 | 16,534 | 5,032 |
| Total Parks, Lands & Municipal Facilities | 25,759 | 22,566 | 16,534 | 6,032 |
| Total General Government | 425,571 | 524,829 | 486,625 | 38,204 |
| <u>Transportation</u> | | | | |
| Public Service | | | | |
| Salaries & related | 674,665 | 575,889 | 523,606 | 52,283 |
| Contractual services | 145,042 | 144,802 | 125,264 | 19,538 |
| General operating | 428,428 | 392,444 | 327,946 | 64,498 |
| Capital outlay | 786,168 | 1,284,339 | 752,865 | 531,474 |
| Total Transportation | 2,034,303 | 2,397,474 | 1,729,681 | 667,793 |
| Total Expenditures | 2,459,874 | 2,922,303 | 2,216,306 | 705,997 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (143,103) | (582,162) | 107,707 | 689,869 |
| Other Financing Sources: | | | | |
| Transfers in | - | 50,000 | 50,000 | - |
| Transfers out | (36,380) | (165,180) | (165,180) | - |
| Sale of capital assets | - | - | - | - |
| Total other financing sources | (36,380) | (115,180) | (115,180) | - |
| Net Change in Fund Balance | (179,483) | (697,342) | (7,473) | 689,869 |
| Fund Balance at Beginning of Year | 1,875,679 | 1,875,679 | 1,875,679 | - |
| Prior Year Encumbrances Appropriated | 197,382 | 197,382 | 197,382 | - |
| Fund Balance at End of Year | \$ 1,893,578 | \$ 1,375,719 | \$ 2,065,588 | \$ 689,869 |

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, 2015

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Income taxes | \$ 2,447,899 | \$ 2,640,199 | \$ 2,623,855 | \$ (16,344) |
| Charge for services | 6,000 | 7,500 | 8,326 | 826 |
| Fines and forfeitures | 2,500 | 1,000 | 665 | (335) |
| Intergovernmental | 4,500 | 4,500 | 22,948 | 18,448 |
| Investment income | 6,500 | 6,500 | 8,862 | 2,362 |
| Other | 20,000 | 37,500 | 21,828 | (15,672) |
| Total Revenues | 2,487,399 | 2,697,199 | 2,686,484 | (10,715) |
| Expenditures: | | | | |
| <i>Current:</i> | | | | |
| <u>General Government</u> | | | | |
| General Government | | | | |
| Contractual services | 59,000 | 59,000 | 51,432 | 7,568 |
| Total General Government | 59,000 | 59,000 | 51,432 | 7,568 |
| Court & Legal | | | | |
| Salaries & related | 32,601 | 32,601 | 31,629 | 972 |
| Total Court & Legal | 32,601 | 32,601 | 31,629 | 972 |
| Finance | | | | |
| Salaries & related | 43,571 | 43,571 | 42,603 | 968 |
| Contractual services | 10,612 | 10,574 | 10,206 | 368 |
| General operating | 122,388 | 155,288 | 152,409 | 2,879 |
| Total Finance | 176,571 | 209,433 | 205,218 | 4,215 |
| Parks, Lands & Municipal Facilities | | | | |
| Contractual services | 4,500 | 5,000 | 4,471 | 529 |
| General operating | 23,153 | 21,911 | 18,263 | 3,648 |
| Capital outlay | 30,060 | 15,000 | 15,000 | - |
| Total Finance | 57,713 | 41,911 | 37,734 | 4,177 |
| Total General Government | 325,885 | 342,945 | 326,013 | 16,932 |
| <u>Security of Persons & Property</u> | | | | |
| Police | | | | |
| Salaries & related | 1,866,678 | 1,879,979 | 1,780,209 | 99,770 |
| Contractual services | 11,988 | 11,988 | 11,625 | 363 |
| General operating | 230,202 | 212,254 | 174,341 | 37,913 |
| Capital outlay | 85,000 | 130,000 | 120,103 | 9,897 |
| Total Police | 2,193,868 | 2,234,221 | 2,086,278 | 147,943 |
| Total Security of Persons & Property | 2,193,868 | 2,234,221 | 2,086,278 | 147,943 |
| Total Expenditures | 2,519,753 | 2,577,166 | 2,412,291 | 164,875 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (32,354) | 120,033 | 274,193 | 154,160 |

--Continued

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2015

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|------------------------------|--------------------------------|--------------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Other Financing Uses: | | | | |
| Transfers out | \$ (17,500) | \$ (17,500) | \$ (17,500) | \$ - |
| Total Other Financing Uses | <u>(17,500)</u> | <u>(17,500)</u> | <u>(17,500)</u> | <u>-</u> |
| Net Change in Fund Balance | (49,854) | 102,533 | 256,693 | 154,160 |
| Fund Balance at Beginning of Year | 941,011 | 941,011 | 941,011 | - |
| Prior Year Encumbrances Appropriated | <u>60,724</u> | <u>60,724</u> | <u>60,724</u> | <u>-</u> |
| Fund Balance at End of Year | <u><u>\$ 951,881</u></u> | <u><u>\$ 1,104,268</u></u> | <u><u>\$ 1,258,428</u></u> | <u><u>\$ 154,160</u></u> |

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, 2015

| | Budgeted Amount | | | Variance with Final Budget Positive (Negative) |
|--|------------------------|--------------------|---------------------|---|
| | Original | Final | Actual | |
| Revenues: | | | | |
| Investment income | 3,000 | \$ 5,000 | \$ 14,629 | \$ 9,629 |
| Intergovernmental | 1,038,600 | 1,038,600 | - | (1,038,600) |
| Other | - | 39,797 | 39,797 | - |
| Total Revenues | 1,041,600 | 1,083,397 | 54,426 | (1,028,971) |
| Expenditures: | | | | |
| <u>Capital Outlay</u> | | | | |
| General government | | | | |
| Contract services | 329,000 | 329,000 | 265,237 | 63,763 |
| Total General Government | 329,000 | 329,000 | 265,237 | 63,763 |
| Public Service | | | | |
| Capital outlay | 2,770,424 | 3,007,173 | 1,446,386 | 1,560,787 |
| Total Public Service | 2,770,424 | 3,007,173 | 1,446,386 | 1,560,787 |
| Park maintenance & administration | | | | |
| General operating | 10,000 | 10,000 | - | 10,000 |
| Capital outlay | 120,000 | 30,000 | - | 30,000 |
| Total Park Maintenance & Administration | 130,000 | 40,000 | - | 40,000 |
| Total Capital Outlay | 3,229,424 | 3,376,173 | 1,711,623 | 1,664,550 |
| Total Expenditures | 3,229,424 | 3,376,173 | 1,711,623 | 1,664,550 |
| Excess of Expenditures Over Revenues | (2,187,824) | (2,292,776) | (1,657,197) | 635,579 |
| Other Financing Sources (Uses): | | | | |
| Transfers in | 2,400,000 | 2,522,274 | 2,522,274 | - |
| Transfers out | - | (100,000) | (100,000) | - |
| Total Other Financing Sources (Uses) | 2,400,000 | 2,422,274 | 2,422,274 | - |
| Net Change in Fund Balance | 212,176 | 129,498 | 765,077 | 635,579 |
| Fund Balance at Beginning of Year | 333,349 | 333,349 | 333,349 | - |
| Prior Year Encumbrances Appropriated | 272,224 | 272,224 | 272,224 | - |
| Fund Balance at End of Year | \$ 817,749 | \$ 735,071 | \$ 1,370,650 | \$ 635,579 |

CITY OF PATASKALA, OHIO

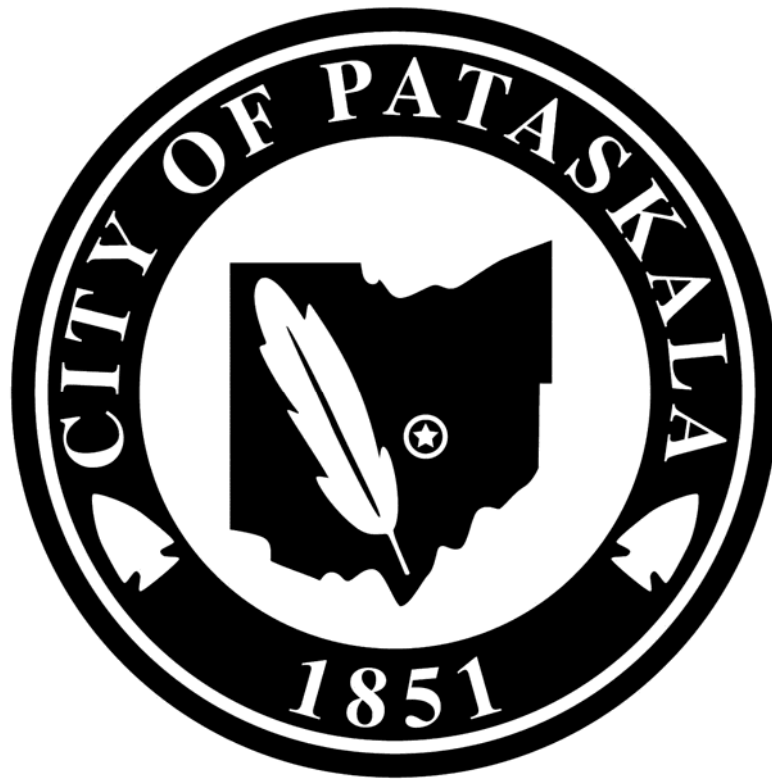
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2015

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|--|--|--|
| <u>Assets:</u> | | | | |
| Equity in pooled cash and investments | \$ 572,887 | \$ 235,509 | \$ 1,946,432 | \$ 2,754,828 |
| Receivables (net of allowances of uncollectibles): | | | | |
| Income taxes | - | 211,106 | - | 211,106 |
| Accounts | 1,078 | - | - | 1,078 |
| Accrued interest | 1,285 | 540 | 81 | 1,906 |
| Payment in lieu of taxes | - | - | 185,824 | 185,824 |
| Due from other governments | 49,073 | 514 | 215,096 | 264,683 |
| <u>Restricted assets:</u> | | | | |
| Equity in pooled cash and investments | - | - | 29,471 | 29,471 |
| Cash with fiscal and escrow agents | 75,772 | - | - | 75,772 |
| Total Assets | \$ 700,095 | \$ 447,669 | \$ 2,376,904 | \$ 3,524,668 |
| <u>Liabilities:</u> | | | | |
| Accounts payable | \$ 536 | \$ - | \$ - | \$ 536 |
| Contracts payable | - | - | 192,715 | 192,715 |
| Retainage payable | - | - | 29,471 | 29,471 |
| Due to other governments | 180 | - | - | 180 |
| Unearned revenue | - | - | 5,639 | 5,639 |
| Total Liabilities | 716 | - | 227,825 | 228,541 |
| <u>Deferred Inflows of Resources:</u> | | | | |
| Investment income not available | 133 | 56 | 8 | 197 |
| Income tax revenue not available | - | 142,308 | - | 142,308 |
| Intergovernmental revenue not available | 18,507 | - | - | 18,507 |
| PILOTs levied for the next fiscal year | - | - | 185,824 | 185,824 |
| Total Deferred Inflows of Resources | 18,640 | 142,364 | 185,832 | 346,836 |
| <u>Fund balances:</u> | | | | |
| Restricted | 606,350 | 305,305 | 1,725,439 | 2,637,094 |
| Committed | 74,389 | - | 237,808 | 312,197 |
| Total Fund Balances | 680,739 | 305,305 | 1,963,247 | 2,949,291 |
| Total Liabilities, Deferred Inflows of Resources & Fund Balances | \$ 700,095 | \$ 447,669 | \$ 2,376,904 | \$ 3,524,668 |

CITY OF PATASKALA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2015

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|---|--|--|--|
| Revenues: | | | | |
| Income taxes | \$ 125 | \$ 598,024 | \$ - | \$ 598,149 |
| Charges for services | 29,970 | - | - | 29,970 |
| Fines and forfeitures | 5,242 | - | - | 5,242 |
| Intergovernmental | 392,841 | 1,408 | 215,096 | 609,345 |
| Investment income | 3,905 | 2,664 | 2,885 | 9,454 |
| Rental income | - | - | 87,628 | 87,628 |
| Payments in lieu of taxes | - | - | 153,835 | 153,835 |
| Total Revenues | 432,083 | 602,096 | 459,444 | 1,493,623 |
| Expenditures: | | | | |
| <u>Current:</u> | | | | |
| General Government | - | 35,496 | - | 35,496 |
| Transportation | 157,898 | - | - | 157,898 |
| Leisure Time Activity | 500 | - | - | 500 |
| Capital outlay | 2,484 | - | 903,962 | 906,446 |
| <u>Debt service:</u> | | | | |
| Principal retirement | - | 336,161 | - | 336,161 |
| Interest and fiscal charges | - | 226,660 | - | 226,660 |
| Total Expenditures | 160,882 | 598,317 | 903,962 | 1,663,161 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 271,201 | 3,779 | (444,518) | (169,538) |
| Other Financing Sources (Uses): | | | | |
| Transfers in | - | 28,900 | 1,275,180 | 1,304,080 |
| Transfers out | (338,417) | - | (3,055,257) | (3,393,674) |
| Issuance of loan proceeds | - | - | 700,000 | 700,000 |
| Total Other Financing Sources (Uses) | (338,417) | 28,900 | (1,080,077) | (1,389,594) |
| Net Change in Fund Balance | (67,216) | 32,679 | (1,524,595) | (1,559,132) |
| Fund Balance at Beginning of Year | 747,955 | 272,626 | 3,487,842 | 4,508,423 |
| Fund Balance at End of Year | \$ 680,739 | \$ 305,305 | \$ 1,963,247 | \$ 2,949,291 |



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CITY OF PATASKALA, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2015

| | State Highway Fund | Ecological Preservation Fund | JEDD Income Tax Fund | Permissive License Tax Fund |
|---|-------------------------|------------------------------------|-------------------------|-----------------------------------|
| <u>Assets:</u> | | | | |
| Equity in pooled cash and investments | \$ 58,802 | \$ 1,000 | \$ 1,285 | \$ 360,286 |
| Receivables (net of allowances of uncollectibles): | | | | |
| Accounts | - | - | - | - |
| Accrued interest | 155 | - | - | 947 |
| Due from other governments | 27,629 | - | - | 19,364 |
| <u>Restricted assets:</u> | | | | |
| Cash with fiscal and escrow agents | - | - | - | 75,772 |
| Total Assets | <u>\$ 86,586</u> | <u>\$ 1,000</u> | <u>\$ 1,285</u> | <u>\$ 456,369</u> |
| <u>Liabilities:</u> | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 536 |
| Due to other governments | - | - | - | 180 |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>716</u> |
| <u>Deferred Inflows of Resources:</u> | | | | |
| Investment income not available | 16 | - | - | 98 |
| Intergovernmental revenue not available | 18,507 | - | - | - |
| Total Deferred Inflows of Resources | <u>18,523</u> | <u>-</u> | <u>-</u> | <u>98</u> |
| <u>Fund balances:</u> | | | | |
| Restricted | 68,063 | 1,000 | 1,285 | 455,555 |
| Committed | - | - | - | - |
| Total Fund Balances | <u>68,063</u> | <u>1,000</u> | <u>1,285</u> | <u>455,555</u> |
| Total Liabilities, Deferred Inflows of Resources & Fund Balances | <u>\$ 86,586</u> | <u>\$ 1,000</u> | <u>\$ 1,285</u> | <u>\$ 456,369</u> |

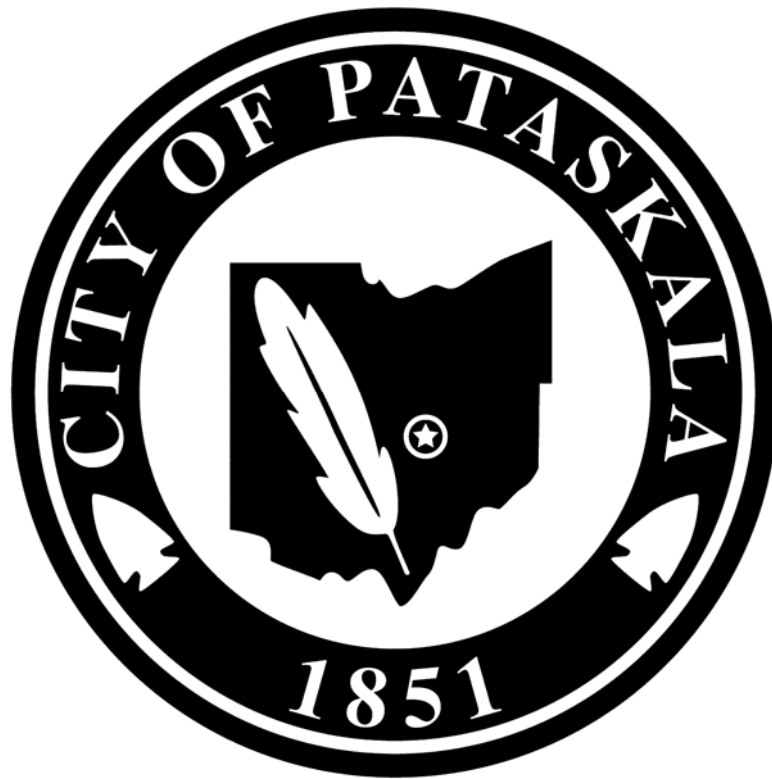
| Park Use Fund | Immobilization Fund | Court Computer Fund | Alcohol Enforcement and Education Fund | Law Enforcement Trust Fund | Pataskala Mobile Home Park Fund |
|----------------------|----------------------------|----------------------------|---|-----------------------------------|--|
| \$ 69,764 | \$ 490 | \$ 58,269 | \$ 5,921 | \$ 9,648 | \$ 4,461 |
| - | - | 621 | - | 457 | - |
| 183 | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| \$ 69,947 | \$ 490 | \$ 58,890 | \$ 5,921 | \$ 10,105 | \$ 4,461 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 19 | - | - | - | - | - |
| - | - | - | - | - | - |
| 19 | - | - | - | - | - |
| - | 490 | 58,890 | 5,921 | 10,105 | - |
| 69,928 | - | - | - | - | 4,461 |
| 69,928 | 490 | 58,890 | 5,921 | 10,105 | 4,461 |
| \$ 69,947 | \$ 490 | \$ 58,890 | \$ 5,921 | \$ 10,105 | \$ 4,461 |

-- Continued

CITY OF PATASKALA, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 DECEMBER 31, 2015

| | FEMA Fund | Law Enforcement Training Fund | Indigent Drivers Interlock | Total Nonmajor Special Revenue Funds |
|---|--------------|-------------------------------------|----------------------------------|---|
| <u>Assets:</u> | | | | |
| Equity in pooled cash and investments | \$ 9 | \$ 2,000 | \$ 952 | \$ 572,887 |
| Receivables (net of allowances of uncollectibles): | | | | |
| Accounts | - | - | - | 1,078 |
| Accrued interest | - | - | - | 1,285 |
| Due from other governments | - | 2,080 | - | 49,073 |
| <u>Restricted assets:</u> | | | | |
| Cash with fiscal and escrow agents | - | - | - | 75,772 |
| Total Assets | \$ 9 | \$ 4,080 | \$ 952 | \$ 700,095 |
| <u>Liabilities:</u> | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 536 |
| Due to other governments | - | - | - | 180 |
| Total Liabilities | - | - | - | 716 |
| <u>Deferred Inflows of Resources:</u> | | | | |
| Investment income not available | - | - | - | 133 |
| Intergovernmental revenue not available | - | - | - | 18,507 |
| Total Deferred Inflows of Resources | - | - | - | 18,640 |
| <u>Fund balances:</u> | | | | |
| Restricted | 9 | 4,080 | 952 | 606,350 |
| Committed | - | - | - | 74,389 |
| Total Fund Balances | 9 | 4,080 | 952 | 680,739 |
| Total Liabilities, Deferred Inflows of Resources & Fund Balances | \$ 9 | \$ 4,080 | \$ 952 | \$ 700,095 |



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CITY OF PATASKALA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

| | State Highway Fund | Ecological Preservation Fund | Jedd Income Tax Fund | Permissive License Tax Fund |
|--|-------------------------------|---|---------------------------------|--|
| Revenues: | | | | |
| Income taxes | \$ - | \$ - | \$ 125 | \$ - |
| Charges for services | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Intergovernmental | 53,388 | - | - | 335,373 |
| Investment income | 428 | - | - | 2,970 |
| Total Revenues | 53,816 | - | 125 | 338,343 |
| Expenditures: | | | | |
| <u>Current:</u> | | | | |
| Transportation | 41,237 | - | - | 116,661 |
| Leisure Time Activity | - | - | - | - |
| Capital outlay | - | - | - | - |
| Total Expenditures | 41,237 | - | - | 116,661 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 12,579 | - | 125 | 221,682 |
| Other Financing Sources (Uses): | | | | |
| Transfers out | - | - | - | (338,417) |
| Total Other Financing Sources (Uses) | - | - | - | (338,417) |
| Net Change in Fund Balance | 12,579 | - | 125 | (116,735) |
| Fund Balance at Beginning of Year | 55,484 | 1,000 | 1,160 | 572,290 |
| Fund Balance at End of Year | \$ 68,063 | \$ 1,000 | \$ 1,285 | \$ 455,555 |

| Park Use Fund | Immobilization Fund | Court Computer Fund | Alcohol Enforcement and Education Fund | Law Enforcement Trust Fund | Pataskala Mobile Home Park Fund |
|----------------------|----------------------------|----------------------------|---|-----------------------------------|--|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 29,970 | - | - | - | - | - |
| - | - | 2,744 | - | 2,498 | - |
| - | - | - | - | - | - |
| 498 | - | - | - | - | 9 |
| 30,468 | - | 2,744 | - | 2,498 | 9 |
| - | - | - | - | - | - |
| 500 | - | - | - | - | - |
| - | - | 2,484 | - | - | - |
| 500 | - | 2,484 | - | - | - |
| 29,968 | - | 260 | - | 2,498 | 9 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 29,968 | - | 260 | - | 2,498 | 9 |
| 39,960 | 490 | 58,630 | 5,921 | 7,607 | 4,452 |
| \$ 69,928 | \$ 490 | \$ 58,890 | \$ 5,921 | \$ 10,105 | \$ 4,461 |

- - Continued

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, 2015

| | FEMA Fund | Law Enforcement Training Fund | Indigent Drivers Interlock | Total Nonmajor Special Revenue Funds |
|--|----------------------|--|---|---|
| Revenues: | | | | |
| Income taxes | \$ - | \$ - | \$ - | \$ 125 |
| Charges for services | - | - | - | 29,970 |
| Fines and forfeitures | - | - | - | 5,242 |
| Intergovernmental | - | 4,080 | - | 392,841 |
| Investment income | - | - | - | 3,905 |
| Total Revenues | - | 4,080 | - | 432,083 |
| Expenditures: | | | | |
| <u>Current:</u> | | | | |
| Transportation | - | - | - | 157,898 |
| Leisure time activity | - | - | - | 500 |
| Capital outlay | - | - | - | 2,484 |
| Total Expenditures | - | - | - | 160,882 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | - | 4,080 | - | 271,201 |
| Other Financing Sources (Uses): | | | | |
| Transfers out | - | - | - | (338,417) |
| Total Other Financing Sources (Uses) | - | - | - | (338,417) |
| Net Change in Fund Balance | - | 4,080 | - | (67,216) |
| Fund Balance at Beginning of Year | 9 | - | 952 | 747,955 |
| Fund Balance at End of Year | \$ 9 | \$ 4,080 | \$ 952 | \$ 680,739 |

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, 2015

| | <u>Budgeted Amount</u> | | Variance with Final Budget Positive (Negative) | |
|---|------------------------|------------------|---|--|
| | <u>Final</u> | <u>Actual</u> | | |
| Revenues: | | | | |
| Intergovernmental | \$ 54,000 | \$ 53,619 | \$ (381) | |
| Investment Income | 300 | 371 | 71 | |
| Total Revenues | 54,300 | 53,990 | (310) | |
| Expenditures: | | | | |
| <i>Current:</i> | | | | |
| <u>Transportation</u> | | | | |
| Public Service | | | | |
| Contractual services | 10,000 | 2,758 | 7,242 | |
| General operating | 42,932 | 41,579 | 1,353 | |
| Total Public Service | 52,932 | 44,337 | 8,595 | |
| Total Transportation | 52,932 | 44,337 | 8,595 | |
| Total Expenditures | 52,932 | 44,337 | 8,595 | |
| Net Change in Fund Balance | 1,368 | 9,653 | 8,285 | |
| Fund Balance at Beginning of Year | 45,678 | 45,678 | - | |
| Prior Year Encumbrances Appropriated | 432 | 432 | - | |
| Fund Balance at End of Year | \$ 47,478 | \$ 55,763 | \$ 8,285 | |

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, 2015**

| | <u>Budgeted Amount</u> | | Variance with Final Budget Positive (Negative) |
|--|-------------------------------|------------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Fund Balance at Beginning of Year | \$ 1,000 | \$ 1,000 | \$ - |
| Fund Balance at End of Year | <u>\$ 1,000</u> | <u>\$ 1,000</u> | <u>\$ -</u> |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|----------------------------|----------------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Income taxes | \$ 500 | \$ 125 | \$ (375) |
| Total Revenues | 500 | 125 | (375) |
| Net Change in Fund Balance | 500 | 125 | (375) |
| Fund Balance at Beginning of Year | 1,160 | 1,160 | - |
| Fund Balance at End of Year | <u>\$ 1,660</u> | <u>\$ 1,285</u> | <u>\$ (375)</u> |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|---|------------------------|-------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Intergovernmental | \$ 427,500 | \$ 453,636 | \$ 26,136 |
| Investment income | 2,500 | 2,669 | 169 |
| Total Revenues | 430,000 | 456,305 | 26,305 |
| Expenditures: | | | |
| <i>Current:</i> | | | |
| <u>General Government</u> | | | |
| Contractual services | 5,000 | - | 5,000 |
| Total General Government | 5,000 | - | 5,000 |
| <u>Transportation</u> | | | |
| Public Service | | | |
| Contractual services | 9,500 | - | 9,500 |
| General operating | 100,000 | 83,153 | 16,847 |
| Capital outlay | 59,362 | 59,362 | - |
| Total Public Service | 168,862 | 142,515 | 26,347 |
| Total Transportation | 168,862 | 142,515 | 26,347 |
| Total Expenditures | 173,862 | 142,515 | 26,347 |
| Excess of Revenues over Expenditures | 256,138 | 313,790 | 52,652 |
| Other Financing Uses: | | | |
| Transfer out | (338,417) | (338,417) | - |
| Total Other Financing Uses | (338,417) | (338,417) | - |
| Net Change in Fund Balance | (82,279) | (24,627) | (42) |
| Fund Balance at Beginning of Year | 293,446 | 293,446 | - |
| Prior Year Encumbrances Appropriated | 86,494 | 86,494 | - |
| Fund Balance at End of Year | \$ 297,661 | \$ 355,313 | \$ (42) |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|------------------------|------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Charges for Services | \$ 20,000 | \$ 29,970 | \$ 9,970 |
| Investment Income | 200 | 425 | 225 |
| Total Revenues | 20,200 | 30,395 | 10,195 |
| Expenditures: | | | |
| <i>Current:</i> | | | |
| <u>Leisure Time Activity</u> | | | |
| Recreation Improvement | | | |
| General operating | 17,710 | - | 17,710 |
| Contractual | 7,500 | 500 | 7,000 |
| Total Leisure Time Activity | 25,210 | 500 | 24,710 |
| Total Expenditures | 25,210 | 500 | 24,710 |
| Net Change in Fund Balance | (5,010) | 29,895 | 34,905 |
| Fund Balance at Beginning of Year | 39,942 | 39,942 | - |
| Fund Balance at End of Year | \$ 34,932 | \$ 69,837 | \$ 34,905 |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|------------------------|----------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Fund Balance at Beginning of Year | \$ 490 | \$ 490 | \$ - |
| Fund Balance at End of Year | <u><u>\$ 490</u></u> | <u><u>\$ 490</u></u> | <u><u>\$ -</u></u> |

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, 2015

| | <u>Budgeted Amount</u> | | Variance with Final Budget Positive (Negative) |
|---|------------------------|------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Fines and forfeitures | \$ 13,000 | \$ 8,898 | \$ (4,102) |
| Total Revenues | 13,000 | 8,898 | (4,102) |
| Expenditures: | | | |
| <i>Current:</i> | | | |
| <u>General Government</u> | | | |
| Court & Legal | | | |
| Capital outlay | 5,000 | 2,484 | 2,516 |
| Total Court & Legal | 5,000 | 2,484 | 2,516 |
| Total General Government | 5,000 | 2,484 | 2,516 |
| Total Expenditures | 5,000 | 2,484 | 2,516 |
| Net Change in Fund Balance | 8,000 | 6,414 | (1,586) |
| Fund Balance at Beginning of Year | 51,495 | 51,495 | - |
| Prior Year Encumbrances Appropriated | 360 | 360 | - |
| Fund Balance at End of Year | \$ 59,855 | \$ 58,269 | \$ (1,586) |

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, 2015**

| | <u>Budgeted Amount</u> | | Variance with Final Budget Positive (Negative) |
|--|-------------------------------|------------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Fund Balance at Beginning of Year | \$ 5,921 | \$ 5,921 | \$ - |
| Fund Balance at End of Year | <u>\$ 5,921</u> | <u>\$ 5,921</u> | <u>\$ -</u> |

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, 2015

| | <u>Budgeted Amount</u> | | Variance with Final Budget Positive (Negative) |
|---|-------------------------------|-------------------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Fines and forfeitures | \$ 2,500 | \$ 2,575 | \$ 75 |
| Total Revenues | <u>2,500</u> | <u>2,575</u> | <u>75</u> |
| Expenditures: | | | |
| <i>Current:</i> | | | |
| <u>Security of Persons & Property</u> | | | |
| Police | | | - |
| General operating | 1,000 | - | 1,000 |
| Total Police | <u>1,000</u> | <u>-</u> | <u>1,000</u> |
| Total Security of Persons & Property | <u>1,000</u> | <u>-</u> | <u>1,000</u> |
| Total Expenditures | <u>1,000</u> | <u>-</u> | <u>1,000</u> |
| Net Change in Fund Balance | 1,500 | 2,575 | 1,075 |
| Fund Balance at Beginning of Year | <u>7,073</u> | <u>7,073</u> | <u>-</u> |
| Fund Balance at End of Year | <u><u>\$ 8,573</u></u> | <u><u>\$ 9,648</u></u> | <u><u>\$ 1,075</u></u> |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|------------------------|------------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Investment Income | \$ - | \$ 9 | \$ 9 |
| Total Revenues | <u>-</u> | <u>9</u> | <u>9</u> |
| Net Change in Fund Balance | <u>-</u> | <u>9</u> | <u>9</u> |
| Fund Balance at Beginning of Year | <u>4,452</u> | <u>4,452</u> | <u>-</u> |
| Fund Balance at End of Year | <u><u>\$ 4,452</u></u> | <u><u>\$ 4,461</u></u> | <u><u>\$ 9</u></u> |

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, 2015**

| | <u>Budgeted Amount</u> | | Variance with Final Budget Positive (Negative) |
|--|-------------------------------|----------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Fund Balance at Beginning of Year | \$ 9 | \$ 9 | \$ - |
| Fund Balance at End of Year | <u>\$ 9</u> | <u>\$ 9</u> | <u>\$ -</u> |

CITY OF PATASKALA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INDIGENT DRIVER INTERLOCK FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

| | <u>Budgeted Amount</u> | | Variance with Final Budget Positive (Negative) |
|--|-------------------------------|----------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Fund Balance at Beginning of Year | \$ 952 | \$ 952 | \$ - |
| Fund Balance at End of Year | <u>\$ 952</u> | <u>\$ 952</u> | <u>\$ -</u> |

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT TRAINING AND EDUCATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|---|------------------------|-----------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Intergovernmental | \$ 2,000 | \$ 2,000 | \$ - |
| Total Revenues | 2,000 | 2,000 | - |
| Expenditures: | | | |
| <u>Security of Persons & Property</u> | | | |
| Police | | | |
| Municipal court | | | |
| Salaries & related | 2,000 | - | 2,000 |
| Total Police | 2,000 | - | 2,000 |
| Total Security of Persons & Property | 2,000 | - | 2,000 |
| Total Expenditures | 2,000 | - | 2,000 |
| Net Change In Fund Balance | - | 2,000 | 2,000 |
| Fund Balance at Beginning of Year | - | - | - |
| Fund Balance at End of Year | \$ - | \$ 2,000 | \$ 2,000 |

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

UNCLAIMED MONIES FUND

FOR THE YEAR ENDED DECEMBER 31, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|------------------------|---------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Other | \$ - | \$ 7 | \$ 7 |
| Total Revenues | <u>-</u> | <u>7</u> | <u>7</u> |
| Net Change in Fund Balance | - | 7 | 7 |
| Fund Balance at Beginning of Year | <u>25</u> | <u>25</u> | <u>-</u> |
| Fund Balance at End of Year | <u><u>\$ 25</u></u> | <u><u>\$ 32</u></u> | <u><u>\$ 7</u></u> |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|------------------------|------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Investment income | \$ 175 | \$ 268 | \$ 93 |
| Rental Income | 2,800 | 3,420 | 620 |
| Contributions and donations | 500 | - | (500) |
| Other | 500 | 900 | 400 |
| Total Revenues | 3,975 | 4,588 | 613 |
| Expenditures: | | | |
| <i>Current:</i> | | | |
| <u>Leisure Time Activities</u> | | | |
| Parks, Lands & Municipal Facilities | | | |
| General operating | 3,000 | 1,260 | 1,740 |
| Total Parks, Lands & Municipal Facilities | 3,000 | 1,260 | 1,740 |
| Total Leisure Time Activities | 3,000 | 1,260 | 1,740 |
| Total Expenditures | 3,000 | 1,260 | 1,740 |
| Net Change in Fund Balance | 975 | 3,328 | 2,353 |
| Fund Balance at Beginning of Year | 31,277 | 31,277 | - |
| Fund Balance at End of Year | \$ 32,252 | \$ 34,605 | \$ 2,353 |

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, 2015**

| | <u>Budgeted Amount</u> | | Variance with Final Budget Positive (Negative) |
|--|-------------------------------|----------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Fund Balance at Beginning of Year | <u>\$ 367</u> | <u>\$ 367</u> | <u>\$ -</u> |
| Fund Balance at End of Year | <u><u>\$ 367</u></u> | <u><u>\$ 367</u></u> | <u><u>\$ -</u></u> |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|---|------------------------|-----------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Donations and contributions | \$ 25,000 | \$ 18,060 | \$ (6,940) |
| Total Revenues | 25,000 | 18,060 | (6,940) |
| Expenditures: | | | |
| Security of Persons & Property | | | |
| Contract services | 25,500 | 16,233 | 9,267 |
| Total Security of Persons & Property | 25,500 | 16,233 | 9,267 |
| Total Expenditures | 25,500 | 16,233 | 9,267 |
| Net Change in Fund Balance | (500) | 1,827 | 2,327 |
| Fund Balance at Beginning of Year | 696 | 696 | - |
| Fund Balance at End of Year | \$ 196 | \$ 2,523 | \$ 2,327 |

CITY OF PATASKALA, OHIO
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2015

| | Debt Service Fund | Street Bond Fund | Total Nonmajor Debt Service Funds |
|---|------------------------------|-----------------------------|--|
| <u>Assets:</u> | | | |
| Equity in pooled cash and investments | \$ 205,442 | \$ 30,067 | \$ 235,509 |
| Receivables (net of allowances of uncollectibles): | | | |
| Income taxes | 211,106 | - | 211,106 |
| Due from other governments | 514 | - | 514 |
| Accrued interest | 540 | - | 540 |
| Total Assets | <u>\$ 417,602</u> | <u>\$ 30,067</u> | <u>\$ 447,669</u> |
| <u>Deferred Inflows of Resources:</u> | | | |
| Investment income not available | \$ 56 | \$ - | \$ 56 |
| Income tax revenue not available | 142,308 | - | 142,308 |
| Total Deferred Inflows of Resources | <u>142,364</u> | <u>-</u> | <u>142,364</u> |
| <u>Fund Balances:</u> | | | |
| Restricted | 275,238 | 30,067 | 305,305 |
| Total Fund Balances | <u>275,238</u> | <u>30,067</u> | <u>305,305</u> |
| Total Liabilities, Deferred Inflows of Resources & Fund Balances | <u>\$ 417,602</u> | <u>\$ 30,067</u> | <u>\$ 447,669</u> |

CITY OF PATASKALA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

| | Debt Service Fund | Street Bond Fund | Total Nonmajor Debt Service Funds |
|---|------------------------------|-----------------------------|--|
| Revenues: | | | |
| Income taxes | \$ 598,024 | \$ - | \$ 598,024 |
| Intergovernmental | 1,408 | - | 1,408 |
| Investment income | 2,664 | - | 2,664 |
| Total Revenues | 602,096 | - | 602,096 |
| Expenditures: | | | |
| <i>Current:</i> | | | |
| General government | 35,496 | - | 35,496 |
| <i>Debt service:</i> | | | |
| Principal retirement | 336,161 | - | 336,161 |
| Interest and fiscal charges | 226,660 | - | 226,660 |
| Total Debt Service | 562,821 | - | 562,821 |
| Total Expenditures | 598,317 | - | 598,317 |
| Excess of Revenues of Expenditures | 3,779 | - | 3,779 |
| Other Financing Sources: | | | |
| Transfers in | 28,900 | - | 28,900 |
| Total Other Financing Sources | 28,900 | - | 28,900 |
| Net Change in Fund Balance | 32,679 | - | 32,679 |
| Fund Balance at Beginning of Year | 242,559 | 30,067 | 272,626 |
| Fund Balance at End of Year | \$ 275,238 | \$ 30,067 | \$ 305,305 |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|------------------------|-------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Income taxes | \$ 614,986 | \$ 611,101 | \$ (3,885) |
| Intergovernmental | 1,000 | 1,838 | 838 |
| Investment income | 1,000 | 2,467 | 1,467 |
| Total Revenues | 616,986 | 615,406 | (1,580) |
| Expenditures: | | | |
| <i>Current:</i> | | | |
| <u>General government</u> | | | |
| Finance | | | |
| General operating | 38,080 | 35,496 | 2,584 |
| Total Finance | 38,080 | 35,496 | 2,584 |
| Total General Government | 38,080 | 35,496 | 2,584 |
| <i>Debt service:</i> | | | |
| Principal retirement | 353,356 | 346,988 | 6,368 |
| Interest and fiscal charges | 227,745 | 227,637 | 108 |
| Total Debt Service | 581,101 | 574,625 | 6,476 |
| Total Expenditures | 619,181 | 610,121 | 9,060 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (2,195) | 5,285 | 7,480 |
| Other Financing Sources: | | | |
| Transfers in | 28,900 | 28,900 | - |
| Total Other Financing Sources | 28,900 | 28,900 | - |
| Net Change in Fund Balance | 26,705 | 34,185 | 7,480 |
| Fund Balance at Beginning of Year | 159,667 | 159,667 | - |
| Fund Balance at End of Year | \$ 186,372 | \$ 193,852 | \$ 7,480 |

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, 2015

| | <u>Budgeted Amount</u> | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Fund Balance at Beginning of Year | \$ 30,067 | \$ 30,067 | \$ - |
| Fund Balance at End of Year | <u><u>\$ 30,067</u></u> | <u><u>\$ 30,067</u></u> | <u><u>\$ -</u></u> |

CITY OF PATASKALA, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2015

| | Bond Improvement Fund | Issue II Fund | Municipal Building Purchase Fund |
|--|--------------------------------------|----------------------------|---|
| <u>Assets:</u> | | | |
| Equity in pooled cash and investments | \$ 30,780 | \$ 1,211,942 | \$ 6,871 |
| Receivables (net of allowances of uncollectibles): | | | |
| Accrued interest | 81 | - | - |
| Payment in lieu of taxes | | | - |
| Due from other governments | | 215,096 | - |
| <u>Restricted assets:</u> | | | |
| Equity in pooled cash and investments | - | - | - |
| Total Assets | <u>\$ 30,861</u> | <u>\$ 1,427,038</u> | <u>\$ 6,871</u> |
| <u>Liabilities:</u> | | | |
| Contracts payable | \$ - | \$ 155,759 | \$ - |
| Retainage payable | - | - | - |
| Unearned revenue | - | - | - |
| Total Liabilities | <u>-</u> | <u>155,759</u> | <u>-</u> |
| <u>Deferred Inflows of Resources:</u> | | | |
| Investment income not available | 8 | - | - |
| PILOTs levied for the next fiscal year | - | - | - |
| Total Deferred Inflows of Resources | <u>8</u> | <u>-</u> | <u>-</u> |
| <u>Fund Balances:</u> | | | |
| Restricted | 30,853 | 1,271,279 | 6,871 |
| Committed | - | - | - |
| Total Fund Balances | <u>30,853</u> | <u>1,271,279</u> | <u>6,871</u> |
| Total Liabilities, Deferred Inflows of | <u>\$ 30,861</u> | <u>\$ 1,427,038</u> | <u>\$ 6,871</u> |

| Courter Bridge Improvement Fund | State Route 310 TIF Fund | Columbia Road Bridge Improvement Fund | Capital Facilities Fund | Total Nonmajor Capital Projects Funds |
|--|-------------------------------------|--|------------------------------------|--|
| \$ 59 | \$ 453,333 | \$ 150,180 | \$ 93,267 | \$ 1,946,432 |
| - | - | - | - | 81 |
| - | 185,824 | - | - | 185,824 |
| - | - | - | - | 215,096 |
| - | 29,471 | - | - | 29,471 |
| \$ 59 | \$ 668,628 | \$ 150,180 | \$ 93,267 | \$ 2,376,904 |
| \$ - | \$ 36,956 | \$ - | \$ - | \$ 192,715 |
| - | 29,471 | - | - | 29,471 |
| - | - | - | 5,639 | 5,639 |
| - | 66,427 | - | 5,639 | 227,825 |
| - | - | - | - | 8 |
| - | 185,824 | - | - | 185,824 |
| - | 185,824 | - | - | 185,832 |
| 59 | 416,377 | - | - | 1,725,439 |
| - | - | 150,180 | 87,628 | 237,808 |
| 59 | 416,377 | 150,180 | 87,628 | 1,963,247 |
| \$ 59 | \$ 668,628 | \$ 150,180 | \$ 93,267 | \$ 2,376,904 |

CITY OF PATASKALA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

| | Bond Improvement Fund | Issue II Fund | Municipal Building Purchase Fund |
|--|--------------------------------------|--------------------------|---|
| Revenues: | | | |
| Intergovernmental | \$ - | \$ 215,096 | \$ - |
| Investment income | 2,885 | - | |
| Payment in lieu of taxes | - | - | |
| Rental income | - | - | - |
| Total Revenues | 2,885 | 215,096 | - |
| Expenditures: | | | |
| Capital outlay | 92,291 | 193,529 | - |
| Total Expenditures | 92,291 | 193,529 | - |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (89,406) | 21,567 | - |
| <u>Other Financing Sources (Uses):</u> | | | |
| Transfers in | - | 1,125,000 | - |
| Transfers out | (2,882,360) | (111,497) | - |
| Issuance of loan proceeds | 700,000 | - | - |
| Total Other Financing Sources (Uses) | (2,182,360) | 1,013,503 | - |
| Net Change in Fund Balance | (2,271,766) | 1,035,070 | - |
| Fund Balance at Beginning of Year | 2,302,619 | 236,209 | 6,871 |
| Fund Balance at End of Year | \$ 30,853 | \$ 1,271,279 | \$ 6,871 |

| Courter Bridge Improvement Fund | State Route 310 TIF Fund | Columbia Road Bridge Improvement Fund | Capital Facilities Fund | Total Nonmajor Capital Projects Funds |
|--|-------------------------------------|--|------------------------------------|--|
| \$ - | \$ - | \$ - | \$ - | \$ 215,096 |
| - | - | - | - | 2,885 |
| - | 153,835 | - | - | 153,835 |
| - | - | - | 87,628 | 87,628 |
| - | 153,835 | - | 87,628 | 459,444 |
| - | 618,142 | - | - | 903,962 |
| - | 618,142 | - | - | 903,962 |
| - | (464,307) | - | 87,628 | (444,518) |
| - | - | 150,180 | - | 1,275,180 |
| - | (61,400) | - | - | (3,055,257) |
| - | - | - | - | 700,000 |
| - | (61,400) | 150,180 | - | (1,080,077) |
| - | (525,707) | 150,180 | 87,628 | (1,524,595) |
| 59 | 942,084 | - | - | 3,487,842 |
| \$ 59 | \$ 416,377 | \$ 150,180 | \$ 87,628 | \$ 1,963,247 |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|---|------------------------|--------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Investment income | \$ 4,500 | \$ 3,922 | \$ (578) |
| Total Revenues | 4,500 | 3,922 | (578) |
| Expenditures: | | | |
| <u>Capital outlay</u> | | | |
| Public Service | | | |
| Capital outlay | 153,167 | 153,167 | - |
| Total Public Service | 153,167 | 153,167 | - |
| Total Capital Outlay | 153,167 | 153,167 | - |
| Total Expenditures | 153,167 | 153,167 | - |
| Excess of Expenditure Over Revenues | (148,667) | (149,245) | (578) |
| Other Financing Sources (Uses): | | | |
| Issuance of loans | 700,000 | 700,000 | - |
| Transfers out | (2,882,360) | (2,882,360) | - |
| Total Other Financing Sources (Uses) | (2,182,360) | (2,182,360) | - |
| Net Change in Fund Balance | (2,331,027) | (2,331,605) | (578) |
| Fund Balance at Beginning of Year | 2,041,489 | 2,041,489 | - |
| Prior year encumbrances appropriated | 320,928 | 320,928 | - |
| Fund Balance at End of Year | \$ 31,390 | \$ 30,812 | \$ (578) |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|------------------------|---------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Intergovernmental | \$ 490,595 | \$ - | \$ (490,595) |
| Total Revenues | 490,595 | - | (490,595) |
| Expenditures: | | | |
| <u>Capital outlay</u> | | | |
| Public Service | | | |
| Contractual services | 88,895 | 78,000 | 10,895 |
| Capital outlay | 1,651,400 | 1,544,660 | 106,740 |
| Total Public Service | 1,740,295 | 1,622,660 | 117,635 |
| Total Capital Outlay | 1,740,295 | 1,622,660 | 117,635 |
| Total Expenditures | 1,740,295 | 1,622,660 | 117,635 |
| Excess of Expenditure Over Revenues | (1,249,700) | (1,622,660) | (608,230) |
| Other Financing Sources (Uses): | | | |
| Transfers in | 1,225,000 | 1,225,000 | - |
| Transfers out | (211,497) | (211,497) | - |
| Total Other Financing Sources (Uses) | 1,013,503 | 1,013,503 | - |
| Net Change in Fund Balance | (236,197) | (609,157) | (608,230) |
| Fund Balance at Beginning of Year | 236,209 | 236,209 | - |
| Fund Balance (Deficit) at End of Year | \$ 12 | \$ (372,948) | \$ (608,230) |

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, 2015**

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|------------------------|------------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Fund Balance at Beginning of Year | <u>\$ 6,871</u> | <u>\$ 6,871</u> | <u>\$ -</u> |
| Fund Balance at End of Year | <u>\$ 6,871</u> | <u>\$ 6,871</u> | <u>\$ -</u> |

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, 2015**

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|------------------------|---------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Fund Balance at Beginning of Year | <u>\$ 59</u> | <u>\$ 59</u> | <u>\$ -</u> |
| Fund Balance at End of Year | <u><u>\$ 59</u></u> | <u><u>\$ 59</u></u> | <u><u>\$ -</u></u> |

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, 2015

| | <u>Budgeted Amount</u> | | Variance with Final Budget Positive (Negative) |
|---|------------------------|------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Property Taxes | \$ 165,000 | \$ 153,835 | \$ (11,165) |
| Total Revenues | 165,000 | 153,835 | (11,165) |
| Expenditures: | | | |
| <u>Capital Outlay</u> | | | |
| General Government | | | |
| Contractual services | 204,624 | 202,148 | 2,476 |
| Total General government | 204,624 | 202,148 | 2,476 |
| Public Service | | | |
| Capital outlay | 800,000 | 800,000 | - |
| Total Public Service | 800,000 | 800,000 | - |
| Finance | | | |
| Contractual services | 7,000 | 1,823 | 5,177 |
| Total Finance | 7,000 | 1,823 | 5,177 |
| Total Capital Outlay | 1,011,624 | 1,003,971 | 7,653 |
| Total Expenditures | 1,011,624 | 1,003,971 | 7,653 |
| Excess of Expenditures Over Revenues | (846,624) | (850,136) | (18,818) |
| Other Financing Sources: | | | |
| Transfers out | (61,400) | (61,400) | - |
| Total Other Financing Sources | (61,400) | (61,400) | - |
| Net Change in Fund Balance | (908,024) | (911,536) | (18,818) |
| Fund Balance at Beginning of Year | 764,723 | 764,723 | - |
| Prior Year Encumbrances Appropriated | 204,623 | 204,623 | - |
| Fund Balance at End of Year | \$ 61,322 | \$ 57,810 | \$ (3,512) |

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COLUMBIA ROAD BRIDGE IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|---|------------------------------|------------------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Expenditures: | | | |
| <u>Capital Outlay</u> | | | |
| General Government | | | |
| Contractual services | \$ 25,000 | \$ - | \$ 25,000 |
| Total General government | <u>25,000</u> | <u>-</u> | <u>25,000</u> |
| Total Capital Outlay | <u>25,000</u> | <u>-</u> | <u>25,000</u> |
| Total Expenditures | <u>25,000</u> | <u>-</u> | <u>25,000</u> |
| Excess of Expenditures Over Revenues | (25,000) | - | (25,000) |
| Other Financing Sources: | | | |
| Transfers in | 150,180 | 150,180 | - |
| Total Other Financing Sources | <u>150,180</u> | <u>150,180</u> | <u>-</u> |
| Net Change in Fund Balance | 125,180 | 150,180 | (25,000) |
| Fund Balance at Beginning of Year | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance at End of Year | <u><u>\$ 125,180</u></u> | <u><u>\$ 150,180</u></u> | <u><u>\$ 25,000</u></u> |

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL FACILITIES FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

| | <u>Budgeted Amount</u> | | Variance with Final Budget Positive (Negative) |
|--|--------------------------|-------------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | |
| Rental Income | \$ 100,000 | \$ 93,267 | \$ (6,733) |
| Total Revenues | <u>100,000</u> | <u>93,267</u> | <u>(6,733)</u> |
| Net Change in Fund Balance | 100,000 | 93,267 | (6,733) |
| Fund Balance at Beginning of Year | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance at End of Year | <u><u>\$ 100,000</u></u> | <u><u>\$ 93,267</u></u> | <u><u>\$ (6,733)</u></u> |

CITY OF PATASKALA, OHIO
INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - PROPRIETARY FUNDS

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 Operations Fund

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

Water Capital Improvements 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 Operations Fund

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

Sewer Capital Improvements 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.

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.

Oaks Assessment Fund

To account for the activity of the special assessment in The Oaks subdivision associated with the construction of sanitary sewer line improvements.

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

WATER OPERATIONS FUND

FOR THE YEAR ENDED DECEMBER 31, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|---|------------------------|-------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Operating Revenues: | | | |
| Charges for services | \$ 1,142,500 | \$ 1,153,738 | \$ 11,238 |
| Other operating revenues | 8,500 | 5,463 | (3,037) |
| Total Operating Revenues | 1,151,000 | 1,159,201 | 8,201 |
| Operating Expenses: | | | |
| General Government | | | |
| Salaries & related | 38,542 | 36,475 | 2,067 |
| Contractual services | 72,776 | 60,328 | 12,448 |
| Total General Government | 111,318 | 96,803 | 14,515 |
| Court & Legal | | | |
| Salaries & related | 26,081 | 26,079 | 2 |
| Contractual services | 2,738 | 2,738 | - |
| Total Court & Legal | 28,819 | 28,817 | 2 |
| Finance | | | |
| Salaries & related | 34,859 | 34,082 | 777 |
| Contractual services | 10,100 | 9,737 | 363 |
| Total Finance | 44,959 | 43,819 | 1,140 |
| Water Utility | | | |
| Salaries & related | 398,755 | 359,159 | 39,596 |
| Contractual services | 79,076 | 49,180 | 29,896 |
| General operating | 470,393 | 397,721 | 72,672 |
| Capital outlay | 5,000 | 2,765 | 2,235 |
| Total Water Utility | 953,224 | 808,825 | 144,399 |
| Total Operating Expenses | 1,138,320 | 978,264 | 160,056 |
| Operating Income | 12,680 | 180,937 | 168,257 |
| Nonoperating Revenues: | | | |
| Investment income | 3,500 | 3,289 | (211) |
| Total Nonoperating Revenues | 3,500 | 3,289 | (211) |
| Income Before Transfers | 12,680 | 184,226 | 171,546 |
| Transfers: | | | |
| Transfers out | (310,000) | (310,000) | - |
| Net Change in Fund Equity | (297,320) | (125,774) | 171,546 |
| Fund Equity at Beginning of Year | 518,715 | 518,715 | - |
| Prior Year Encumbrances Appropriated | 77,230 | 77,230 | - |
| Fund Equity at End of Year | \$ 298,625 | \$ 470,171 | \$ 171,546 |

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER CAPITAL IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|---|------------------------|---------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Operating Revenues: | | | |
| Charges for services | \$ 700,000 | \$ 727,907 | \$ 27,907 |
| Total Operating Revenues | 700,000 | 727,907 | 27,907 |
| Operating Expenses: | | | |
| Water Utility | | | |
| Contractual services | 83,000 | 76,196 | 6,804 |
| General operating | 1,000 | - | 1,000 |
| Capital outlay | 810,221 | 798,437 | 11,784 |
| Total Water Utility | 894,221 | 874,633 | 19,588 |
| Total Operating Expenses | 894,221 | 874,633 | 19,588 |
| Operating Loss | (194,221) | (146,726) | 47,495 |
| Nonoperating revenues: | | | |
| Investment income | 6,500 | 6,085 | (415) |
| Total Nonoperating Revenues | 6,500 | 6,085 | (415) |
| Income Before Transfers | (187,721) | (140,641) | 47,080 |
| Transfers: | | | |
| Transfers in | 700,000 | 700,000 | - |
| Transfers out | (211,400) | (211,400) | - |
| Total Non-Operating Revenues | 488,600 | 488,600 | - |
| Net Change in Fund Equity | 300,879 | 347,959 | 47,080 |
| Fund Equity at Beginning of Year | 645,013 | 645,013 | - |
| Prior Year Encumbrances Appropriated | 10,221 | 10,221 | - |
| Fund Equity at End of Year | \$ 956,113 | \$ 1,003,193 | \$ 47,080 |

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, 2015

| | <u>Budgeted Amount</u> | | Variance with Final Budget Positive (Negative) | |
|---|------------------------|--------------------|---|--|
| | <u>Final</u> | <u>Actual</u> | | |
| Non-Operating Revenues: | | | | |
| Bonds issued | \$ 5,460,000 | \$ 5,460,000 | \$ - | |
| Loans issued | 700,000 | 700,000 | - | |
| Premiums on notes and bonds issued | 380,024 | 380,024 | - | |
| Investment income | 100 | 161 | 61 | |
| Total Non-Operating Revenues | 6,540,124 | 6,540,185 | 61 | |
| Income Before Transfers | 6,540,124 | 6,540,185 | 61 | |
| Transfers: | | | | |
| Transfers out | (6,540,024) | (6,540,024) | - | |
| Total Non-Operating Revenues | (6,540,024) | (6,540,024) | - | |
| Net Change in Fund Equity | 100 | 161 | 61 | |
| Fund Equity at Beginning of Year | 25,137 | 25,137 | - | |
| Prior year encumbrances appropriated | 2,646 | 2,646 | - | |
| Fund Equity at End of Year | \$ 27,883 | \$ 27,944 | \$ 61 | |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|------------------------|--------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Non-Operating Revenues (expenses): | | | |
| Investment income | \$ 500 | \$ 1,270 | \$ 770 |
| <u>Debt Service:</u> | | | |
| Principal | (199,950) | (200,000) | (50) |
| Payment to refunded bond escrow agent | (5,742,093) | (5,742,093) | - |
| Interest and fiscal charges | (331,771) | (331,771) | - |
| Bond and note issuance costs | (97,930) | (90,953) | 6,977 |
| Total Debt Service | (6,371,744) | (6,364,817) | 6,927 |
| Total Non-Operating Revenues (expenses) | (6,371,244) | (6,363,547) | 7,697 |
| Loss Before Transfers | (6,371,244) | (6,363,547) | 7,697 |
| Transfers: | | | |
| Transfers in | 6,361,424 | 6,361,424 | - |
| Net Change in Fund Equity | (9,820) | (2,123) | 7,697 |
| Fund Equity at Beginning of Year | 30,482 | 30,482 | - |
| Fund Equity at End of Year | \$ 20,662 | \$ 28,359 | \$ 7,697 |

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

SEWER OPERATIONS FUND

FOR THE YEAR ENDED DECEMBER 31, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|---|------------------------|---------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Operating Revenues: | | | |
| Charges for services | \$ 1,142,500 | \$ 1,198,814 | \$ 56,314 |
| Other operating revenues | 6,000 | 5,460 | (540) |
| Total Operating Revenues | 1,148,500 | 1,204,274 | 55,774 |
| Operating Expenses: | | | |
| General Government | | | |
| Salaries & related | 57,813 | 54,712 | 3,101 |
| Contractual services | 38,276 | 26,250 | 12,026 |
| Total General Government | 96,089 | 80,962 | 15,127 |
| Court & Legal | | | |
| Salaries & related | 39,123 | 39,118 | 5 |
| Contractual services | 3,485 | 3,485 | - |
| Total Court & Legal | 42,608 | 42,603 | 5 |
| Finance | | | |
| Salaries & related | 52,286 | 51,123 | 1,163 |
| Contractual services | 10,150 | 9,738 | 412 |
| Total Finance | 62,436 | 60,861 | 1,575 |
| Sewer Utility | | | |
| Salaries & related | 424,481 | 408,529 | 15,952 |
| Contractual services | 373,621 | 293,181 | 80,440 |
| General operating | 373,973 | 301,527 | 72,446 |
| Capital outlay | 80,000 | 32,958 | 47,042 |
| Total Sewer Utility | 1,252,075 | 1,036,195 | 215,880 |
| Total Operating Expenses | 1,453,208 | 1,220,621 | 232,587 |
| Operating Loss | (304,708) | (16,347) | 288,361 |
| Non-Operating Revenues: | | | |
| Investment income | 5,000 | 7,291 | 2,291 |
| Total Non-Operating Revenues | 5,000 | 7,291 | 2,291 |
| Loss Before Transfers | (299,708) | (9,056) | 290,652 |
| Transfers: | | | |
| Transfers out | (200,000) | (200,000) | - |
| Net Change in Fund Equity | (499,708) | (209,056) | 290,652 |
| Fund Equity at Beginning of Year | 1,181,810 | 1,181,810 | - |
| Prior Year Encumbrances Appropriated | 109,543 | 109,543 | - |
| Fund Equity at End of Year | \$ 791,645 | \$ 1,082,297 | \$ 290,652 |

CITY OF PATASKALA, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEWER CAPITAL IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|---|------------------------|-------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Operating Revenues: | | | |
| Charges for services | \$ 687,000 | \$ 776,097 | \$ 89,097 |
| Total Operating Revenues | 687,000 | 776,097 | 89,097 |
| Operating Expenses: | | | |
| General Government | | | |
| Contractual services | 50,000 | 39,750 | 10,250 |
| Total General Government | 50,000 | 39,750 | 10,250 |
| Sewer Utility | | | |
| Salaries & related | - | - | - |
| Contractual services | 33,000 | 32,837 | 163 |
| General operating | 1,000 | - | 1,000 |
| Capital outlay | 425,000 | 393,749 | 31,251 |
| Total Sewer Utility | 459,000 | 426,586 | 32,414 |
| Total Operating Expenses | 509,000 | 466,336 | 32,414 |
| Operating Income | 178,000 | 309,761 | 121,511 |
| Non-Operating Revenues: | | | |
| Investment income | 4,500 | 5,098 | 598 |
| Total Non-Operating Revenues | 4,500 | 5,098 | 598 |
| Income Before Transfers | 182,500 | 314,859 | 122,109 |
| Transfers: | | | |
| Transfers out | (200,000) | (200,000) | - |
| Net Change in Fund Equity | (17,500) | 114,859 | 122,109 |
| Fund Equity at Beginning of Year | 791,680 | 791,680 | - |
| Fund Equity at End of Year | \$ 774,180 | \$ 906,539 | \$ 122,109 |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|---|-------------------------|-------------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Non-Operating Revenues: | | | |
| Investment income | \$ 450 | \$ 522 | \$ 72 |
| Total Non-Operating Revenues | 450 | 522 | 72 |
| Net Change in Fund Equity | 450 | 522 | 72 |
| Fund Equity at Beginning of Year | 89,911 | 89,911 | - |
| Fund Equity at End of Year | <u>\$ 90,361</u> | <u>\$ 90,433</u> | <u>\$ 72</u> |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|------------------------|------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Non-Operating Revenues (expenses): | | | |
| Investment income | \$ 650 | \$ 1,524 | \$ 874 |
| <u>Debt Service:</u> | | | |
| Principal | (288,260) | (288,260) | - |
| Interest and fiscal charges | (143,966) | (143,963) | 3 |
| Issuance costs | (3,175) | (3,175) | - |
| Total debt service | (435,401) | (435,398) | 3 |
| Total Debt Service | (435,401) | (435,398) | 3 |
| Total Non-Operating Revenues (Expenses) | (434,751) | (433,874) | 877 |
| Loss Before Transfers | (434,751) | (433,874) | 877 |
| Transfers: | | | |
| Transfers in | 400,000 | 400,000 | - |
| Net Change in Fund Equity | (34,751) | (33,874) | 877 |
| Fund Equity at Beginning of Year | 127,772 | 127,772 | - |
| Fund Equity at End of Year | \$ 93,021 | \$ 93,898 | \$ 877 |

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, 2015

| | <u>Budgeted Amount</u> | | <u>Variance with Final Budget Positive (Negative)</u> |
|---|------------------------|------------------|---|
| | <u>Final</u> | <u>Actual</u> | |
| Operating Revenues: | | | |
| Special assessments | \$ 19,000 | \$ 18,854 | \$ (146) |
| Total Operating Revenues | 19,000 | 18,854 | (146) |
| Operating Expenses: | | | |
| Finance | | | |
| Contractual services | 1,000 | 563 | 437 |
| Total Finance | 1,000 | 563 | 437 |
| Operating Income | 18,000 | 18,291 | 370,644 |
| Nonoperating Expenses: | | | |
| Debt service: | | | |
| Principal | (10,226) | (10,224) | 2 |
| Interest and fiscal charges | (10,040) | (10,039) | 1 |
| Total debt service | (20,266) | (20,263) | 3 |
| Total Nonoperating Expenses | (20,266) | (20,263) | 3 |
| Net Change in Fund Equity | (1,266) | (1,972) | (143) |
| Fund Equity at Beginning of Year | 19,320 | 19,320 | - |
| Fund Equity at End of Year | \$ 18,054 | \$ 17,348 | \$ (143) |

CITY OF PATASKALA, OHIO

**INDIVIDUAL FUND STATEMENT
FUND DESCRIPTION - FIDUCIARY FUNDS**

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.

Payroll Clearing Fund

To account for money held related to employee and employer payroll items due to others.

CITY OF PATASKALA, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2015

| | Beginning Balance 12/31/2014 | Additions | Reductions | Ending Balance 12/31/2015 |
|---|---|---------------------|---------------------|--|
| Mayor's Court Fund | | | | |
| <u>Assets:</u> | | | | |
| Cash in segregated accounts | \$ 575 | \$ 205,719 | \$ 206,094 | \$ 200 |
| Total Assets | \$ 575 | \$ 205,719 | \$ 206,094 | \$ 200 |
| <u>Liabilities:</u> | | | | |
| Undistributed monies | \$ 575 | \$ 205,719 | \$ 206,094 | \$ 200 |
| Total Liabilities | \$ 575 | \$ 205,719 | \$ 206,094 | \$ 200 |
| Fire Escrow Fund | | | | |
| <u>Assets:</u> | | | | |
| Equity in pooled cash and cash equivalents | \$ 28,880 | \$ - | \$ 4,880 | \$ 24,000 |
| Total Assets | \$ 28,880 | \$ - | \$ 4,880 | \$ 24,000 |
| <u>Liabilities:</u> | | | | |
| Deposits held and due to others | \$ 28,880 | \$ - | \$ 4,880 | \$ 24,000 |
| Total Liabilities | \$ 28,880 | \$ - | \$ 4,880 | \$ 24,000 |
| Construction Accounts Fund | | | | |
| <u>Assets:</u> | | | | |
| Equity in pooled cash and investments | \$ 204,761 | \$ 47,671 | \$ 29,045 | \$ 223,387 |
| Total Assets | \$ 204,761 | \$ 47,671 | \$ 29,045 | \$ 223,387 |
| <u>Liabilities:</u> | | | | |
| Deposits held and due to others | \$ 204,761 | \$ 47,671 | \$ 29,045 | \$ 223,387 |
| Total Liabilities | \$ 204,761 | \$ 47,671 | \$ 29,045 | \$ 223,387 |
| Payroll Clearing Account | | | | |
| <u>Assets:</u> | | | | |
| Equity in pooled cash and investments | \$ 51,522 | \$ 3,288,105 | \$ 3,277,047 | \$ 62,580 |
| Total Assets | \$ 51,522 | \$ 3,288,105 | \$ 3,277,047 | \$ 62,580 |
| <u>Liabilities:</u> | | | | |
| Pension and postemployment benefits payable | \$ 51,522 | \$ 3,288,105 | \$ 3,277,047 | \$ 62,580 |
| Total Liabilities | \$ 51,522 | \$ 3,288,105 | \$ 3,277,047 | \$ 62,580 |
| TOTAL AGENCY FUNDS | | | | |
| <u>Assets:</u> | | | | |
| Equity in pooled cash and investments | \$ 285,163 | \$ 3,335,776 | \$ 3,310,972 | \$ 309,967 |
| Cash in segregated accounts | 575 | 205,719 | 206,094 | 200 |
| Total Assets | \$ 285,738 | \$ 3,541,495 | \$ 3,517,066 | \$ 310,167 |
| <u>Liabilities:</u> | | | | |
| Undistributed monies | \$ 575 | \$ 205,719 | \$ 206,094 | \$ 200 |
| Pension and postemployment benefits payable | 51,522 | 3,288,105 | 3,277,047 | 62,580 |
| Deposits held and due to others | 233,641 | 47,671 | 33,925 | 247,387 |
| Total Liabilities | \$ 285,738 | \$ 3,541,495 | \$ 3,517,066 | \$ 310,167 |



Statistical Section

City of Pataskala | CAFR



CITY OF PATASKALA, OHIO

**STATISTICAL SECTION
TABLE OF CONTENTS**

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.

| <u>Contents</u> | <u>Page</u> |
|--|--------------------|
| Financial Trends | |
| These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. | 198-207 |
| 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. | 208-215 |
| Debt Capacity | |
| These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. | 216-220 |
| 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. | 221-222 |
| Operating Information | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the City provides and the activities it performs. | 224-229 |

Sources: Sources are noted on the individual schedules.

CITY OF PATASKALA, OHIO

NET POSITION BY COMPONENT

LAST TEN YEARS

(accrual basis of accounting)

| | Fiscal Year | | | |
|--|----------------------|----------------------------|----------------------|----------------------|
| | <u>2015</u> | <u>2014</u> ⁽¹⁾ | <u>2013</u> | <u>2012</u> |
| <u>Governmental activities</u> | | | | |
| Net investment in capital assets | \$ 14,059,671 | \$ 14,920,098 | \$ 12,389,873 | \$ 13,774,478 |
| Restricted for: | | | | |
| Debt service | 429,136 | 489,676 | 300,426 | 245,725 |
| Capital projects | 3,481,168 | 1,539,576 | 1,976,407 | 1,221,848 |
| Transportation projects | 3,557,497 | 3,907,772 | 2,625,800 | 1,948,664 |
| Community development | 2,285 | 2,160 | 159,356 | 102,975 |
| Parks and recreation | - | - | - | - |
| Police | 474,253 | 2,439,637 | 1,968,801 | 2,087,707 |
| Other purposes | - | - | - | - |
| Unrestricted | 1,067,350 | (1,595,927) | 2,481,743 | 1,201,567 |
| Total Governmental Activities Net Position | \$ 23,071,360 | \$ 21,702,992 | \$ 21,902,406 | \$ 20,582,964 |
| <u>Business-type activities</u> | | | | |
| Net investment in capital assets | \$ 934,760 | \$ 1,037,561 | \$ 1,523,496 | \$ 1,648,124 |
| Unrestricted | 4,568,518 | 3,943,375 | 3,662,044 | 3,154,156 |
| Total Business-Type Activities Net Position | \$ 5,503,278 | \$ 4,980,936 | \$ 5,185,540 | \$ 4,802,280 |
| <u>Primary government</u> | | | | |
| Net investment in capital assets | \$ 14,994,431 | \$ 15,957,659 | \$ 13,913,369 | \$ 15,422,602 |
| Restricted for: | | | | |
| Debt service | 429,136 | 489,676 | 300,426 | 245,725 |
| Capital projects | 3,481,168 | 1,539,576 | 1,976,407 | 1,221,848 |
| Transportation projects | 3,557,497 | 3,907,772 | 2,625,800 | 1,948,664 |
| Community development | 2,285 | 2,160 | 159,356 | 102,975 |
| Parks and recreation | - | - | - | - |
| Police | 474,253 | 2,439,637 | 1,968,801 | 2,087,707 |
| Other purposes | - | - | - | - |
| Unrestricted | 5,635,868 | 2,347,448 | 6,143,787 | 4,355,723 |
| Total Primary Government Net Position | \$ 28,574,638 | \$ 26,683,928 | \$ 27,087,946 | \$ 25,385,244 |

(1) The Net Position at December 31, 2014 has been restated under GASB Statement No. 68/71.

Source: City financial reports

| | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|-----------|--------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| \$ | 11,421,201 | \$ 6,885,892 | \$ 5,768,494 | \$ 4,965,912 | \$ 3,374,813 | \$ 3,123,377 |
| | 67,217 | 30,067 | 30,067 | 30,067 | 30,067 | 30,067 |
| | 894,345 | 428,679 | 8,830 | - | - | - |
| | 1,494,751 | 1,368,440 | 1,419,374 | 1,328,269 | 1,141,807 | 1,218,590 |
| | 23,352 | 8,813 | - | - | - | - |
| | 50,844 | 100,733 | 99,467 | 84,991 | 78,690 | 108,498 |
| | 2,169,514 | 1,431,654 | 579,510 | 368,748 | 220,905 | 277,968 |
| | - | 358 | 5,058 | 7,248 | 393,076 | 362,393 |
| | 2,153,086 | 1,807,920 | 1,168,314 | 890,439 | 1,104,231 | 1,060,773 |
| \$ | <u>18,274,310</u> | \$ <u>12,062,556</u> | \$ <u>9,079,114</u> | \$ <u>7,675,674</u> | \$ <u>6,343,589</u> | \$ <u>6,181,666</u> |
| | | | | | | |
| \$ | 2,154,908 | \$ 2,890,611 | \$ 2,327,739 | \$ 1,868,441 | \$ 1,566,742 | \$ 3,325,935 |
| | 2,336,168 | 2,367,129 | 3,482,621 | 4,629,883 | 4,916,251 | 2,968,971 |
| \$ | <u>4,491,076</u> | \$ <u>5,257,740</u> | \$ <u>5,810,360</u> | \$ <u>6,498,324</u> | \$ <u>6,482,993</u> | \$ <u>6,294,906</u> |
| | | | | | | |
| \$ | 13,576,109 | \$ 9,776,503 | \$ 8,096,233 | \$ 6,834,353 | \$ 4,941,555 | \$ 6,449,312 |
| | 67,217 | 30,067 | 30,067 | 30,067 | 30,067 | 30,067 |
| | 894,345 | 428,679 | 8,830 | - | - | - |
| | 1,494,751 | 1,368,440 | 1,419,374 | 1,328,269 | 1,141,807 | 1,218,590 |
| | 23,352 | 8,813 | - | - | - | - |
| | 50,844 | 100,733 | 99,467 | 84,991 | 78,690 | 108,498 |
| | 2,169,514 | 1,431,654 | 579,510 | 368,748 | 220,905 | 277,968 |
| | - | 358 | 5,058 | 7,248 | 393,076 | 362,393 |
| | 4,489,254 | 4,175,049 | 4,650,935 | 5,520,322 | 6,020,482 | 4,029,744 |
| \$ | <u>22,765,386</u> | \$ <u>17,320,296</u> | \$ <u>14,889,474</u> | \$ <u>14,173,998</u> | \$ <u>12,826,582</u> | \$ <u>12,476,572</u> |

CITY OF PATASKALA, OHIO

CHANGES IN NET POSITION
LAST TEN YEARS

(accrual basis of accounting)

| | Fiscal Year | | | |
|---|---------------------|---------------------|---------------------|---------------------|
| <u>PROGRAM REVENUES:</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
| Governmental Activities: | | | | |
| <i>Charges for Services and Sales:</i> | | | | |
| General government | \$ 290,261 | \$ 366,658 | \$ 379,351 | \$ 348,491 |
| Security of persons and property | 158,344 | 205,599 | 192,348 | 216,514 |
| Transportation | - | - | - | - |
| Community environment | 53,269 | 52,388 | - | - |
| Leisure time activities | 33,390 | 14,060 | 22,690 | 15,797 |
| <i>Operating Grants and Contributions:</i> | | | | |
| General government | 172,288 | 143,400 | - | 1,000 |
| Security of persons and property | 119,192 | 178,688 | 476,701 | 97,026 |
| Transportation | 946,405 | 955,003 | 1,129,954 | 1,372,877 |
| Community environment | - | 336,278 | 171,004 | 436,726 |
| Leisure time activities | - | 2,141 | - | - |
| <i>Capital Grants and Contributions:</i> | | | | |
| General government | - | - | - | - |
| Security of persons and property | - | - | - | - |
| Transportation | 274,739 | 225,891 | 46,219 | - |
| Community environment | - | - | - | - |
| Leisure time activities | - | - | - | - |
| Total Governmental Activities Program Revenues | <u>\$ 2,047,888</u> | <u>\$ 2,480,106</u> | <u>\$ 2,418,267</u> | <u>\$ 2,488,431</u> |
| Business-type activities: | | | | |
| <i>Charges for Services and Sales:</i> | | | | |
| Water | 1,880,929 | 1,548,621 | 1,642,290 | 1,439,095 |
| Sewer | 2,002,362 | 1,650,339 | 1,689,448 | 1,713,051 |
| <i>Capital Grants & Contributions:</i> | | | | |
| Water | - | - | - | - |
| Sewer | - | - | - | - |
| Total Business-Type Activities Program Revenues | <u>\$ 3,883,291</u> | <u>\$ 3,198,960</u> | <u>\$ 3,331,738</u> | <u>\$ 3,152,146</u> |
| Total Primary Government Program Revenues | <u>\$ 5,931,179</u> | <u>\$ 5,679,066</u> | <u>\$ 5,750,005</u> | <u>\$ 5,640,577</u> |
| <u>PROGRAM EXPENSES:</u> | | | | |
| Governmental Activities: | | | | |
| General government | \$ 1,919,562 | \$ 1,095,246 | \$ 706,223 | \$ 1,357,119 |
| Security of persons and property | 2,134,698 | 1,992,137 | 2,086,324 | 1,391,309 |
| Public health services | - | - | 112,101 | 111,485 |
| Transportation | 1,762,282 | 2,761,450 | 2,642,514 | 2,279,621 |
| Community environment | 246,113 | 677,184 | 543,577 | 591,589 |
| Leisure time activities | 67,486 | 94,930 | 157,950 | 50,103 |
| Economic development | - | - | - | - |
| Other | - | - | - | - |
| Interest and fiscal charges | <u>211,259</u> | <u>222,866</u> | <u>83,157</u> | <u>45,967</u> |
| Total Governmental Activities Expenses | <u>\$ 6,341,400</u> | <u>\$ 6,843,813</u> | <u>\$ 6,331,846</u> | <u>\$ 5,827,193</u> |

| <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ 359,222 | \$ 372,604 | \$ 345,726 | \$ 330,353 | \$ 329,569 | \$ 377,297 |
| 231,099 | 155,183 | 170,419 | 176,275 | 169,535 | 63,076 |
| - | - | 40,568 | - | - | - |
| - | - | - | 2,182 | 739 | 746 |
| 11,755 | 19,375 | 26,808 | 105,210 | 123,240 | 138,684 |
| - | - | - | - | - | 296,711 |
| 53,413 | 147,517 | 257,748 | 1,840 | 7,461 | 100,724 |
| 678,261 | 908,554 | 951,379 | 1,179,526 | 1,097,946 | 683,419 |
| 85,387 | 47,548 | 37,644 | 37,000 | - | - |
| 239,829 | - | 3,103 | 1,125 | - | - |
| - | - | - | - | - | - |
| - | - | - | - | 60,592 | - |
| 4,098,126 | 1,031,411 | 828,333 | 1,009,944 | 207,446 | 364,566 |
| 35,536 | - | - | - | - | - |
| 36,542 | - | - | - | - | - |
| <u>\$ 5,829,170</u> | <u>\$ 2,682,192</u> | <u>\$ 2,661,728</u> | <u>\$ 2,843,455</u> | <u>\$ 1,996,528</u> | <u>\$ 2,025,223</u> |
| 1,363,563 | 779,089 | 766,464 | 769,684 | 1,011,506 | 953,613 |
| 1,101,552 | 866,261 | 853,948 | 853,857 | 973,410 | 923,912 |
| - | - | 101,460 | 131,079 | 79,695 | 123,070 |
| - | 56,665 | 101,000 | 216,391 | 112,898 | 174,344 |
| <u>\$ 2,465,115</u> | <u>\$ 1,702,015</u> | <u>\$ 1,822,872</u> | <u>\$ 1,971,011</u> | <u>\$ 2,177,509</u> | <u>\$ 2,174,939</u> |
| <u>\$ 8,294,285</u> | <u>\$ 4,384,207</u> | <u>\$ 4,484,600</u> | <u>\$ 4,814,466</u> | <u>\$ 4,174,037</u> | <u>\$ 4,200,162</u> |
| \$ 758,581 | \$ 871,750 | \$ 826,900 | \$ 967,338 | \$ 1,063,385 | \$ 1,131,868 |
| 1,724,472 | 1,373,081 | 1,401,767 | 1,649,394 | 1,710,954 | 1,613,421 |
| 60,486 | 59,300 | 57,500 | 57,500 | 57,500 | 57,000 |
| 1,561,671 | 1,228,925 | 1,145,854 | 1,056,476 | 1,128,655 | 1,004,060 |
| 318,312 | 270,207 | 335,062 | 410,129 | 335,154 | 329,149 |
| 41,908 | 46,494 | 48,003 | 108,228 | 257,006 | 206,123 |
| 24,799 | 4,462 | 9,800 | - | - | - |
| - | - | - | - | - | - |
| 37,693 | 51,942 | 77,952 | 92,133 | 117,610 | 68,765 |
| <u>\$ 4,527,922</u> | <u>\$ 3,906,161</u> | <u>\$ 3,902,838</u> | <u>\$ 4,341,198</u> | <u>\$ 4,670,264</u> | <u>\$ 4,410,386</u> |

CITY OF PATASKALA, OHIO

**CHANGES IN NET POSITION
LAST TEN YEARS (CONTINUED)**

(accrual basis of accounting)

| | Fiscal Year | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
| Business-type activities: | | | | |
| Water | \$ 1,798,346 | \$ 1,392,928 | \$ 1,458,080 | \$ 1,541,391 |
| Sewer | <u>1,594,905</u> | <u>1,610,487</u> | <u>1,573,164</u> | <u>1,349,053</u> |
| Total Business-Type Activities Program Expenses | \$ 3,393,251 | \$ 3,003,415 | \$ 3,031,244 | \$ 2,890,444 |
| Total Primary Government Program Expenses | \$ 9,734,651 | \$ 9,847,228 | \$ 9,363,090 | \$ 8,717,637 |
| Governmental Activities | \$ (4,293,512) | \$ (4,363,707) | \$ (3,913,579) | \$ (3,338,762) |
| Business-Type Activities | <u>490,040</u> | <u>195,545</u> | <u>300,494</u> | <u>261,702</u> |
| Total Primary Government Net (Expense)/Revenue | \$ <u>(3,803,472)</u> | \$ <u>(4,168,162)</u> | \$ <u>(3,613,085)</u> | \$ <u>(3,077,060)</u> |

GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:

| | | | | |
|---|--------------|----------------|---------------|---------------|
| Governmental Activities: | | | | |
| Taxes: | | | | |
| Property taxes levied for: | | | | |
| General purposes | \$ 827,781 | \$ 714,826 | \$ 891,357 | \$ 802,654 |
| Street fund | - | - | - | - |
| Police levy fund | - | - | - | - |
| Income taxes levied for: | | | | |
| Street fund | 1,542,506 | 2,190,585 | 1,511,685 | 965,097 |
| Police fund | 2,393,147 | 2,607,079 | 2,016,235 | 1,668,443 |
| Debt service fund | 485,230 | 476,763 | 148,909 | 214,930 |
| Capital projects fund | 49,335 | 195,699 | 282,067 | 1,655,919 |
| JEDD income tax fund | 125 | 120 | 803 | - |
| Payments in lieu of taxes | 153,835 | 201,140 | 109,965 | 127,553 |
| Grants and entitlements not restricted to specific programs | 189,381 | 185,808 | 234,624 | 184,454 |
| Investment earnings-unrestricted | 11,049 | 16,230 | 1,813 | 16,023 |
| Transfers | - | - | (10,957) | - |
| Miscellaneous | <u>9,491</u> | <u>172,812</u> | <u>46,520</u> | <u>12,343</u> |
| Total Governmental Activities | \$ 5,661,880 | \$ 6,761,062 | \$ 5,233,021 | \$ 5,647,416 |
| Business-Type Activities: | | | | |
| Investment earnings-unrestricted | 30,006 | 17,501 | 35,668 | 13,834 |
| Transfers | - | - | 10,957 | - |
| Miscellaneous | <u>2,296</u> | <u>27,358</u> | <u>36,141</u> | <u>35,668</u> |
| Total Business-Type Activities | \$ 32,302 | \$ 44,859 | \$ 82,766 | \$ 49,502 |
| Total Primary Government | \$ 5,694,182 | \$ 6,805,921 | \$ 5,315,787 | \$ 5,696,918 |

Change in Net Position:

| | | | | |
|--------------------------|---------------------|---------------------|---------------------|---------------------|
| Governmental Activities | \$ 1,368,368 | \$ 2,397,355 | \$ 1,319,442 | \$ 2,308,654 |
| Business-Type Activities | <u>522,342</u> | <u>240,404</u> | <u>383,260</u> | <u>311,204</u> |
| Total Primary Government | \$ <u>1,890,710</u> | \$ <u>2,637,759</u> | \$ <u>1,702,702</u> | \$ <u>2,619,858</u> |

Source: City financial reports

| <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 1,467,074 | \$ 1,338,996 | \$ 1,614,297 | \$ 1,244,786 | \$ 1,525,419 | \$ 964,444 |
| <u>1,416,632</u> | <u>939,701</u> | <u>945,829</u> | <u>835,364</u> | <u>788,867</u> | <u>807,882</u> |
| \$ 2,883,706 | \$ 2,278,697 | \$ 2,560,126 | \$ 2,080,150 | \$ 2,314,286 | \$ 1,772,326 |
| \$ 7,411,628 | \$ 6,184,858 | \$ 6,462,964 | \$ 6,421,348 | \$ 6,984,550 | \$ 6,182,712 |
| \$ 1,301,248 | \$ (1,223,969) | \$ (1,241,110) | \$ (1,497,743) | \$ (2,673,736) | \$ (2,385,163) |
| <u>(418,591)</u> | <u>(576,682)</u> | <u>(737,254)</u> | <u>(109,139)</u> | <u>(136,777)</u> | <u>402,613</u> |
| <u>\$ 882,657</u> | <u>\$ (1,800,651)</u> | <u>\$ (1,978,364)</u> | <u>\$ (1,606,882)</u> | <u>\$ (2,810,513)</u> | <u>\$ (1,982,550)</u> |
| | | | | | |
| \$ 623,868 | \$ 1,063,530 | \$ 862,226 | \$ 845,202 | \$ 826,407 | \$ 853,878 |
| - | - | - | - | 1,726 | 525,244 |
| - | 1,259,991 | 1,375,422 | 1,342,858 | 1,311,759 | 1,316,392 |
| 833,223 | 272,986 | - | - | - | - |
| 2,299,295 | 818,953 | - | - | - | - |
| 57,251 | - | - | - | - | - |
| 524,805 | - | - | - | - | - |
| 237 | - | - | - | - | - |
| 261,409 | 424,161 | - | - | - | - |
| 303,395 | 331,221 | 368,296 | 466,879 | 455,723 | 434,943 |
| 6,594 | 4,223 | 11,624 | 38,676 | 114,274 | 110,276 |
| - | - | - | - | - | - |
| <u>106,889</u> | <u>32,346</u> | <u>26,982</u> | <u>136,213</u> | <u>125,770</u> | <u>118,245</u> |
| \$ 5,016,966 | \$ 4,207,411 | \$ 2,644,550 | \$ 2,829,828 | \$ 2,835,659 | \$ 3,358,978 |
| | | | | | |
| 6,825 | 4,714 | 27,583 | 104,178 | 300,956 | 271,525 |
| - | - | - | - | - | - |
| <u>164,913</u> | <u>19,348</u> | <u>21,707</u> | <u>20,292</u> | <u>23,905</u> | <u>17,318</u> |
| \$ 171,738 | \$ 24,062 | \$ 49,290 | \$ 124,470 | \$ 324,861 | \$ 288,843 |
| \$ 5,188,704 | \$ 4,231,473 | \$ 2,693,840 | \$ 2,954,298 | \$ 3,160,520 | \$ 3,647,821 |
| | | | | | |
| \$ 6,318,214 | \$ 2,983,442 | \$ 1,403,440 | \$ 1,332,085 | \$ 161,923 | \$ 973,815 |
| <u>(246,853)</u> | <u>(552,620)</u> | <u>(687,964)</u> | <u>15,331</u> | <u>188,084</u> | <u>691,456</u> |
| <u>\$ 6,071,361</u> | <u>\$ 2,430,822</u> | <u>\$ 715,476</u> | <u>\$ 1,347,416</u> | <u>\$ 350,007</u> | <u>\$ 1,665,271</u> |

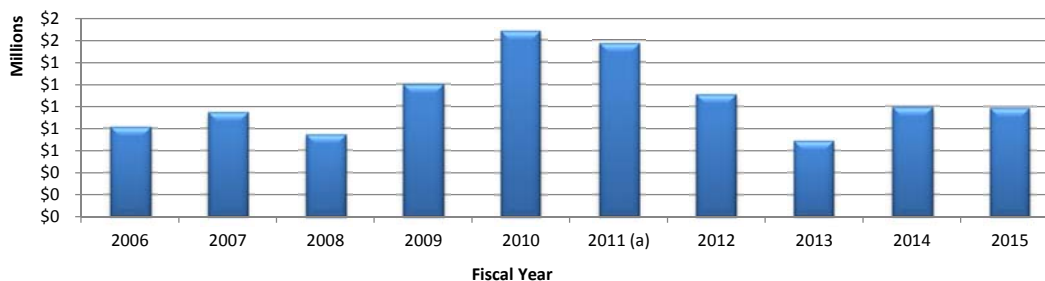
CITY OF PATASKALA, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN YEARS

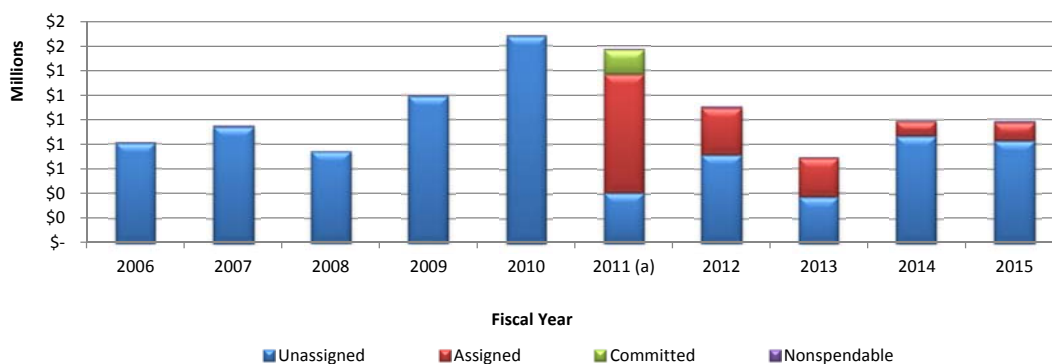
(modified accrual basis of accounting)

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|--|---------------------|---------------------|---------------------|---------------------|
| <u>General Fund</u> | | | | |
| Nonspendable | \$ 13,621 | \$ 7,022 | \$ 9,302 | \$ 15,491 |
| Committed | - | - | - | - |
| Assigned | 148,242 | 120,649 | 313,403 | 383,681 |
| Unassigned | 828,059 | 868,271 | 369,603 | 715,312 |
| Total General Fund | \$ 989,922 | \$ 995,942 | \$ 692,308 | \$ 1,114,484 |
| <u>All Other Governmental Funds</u> | | | | |
| Nonspendable | \$ 90,044 | \$ 60,877 | \$ 18,164 | \$ 49,045 |
| Restricted | 8,492,046 | 8,456,579 | 6,593,931 | 4,288,119 |
| Committed | 312,197 | 44,412 | 32,294 | 31,809 |
| Unassigned (deficit) | - | - | (4,333,597) | (35,066) |
| Total All Other Governmental Funds | \$ 8,894,287 | \$ 8,561,868 | \$ 2,310,792 | \$ 4,333,907 |
| Total Governmental Funds | \$ 9,884,209 | \$ 9,557,810 | \$ 3,003,100 | \$ 5,448,391 |

Unassigned General Fund Balance



General Fund Balance - by Category

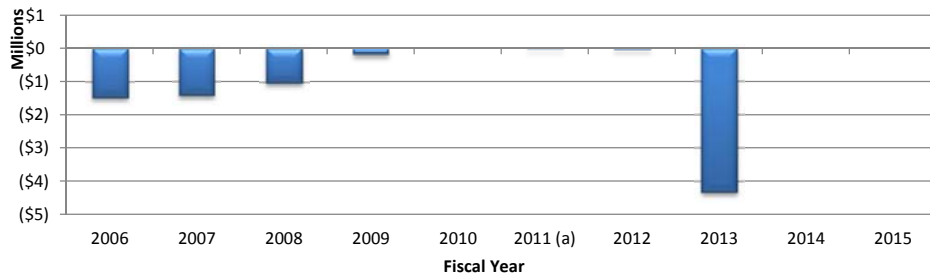


(a) The City implemented GASB 54 in 2011. The prior years (2004-2010) have been restated to reflect the change.

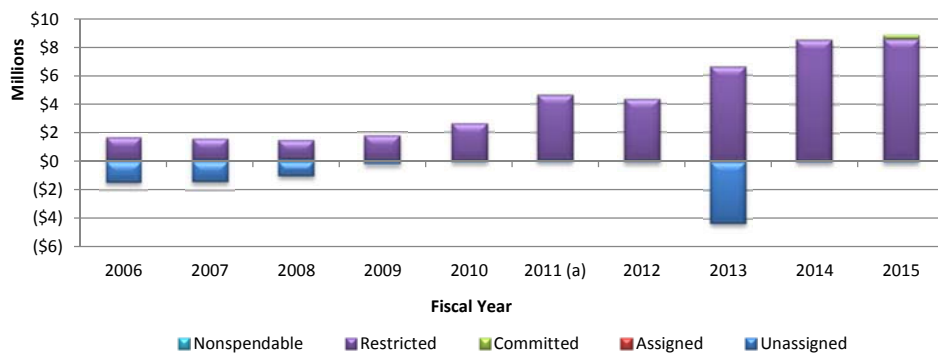
Source: City financial reports

| <u>2011</u> ^(a) | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> |
|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ 7,442 | \$ 7,173 | \$ 7,825 | \$ 5,696 | \$ 12,787 | \$ 7,569 | \$ 9,797 |
| 200,186 | - | - | - | - | - | - |
| 958,541 | - | - | - | - | - | - |
| 410,863 | 1,679,354 | 1,193,775 | 737,870 | 938,413 | 807,844 | 677,499 |
| \$ 1,577,032 | \$ 1,686,527 | \$ 1,201,600 | \$ 743,566 | \$ 951,200 | \$ 815,413 | \$ 687,296 |
| | | | | | | |
| \$ 68,667 | \$ 64,871 | \$ 66,247 | \$ 95,809 | \$ 58,681 | \$ 63,704 | \$ 50,908 |
| 4,581,579 | 2,570,543 | 1,718,379 | 1,350,443 | 1,495,967 | 1,604,404 | 1,049,351 |
| 48,545 | - | - | - | - | - | - |
| (16,304) | - | (168,275) | (1,020,333) | (1,411,683) | (1,472,570) | (1,335,209) |
| \$ 4,682,487 | \$ 2,635,414 | \$ 1,616,351 | \$ 425,919 | \$ 142,965 | \$ 195,538 | \$ (234,950) |
| \$ 6,259,519 | \$ 4,321,941 | \$ 2,817,951 | \$ 1,169,485 | \$ 1,094,165 | \$ 1,010,951 | \$ 452,346 |

Unassigned All Other Governmental Funds Balance



All Other Governmental Fund Balance - by Category

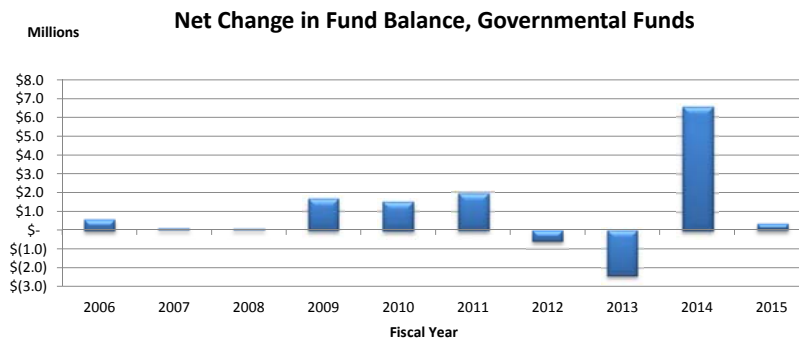


CITY OF PATASKALA, OHIO

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS**

(modified accrual basis of accounting)

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|--|---------------------|---------------------|-----------------------|-----------------------|---------------------|
| Revenues: | | | | | |
| Income taxes | \$ 4,948,134 | \$ 4,725,721 | \$ 3,846,461 | \$ 3,832,475 | \$ 3,335,770 |
| Property and other taxes | 832,535 | 819,665 | 803,422 | 802,525 | 637,042 |
| Charges for services | 38,296 | 18,893 | 22,690 | 15,797 | 26,293 |
| Licenses and permits | 249,575 | 270,812 | 256,957 | 206,922 | 233,253 |
| Fines and forfeitures | 153,957 | 221,825 | 192,348 | 216,514 | 231,099 |
| Intergovernmental | 1,479,219 | 1,927,690 | 1,953,278 | 2,026,095 | 1,938,053 |
| Special assessments | 5,591 | 4,169 | 9,527 | 4,369 | 2,967 |
| Investment income | 60,992 | 49,971 | 6,986 | 17,193 | 7,826 |
| Rental Income | 91,048 | 121,059 | 118,225 | 127,673 | 111,344 |
| Contributions and donations | 18,060 | 2,141 | - | - | 163 |
| Payments in lieu of taxes (PILOT) | 153,835 | 201,140 | 155,279 | 82,239 | 550,600 |
| Other | 74,796 | 243,586 | 138,240 | 112,321 | 106,726 |
| Total Revenues | \$ 8,106,038 | \$ 8,606,672 | \$ 7,503,413 | \$ 7,444,123 | \$ 7,181,136 |
| Expenditures: | | | | | |
| <i>Current:</i> | | | | | |
| General government | \$ 1,750,043 | \$ 1,585,981 | \$ 861,834 | \$ 1,207,191 | \$ 1,012,038 |
| Security of persons and property | 2,029,127 | 2,216,466 | 2,638,716 | 1,930,465 | 1,722,313 |
| Public health and welfare | - | - | 112,101 | 111,485 | 60,486 |
| Transportation | 1,651,933 | 1,621,694 | 1,942,020 | 2,273,208 | 1,418,164 |
| Community environment | 256,706 | 677,224 | 545,189 | 592,679 | 269,258 |
| Leisure time activity | 43,533 | 77,118 | 137,621 | 33,126 | 257,165 |
| Economic development | - | - | - | - | 24,799 |
| Other | - | - | - | - | - |
| Capital outlay | 2,502,625 | 2,614,077 | 2,815,454 | 2,369,511 | 519,744 |
| <i>Debt service:</i> | | | | | |
| Principal retirement | 522,564 | 422,208 | 967,222 | 217,568 | 166,928 |
| Interest and fiscal charges | 235,194 | 95,665 | 81,026 | 39,832 | 38,434 |
| Bond issuance costs | - | 91,118 | - | - | - |
| Total Expenditures | \$ 8,991,725 | \$ 9,401,551 | \$ 10,101,183 | \$ 8,775,065 | \$ 5,489,329 |
| Excess of Revenues Over (Under) Expenditures | \$ (885,687) | \$ (794,879) | \$ (2,597,770) | \$ (1,330,942) | \$ 1,691,807 |
| Other Financing Sources (Uses): | | | | | |
| Loans issued | \$ 700,000 | \$ 203,413 | \$ 15,407 | \$ - | \$ - |
| Bond issuance | - | 6,630,000 | - | - | - |
| Sale of capital assets | 12,086 | 285 | - | - | - |
| Note issuance | - | - | - | 720,000 | 245,771 |
| Premium on notes sold | - | - | - | - | - |
| Sale of bonds | - | - | - | - | - |
| Premium on sale of bonds | - | 248,117 | - | - | - |
| Inception of capital lease | 500,000 | 267,774 | 148,029 | - | - |
| Payment to refunded bond escrow agent | - | - | - | - | - |
| Transfers in | 3,776,354 | 1,615,815 | 3,306,934 | 200,000 | 179,477 |
| Transfers (out) | (3,776,354) | (1,615,815) | (3,317,891) | (200,000) | (179,477) |
| Total Other Financing Sources (Uses) | \$ 1,212,086 | \$ 7,349,589 | \$ 152,479 | \$ 720,000 | \$ 245,771 |
| Net Change in Fund Balances | \$ 326,399 | \$ 6,554,710 | \$ (2,445,291) | \$ (610,942) | \$ 1,937,578 |
| Capital Expenditures | \$ 3,446,755 | \$ 3,360,434 | \$ 3,791,327 | \$ 3,590,210 | \$ 1,420,744 |
| <i>Debt Service as a Percentage of Noncapital Expenditures</i> | <i>13.67%</i> | <i>8.57%</i> | <i>16.61%</i> | <i>4.96%</i> | <i>5.05%</i> |



Source: City financial reports

| <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ 976,035 | \$ - | \$ - | \$ - | \$ - |
| 2,434,278 | 2,192,130 | 2,159,252 | 2,169,911 | 2,688,325 |
| 28,181 | 23,310 | 179,345 | 225,982 | 245,173 |
| 235,985 | 259,098 | 237,392 | 170,188 | 176,807 |
| 155,183 | 134,523 | 115,769 | 113,232 | 63,076 |
| 2,480,970 | 1,638,319 | 1,822,969 | 1,660,086 | 1,660,587 |
| - | - | - | - | - |
| 5,118 | 15,675 | 53,533 | 141,600 | 110,276 |
| 120,200 | 118,538 | 106,162 | 102,879 | 94,747 |
| - | - | - | - | - |
| - | - | - | - | - |
| 79,661 | 112,133 | 87,091 | 129,901 | 115,796 |
| \$ 6,515,611 | \$ 4,493,726 | \$ 4,761,513 | \$ 4,713,779 | \$ 5,154,787 |

| | | | | |
|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ 855,648 | \$ 817,413 | \$ 927,449 | \$ 991,432 | \$ 1,185,194 |
| 1,360,206 | 1,380,665 | 1,650,201 | 1,682,856 | 1,604,152 |
| 59,300 | 57,500 | 57,500 | 57,500 | 57,000 |
| 1,166,311 | 821,874 | 871,259 | 866,760 | 693,215 |
| 239,698 | 229,192 | 287,595 | 242,974 | 261,046 |
| 20,352 | 14,340 | 80,296 | 135,840 | 116,516 |
| 4,462 | 9,800 | - | - | - |
| - | - | - | - | - |
| 1,170,248 | 270,420 | 685,462 | 964,755 | 536,597 |
| - | - | - | - | - |
| 299,833 | 258,810 | 83,270 | 95,818 | 73,697 |
| 48,563 | 77,179 | 92,133 | 117,610 | 68,765 |
| - | - | - | - | - |
| \$ 5,224,621 | \$ 3,937,193 | \$ 4,735,165 | \$ 5,155,545 | \$ 4,596,182 |
| \$ 1,290,990 | \$ 556,533 | \$ 26,348 | \$ (441,766) | \$ 558,605 |

| | | | | |
|---------------------|---------------------|------------------|-------------------|-------------------|
| \$ - | \$ - | \$ - | \$ 101,283 | \$ - |
| - | - | - | - | - |
| 18,000 | 49,500 | 48,972 | - | - |
| 195,000 | 860,000 | - | - | - |
| - | 1,730 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 180,703 | - | 423,697 | - |
| - | - | - | - | - |
| 172,445 | 65,657 | 461,948 | 178,093 | 15,480 |
| (172,445) | (65,657) | (461,948) | (178,093) | (15,480) |
| \$ 213,000 | \$ 1,091,933 | \$ 48,972 | \$ 524,980 | \$ - |
| \$ 1,503,990 | \$ 1,648,466 | \$ 75,320 | \$ 83,214 | \$ 558,605 |

| | | | | |
|--------------|--------------|--------------|------------|------------|
| \$ 1,499,257 | \$ 1,083,821 | \$ 1,522,106 | \$ 933,118 | \$ 360,656 |
| 9.35% | 11.78% | 5.46% | 5.05% | 3.36% |

| CITY OF PATASKALA, OHIO GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE LAST TEN YEARS (modified accrual basis of accounting - \$000's omitted) | | | | | |
|--|---------------------|-------------------|--------------------------|---------------------|---------------------------|
| <u>Fiscal Year</u> | <u>Property Tax</u> | <u>Income Tax</u> | <u>Motor Vehicle Tax</u> | <u>Gasoline Tax</u> | <u>Total Tax Revenues</u> |
| 2015 | \$ 832.5 | \$ 4,948.1 | \$ 143.5 | \$ 568.3 | \$ 6,492.4 |
| 2014 | 820.0 | 4,725.7 | 142.1 | 572.6 | 6,260.4 |
| 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 |

Cash-basis
data only

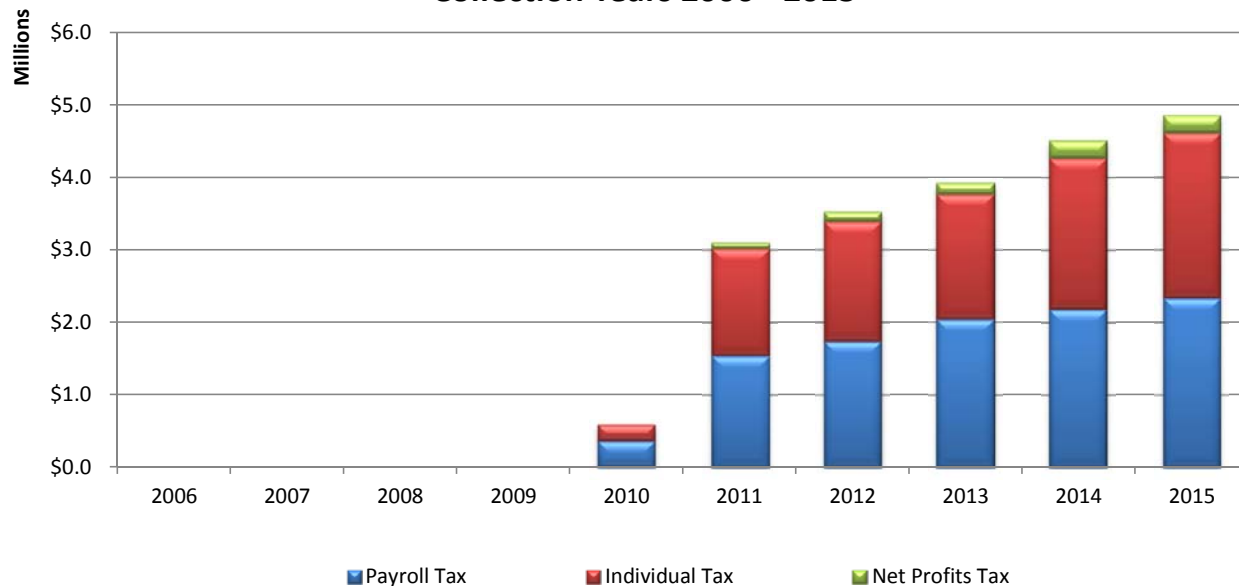
CITY OF PATASKALA, OHIO

**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 |
|--------------------------|-----------------|---------------------|-----------------------|------------------------|------------------------------|---------------------------------------|---|
| 2006 | 0.0% | \$ - | \$ - | \$ - | \$ - | \$ 5,384,201 | 0.00% |
| 2007 | 0.0% | - | - | - | - | 4,832,187 | 0.00% |
| 2008 | 0.0% | - | - | - | - | 5,673,283 | 0.00% |
| 2009 | 0.0% | - | - | - | - | 5,306,278 | 0.00% |
| 2010 | 0.0% | 360,868 | 223,122 | 3,297 | 587,287 | 6,889,603 | 8.52% |
| 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% |
| 2014 | 1.0% | 2,179,849 | 2,089,286 | 242,398 | 4,511,533 | 9,241,168 | 48.82% |
| 2015 | 1.0% | 2,333,963 | 2,279,620 | 236,243 | 4,849,826 | 7,709,768 | 62.90% |
| Four Year Average | | \$ 2,074,702 | \$ 1,935,543 | \$ 190,778 | \$ 4,201,023 | \$ 8,184,518 | 51.33% |

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

**Government-Wide Income
Tax Revenues by Type
Collection Years 2006 - 2015**



Source: Regional Income Tax Agency & City financial reports

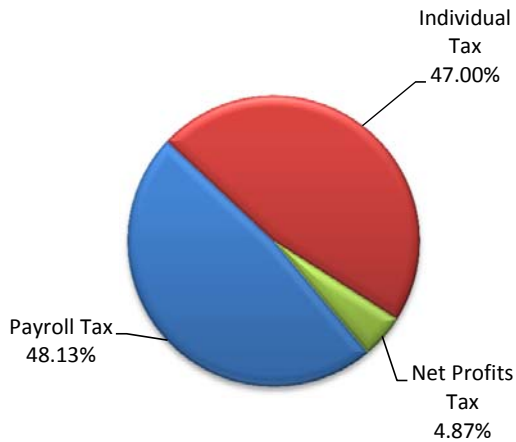
CITY OF PATASKALA, OHIO

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

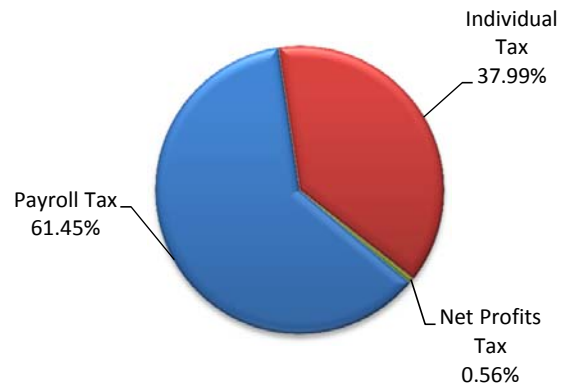
| | <u>Fiscal Year 2015</u> | | <u>Fiscal Year 2010</u> | |
|-------------------------------------|----------------------------|-----------------------|--------------------------|-----------------------|
| Payroll Tax | \$ 2,333,963 | 48.13% | \$ 360,868 | 61.45% |
| Individual Tax | 2,279,620 | 47.00% | 223,122 | 37.99% |
| Net Profits Tax | <u>236,243</u> | <u>4.87%</u> | <u>3,297</u> | <u>0.56%</u> |
| Total Income Tax Collections | <u>\$ 4,849,826</u> | <u>100.00%</u> | <u>\$ 587,287</u> | <u>100.00%</u> |

2015 - 2010 Income Tax Breakdown

Fiscal Year 2015



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 ^(c) | Assessed | Estimated Actual ^(b) | Assessed | Estimated Actual | Average Effective Millage |
| 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 | \$335,370 | \$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 | 625 | 2,718 | 9,502 | 10,798 | \$328,709 | \$923,750 | \$2.9000 |
| 2014 | 2015 | 320,564 | 915,896 | 0 | 0 | 9,584 | 10,890 | \$330,148 | \$926,786 | \$2.9000 |
| 2015 | 2016 | 314,972 | 899,919 | 0 | 0 | 13,104 | 14,891 | \$328,076 | \$914,810 | \$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.

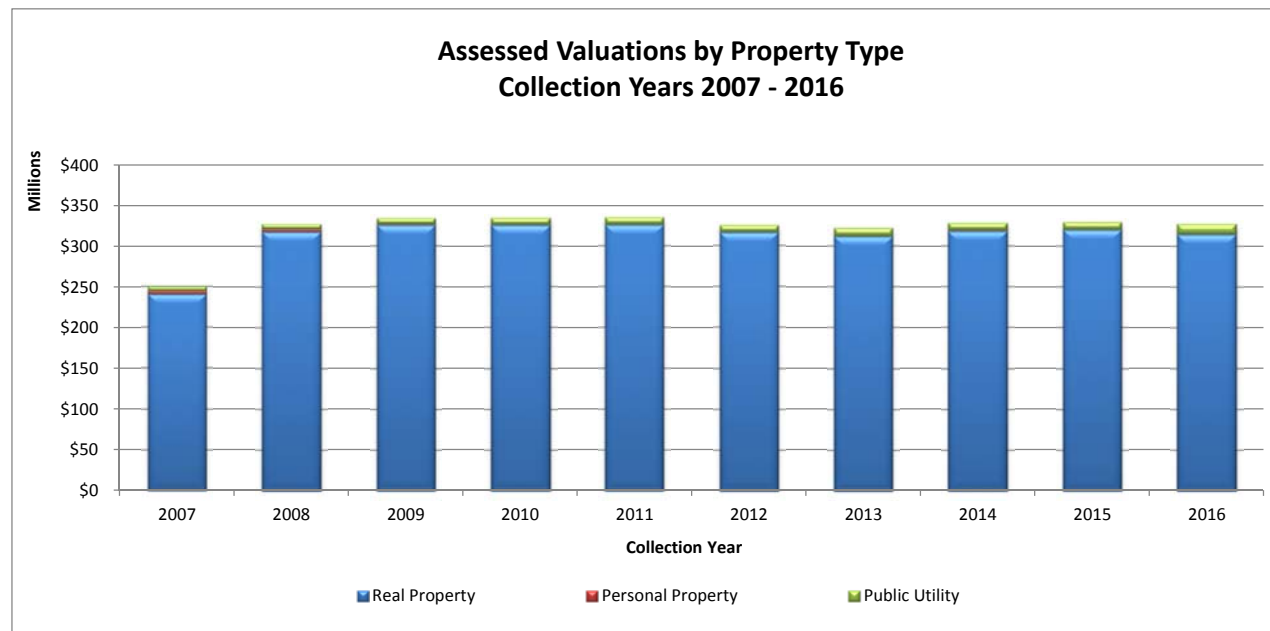
For 2006, tangible personal is assessed at 18.75% of property value, including inventory.

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 2009-2014, tangible personal is assessed at 0% of property value, including inventory.

Source: Licking County, Ohio; Fiscal Officer



CITY OF PATASKALA, OHIO

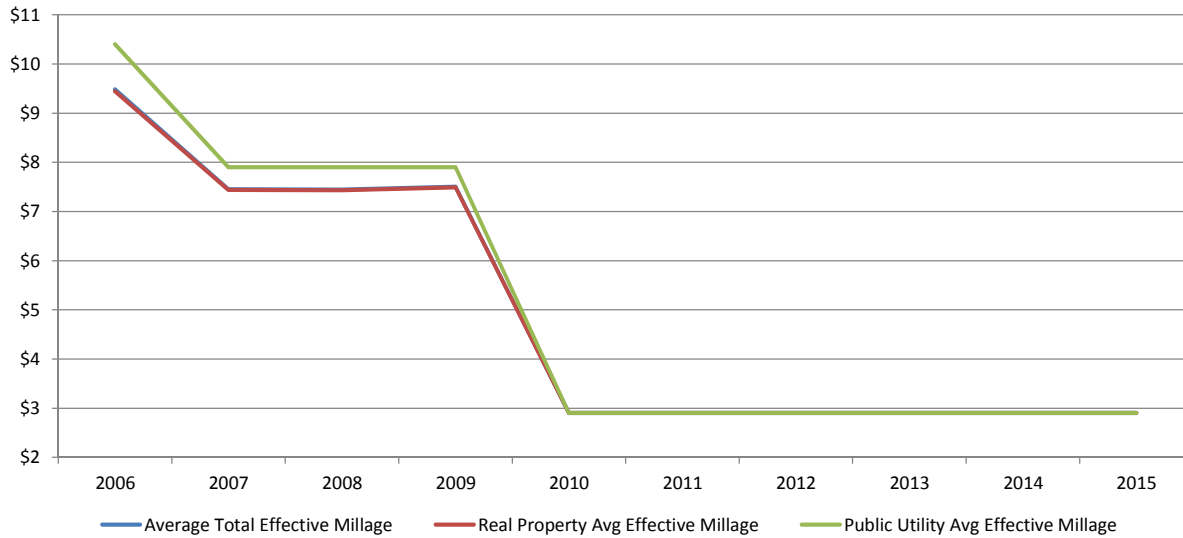
**ESTIMATED ASSESSED TAXES & AVERAGE EFFECTIVE RATES OF TAXABLE PROPERTY
LAST TEN YEARS**

| 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 |
| 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 |
| 2014 | 929,647 | 2.9000 | 0 | 0.0000 | 27,792 | 2.9000 | \$957,439 | \$2.9000 |
| 2015 | 913,418 | 2.9000 | 0 | 0.0000 | 38,001 | 2.9000 | \$951,419 | \$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

**Average Effective Millage Rate
By Tax Type**



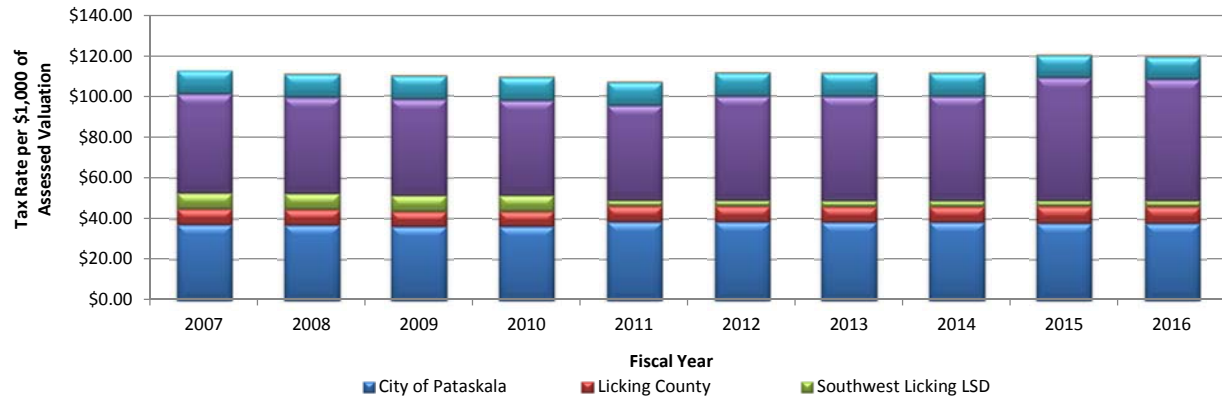
CITY OF PATASKALA, OHIO

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

| Tax Year | Collection Year | City Direct Rates | | | | Licking County | Southwest Licking Local School District | Licking Heights Local School District |
|----------|-----------------|-------------------|-------------|--------|-------------------|----------------|---|---------------------------------------|
| | | Operating | Street Levy | Police | Total Direct Rate | | | |
| 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 |
| 2014 | 2015 | \$2.90 | \$0.00 | \$0.00 | \$2.90 | \$8.00 | \$38.10 | \$60.54 |
| 2015 | 2016 | \$2.90 | \$0.00 | \$0.00 | \$2.90 | \$8.00 | \$37.90 | \$59.59 |

Source: Franklin County, Ohio; County Auditor

**Assessed Property Tax Rates - By Entity
Collection Years 2007 - 2016**

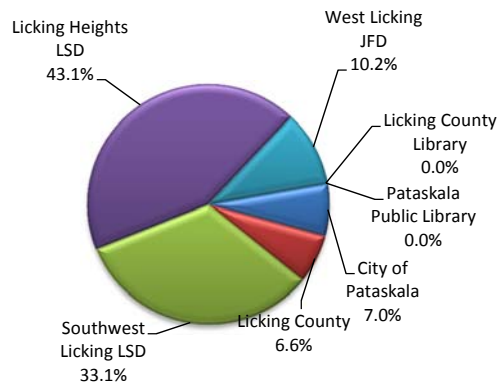


| West Licking Joint Fire District | Pataskala Public Library | Licking County Library | TOTAL |
|-------------------------------------|-----------------------------|---------------------------|-----------------|
| \$11.50 | \$0.00 | \$0.00 | \$112.62 |
| \$11.50 | \$0.50 | \$0.00 | \$111.59 |
| \$11.50 | \$0.50 | \$0.00 | \$110.39 |
| \$11.50 | \$0.50 | \$0.00 | \$109.95 |
| \$11.50 | \$0.50 | \$1.00 | \$108.44 |
| \$11.50 | \$0.50 | \$1.00 | \$113.07 |
| \$11.50 | \$0.50 | \$1.00 | \$112.84 |
| \$11.50 | \$0.50 | \$1.00 | \$112.84 |
| \$11.00 | \$0.50 | \$1.00 | \$122.04 |
| \$11.00 | \$0.50 | \$1.00 | \$120.89 |

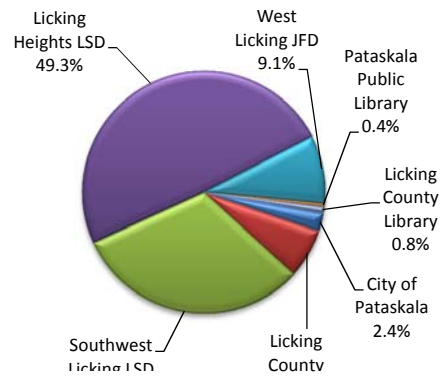
| Res/Agr Effective Rate | Com/Ind Effective Rate |
|---------------------------|---------------------------|
| \$9.5327 | \$9.4009 |
| \$9.4835 | \$9.4066 |
| \$7.5503 | \$7.3274 |
| \$7.5115 | \$7.3580 |
| \$7.5259 | \$7.4594 |
| \$2.9000 | \$2.9000 |
| \$2.9000 | \$2.9000 |
| \$2.9000 | \$2.9000 |
| \$2.9000 | \$2.9000 |
| \$2.9000 | \$2.9000 |
| \$2.9000 | \$2.9000 |

2007 - 2016 Property Tax Breakdown by Government Entity

2007 Collection Year



2016 Collection Year



CITY OF PATASKALA, OHIO

TOP PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND SIX YEARS AGO

| Taxpayer Name | 2015 | | | 2009 | | |
|---|------|----------------------|-------------------------------|------|----------------------|-------------------------------|
| | Rank | Assessed Valuation | % of Total Assessed Valuation | Rank | Assessed Valuation | % of Total Assessed Valuation |
| <u>Real Estate</u> | | | | | | |
| Catalina Club, LLC | 1 | \$2,486,020 | 0.76% | 2 | \$2,469,290 | 0.74% |
| Village Gate Apt Ltd | 2 | \$1,887,480 | 0.58% | 4 | \$2,021,600 | 0.60% |
| Kroger Co. | 3 | \$1,576,470 | 0.48% | 5 | \$1,562,960 | 0.47% |
| Reyno Holding Co. | 4 | \$1,046,610 | 0.32% | 6 | \$900,900 | 0.27% |
| BNR Columbus Storage LP | 5 | \$1,046,610 | 0.32% | | | |
| Tolson Investments | 6 | \$706,830 | 0.22% | | | |
| Newcon, Inc. | 7 | \$704,060 | 0.21% | | | |
| Fernco Dev Ltd, Norco Devt Ltd, Lenco Dev | 8 | \$689,790 | 0.21% | 7 | \$800,940 | 0.24% |
| First Bremen Bank | 9 | \$683,900 | 0.21% | | | |
| Hazelton Retail LTD | 10 | \$454,790 | 0.14% | 9 | \$765,140 | 0.23% |
| Hazelton Management Group LLC | | | | 1 | \$2,636,100 | 0.79% |
| Licking Memorial Health Systems | | | | 3 | \$2,288,090 | 0.68% |
| Dominion Homes Inc. | | | | 8 | \$799,330 | 0.24% |
| Pataskala Green IV Limited | | | | 10 | \$705,810 | 0.21% |
| <u>Public Utility</u> | | | | | | |
| Ohio Power Co. | 1 | 10,694,030 | 3.26% | 2 | 869,890 | 0.26% |
| Columbia Gas of Ohio | 2 | 985,300 | 0.30% | 4 | 508,790 | 0.15% |
| National Gas & Oil Corp | 3 | 736,280 | 0.22% | 3 | 584,450 | 0.17% |
| Licking Rural Electrification | 4 | 535,060 | 0.16% | | | |
| United Telephone of Ohio | 5 | 256,260 | 0.08% | | | |
| Columbus Southern Power | | | | 1 | 6,509,410 | 1.94% |
| General Electric Capital Commercial Inc. | | | | 5 | 353,540 | 0.11% |
| ALL OTHER TAXPAYERS | | \$303,586,010 | 92.54% | | \$311,593,760 | 92.91% |
| TOTAL ASSESSED VALUATION | | \$328,075,500 | 100.00% | | \$335,370,000 | 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 |
|-------------------------|------------------------|-----------------------|---------------------------|---|------------------------------|---|--|--|
| 2005 | 2006 | 3,020,403 | 2,896,778 | 83,307 | 2,980,085 | 130,359 | 95.91% | 4.32% |
| 2006 | 2007 | 2,422,756 | 2,342,779 | 60,072 | 2,402,851 | 427,856 | 96.70% | 17.66% |
| 2007 | 2008 | 2,419,380 | 2,341,780 | 60,071 | 2,401,851 | 126,039 | 96.79% | 5.21% |
| 2008 | 2009 | 2,510,313 | 2,416,286 | 61,676 | 2,477,962 | 124,869 | 96.25% | 4.97% |
| 2009 | 2010 | 2,507,307 | 2,413,468 | 88,874 | 2,502,342 | 164,135 | 96.26% | 6.55% |
| 2010 | 2011 | 1,056,076 | 939,100 | 19,155 | 958,255 | 56,037 | 88.92% | 5.31% |
| 2011 | 2012 | 934,491 | 883,993 | 22,726 | 906,719 | 48,264 | 94.60% | 5.16% |
| 2012 | 2013 | 933,045 | 873,402 | 27,375 | 900,777 | 44,000 | 93.61% | 4.72% |
| 2013 | 2014 | 937,207 | 909,601 | 34,607 | 944,208 | 29,681 | 97.05% | 3.17% |
| 2014 | 2015 | 942,515 | 918,218 | 23,379 | 941,597 | 24,927 | 97.42% | 2.64% |
| Ten Year Average | | \$ 1,768,349 | \$ 1,693,541 | \$ 48,124 | \$ 1,741,665 | \$ 117,617 | 95.77% | 6.65% |

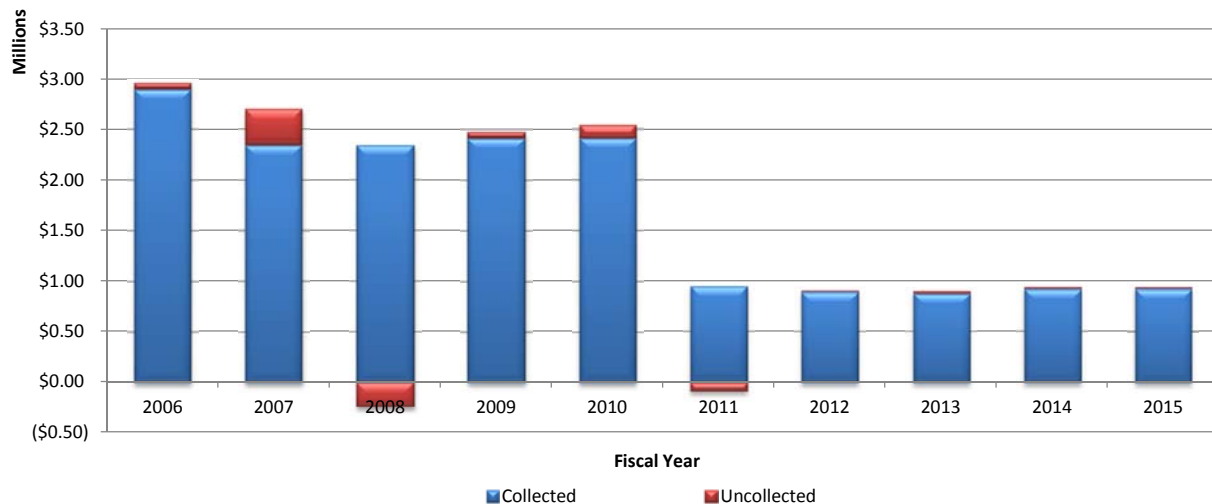
Note: Annual property tax rates can be found on pages 212-213.

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.

**Property Tax Levies - Collected vs Delinquent
Collection Years 2006 - 2015**



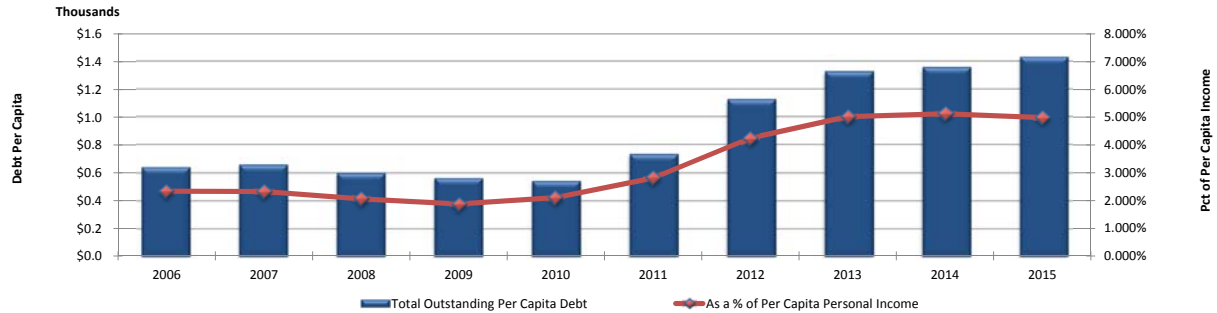
CITY OF PATASKALA, OHIO

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

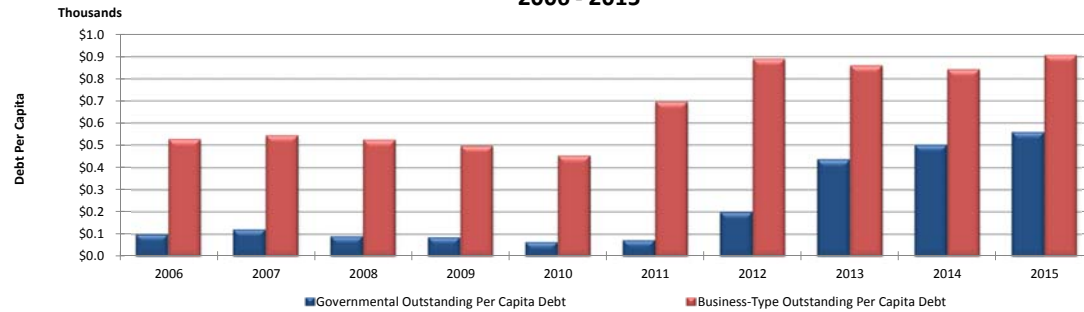
| Fiscal Year | Governmental Activities | | | | | | Business-Type Activities | | | | Total Debt | Percent of Per Capita Income | Total Debt Per Capita | % of Personal Income |
|-------------|--------------------------|----------|---------------|------------|-------------|----------------|--------------------------|----------|------------|----------------------|------------|------------------------------|-----------------------|----------------------|
| | General Obligation Bonds | Premiums | Notes Payable | OPWC Loans | Other Loans | Capital Leases | General Obligation Bonds | Premiums | OWDA Loans | Notes/ Loans Payable | | | | |
| 2015 | \$6,375.0 | \$233.7 | \$0.0 | \$86.6 | \$1,065.7 | \$639.0 | \$8,680.0 | \$478.0 | \$3,766.0 | \$700.0 | \$22,024.0 | 4.99% | \$1,430.9 | 4.99% |
| 2014 | \$6,630.0 | \$246.1 | \$42.8 | \$89.8 | \$400.8 | \$325.4 | \$8,860.0 | \$179.2 | \$3,954.5 | \$0.0 | \$20,728.6 | 5.13% | \$1,356.5 | 5.13% |
| 2013 | 0.0 | 0.0 | 6,307.5 | 64.0 | 255.2 | 143.2 | 6,300.0 | 79.4 | 4,116.8 | 2,845.0 | 20,111.1 | 5.02% | 1,327.1 | 5.03% |
| 2012 | 0.0 | 0.0 | 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 | 0.0 | 0.0 | 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 | 0.0 | 0.0 | 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 | 0.0 | 0.0 | 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 | 0.0 | 0.0 | 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 | 0.0 | 0.0 | 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 | 0.0 | 0.0 | 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% |

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

Total Outstanding Debt Ratio Analysis
2006 - 2015



Outstanding Debt Per Capita by Type
2006 - 2015



Source: City financial reports

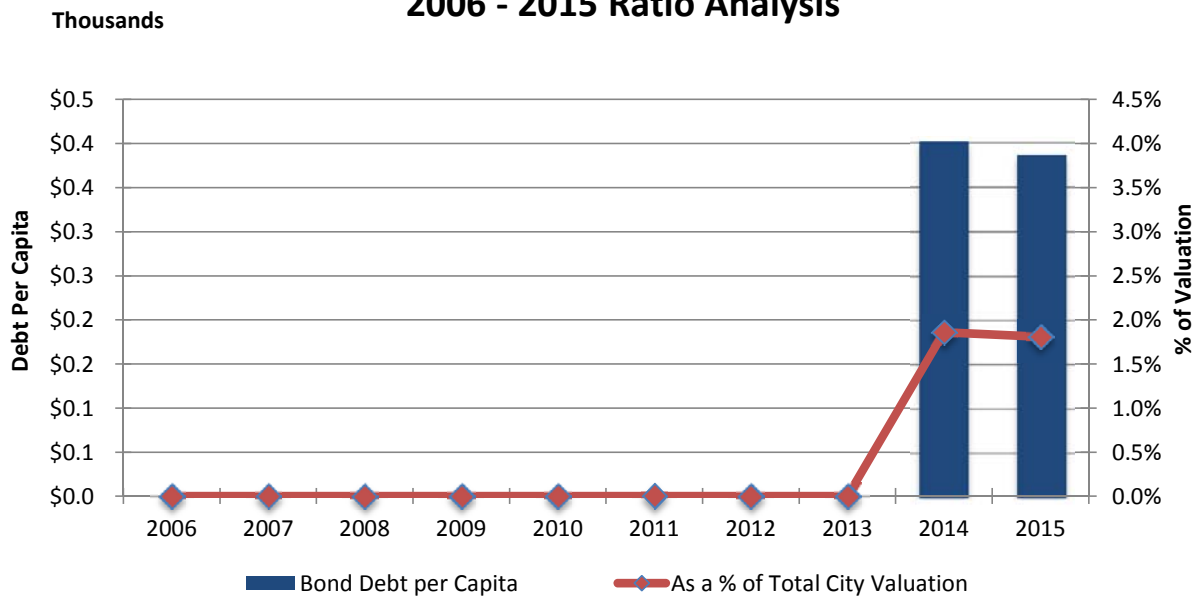
CITY OF PATASKALA, OHIO

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 Governmental Activities | Total | Less: Restricted for Debt Service | Total Net General Bonded Debt Outstanding | | |
| 2015 | \$6,375.0 | \$6,375.0 | \$429.1 | \$5,945.9 | 1.81% | \$386.30 |
| 2014 | 6,630.0 | 6,630.0 | 489.7 | 6,140.3 | 1.86% | 401.83 |
| 2013 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00% | 0.00 |
| 2012 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00% | 0.00 |
| 2011 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00% | 0.00 |
| 2010 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00% | 0.00 |
| 2009 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00% | 0.00 |
| 2008 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00% | 0.00 |
| 2007 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00% | 0.00 |
| 2006 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00% | 0.00 |

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

Total General Bonded Debt Outstanding 2006 - 2015 Ratio Analysis



Source: City financial reports

CITY OF PATASKALA, OHIO

COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT

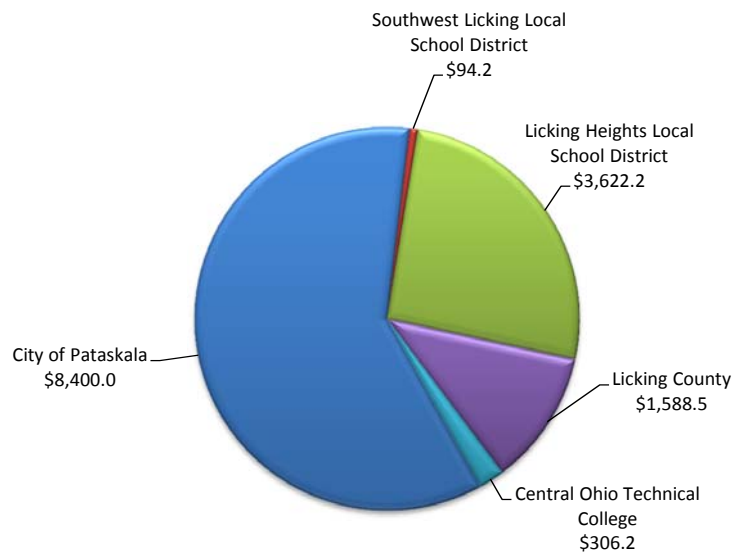
As of December 31, 2015

(\$000's omitted)

| Governmental Unit | Assessed Valuation | Total Debt Outstanding | Percent Applicable to City ⁽¹⁾ | Amount Applicable to City |
|--|---------------------------|---------------------------------|--|----------------------------------|
| <u>Direct</u> | | | | |
| City of Pataskala | \$328,075.5 | \$8,400.0 | 100.00% | \$8,400.0 |
| <u>Overlapping</u> | | | | |
| Southwest Licking Local School District | \$605,385.5 | \$390.0 | 24.15% | \$94.2 |
| Licking Heights Local School District | 523,390.3 | 10,425.0 | 34.75% | 3,622.2 |
| Licking County | 3,905,560.8 | 18,910.1 | 8.40% | 1,588.5 |
| Central Ohio Technical College | 4,041,050.4 | <u>3,771.7</u> | <u>8.12%</u> | <u>306.2</u> |
| Total Overlapping Debt | | <u>\$33,496.8</u> | | <u>\$5,611.1</u> |
| Total Direct & Overlapping Debt | | <u><u>\$41,896.8</u></u> | | <u><u>\$14,011.1</u></u> |

⁽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.

**Direct & Overlapping
General Obligation Debt**



Source: Licking County, Ohio; County Auditor

CITY OF PATASKALA, OHIO

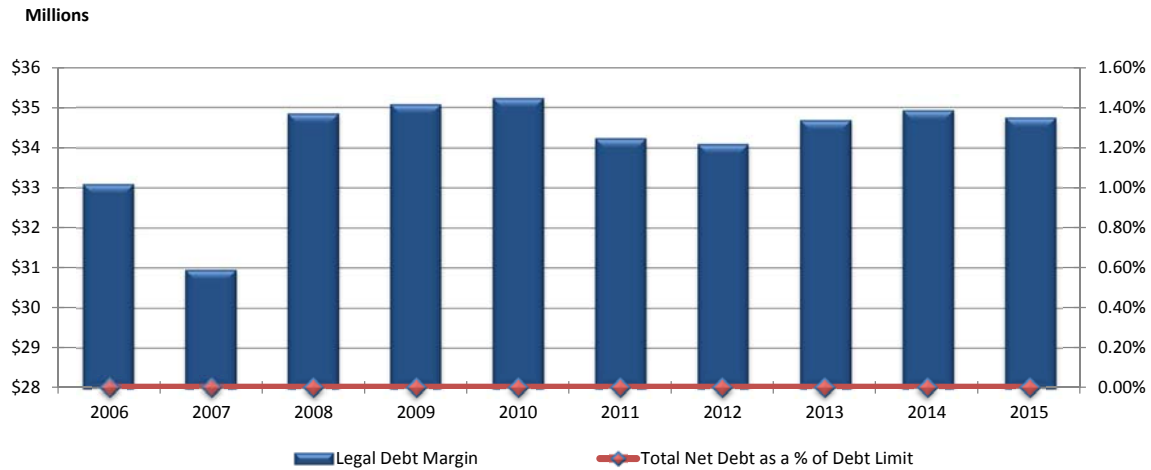
**LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS**

| Fiscal Year | Assessed Value | Voted Debt Limit | Total Net Voted 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 |
|-------------|----------------|------------------|--|--------------------------------|-------------------|---------------------|--|
| 2015 | \$328,075,440 | \$34,447,921 | \$0 | \$305,305 | \$34,753,226 | \$18,044,149 | 0.00% |
| 2014 | 330,147,160 | 34,665,452 | 0 | 272,626 | 34,938,078 | 18,158,094 | 0.00% |
| 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% |

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.

**Legal Debt Margin Analysis
2006 - 2015**



Source: City financial reports

CITY OF PATASKALA, OHIO

**PLEDGED REVENUE LOAN COVERAGE - OWDA LOANS
LAST TEN YEARS**

SEWER OWDA LOANS:

| Year | Operating Revenue | Operating Expenses (1) | Net Revenue Available for Debt Service | Debt Service Requirements (2) | | | Coverage Ratio |
|------|-------------------|------------------------|--|-------------------------------|------------|------------|----------------|
| | | | | Principal | Interest | Total | |
| 2015 | \$ 2,003,493 | \$ 1,096,880 | \$ 906,613 | \$ 188,483 | \$ 105,796 | \$ 294,279 | 3.08 |
| 2014 | 1,664,194 | 1,123,832 | 540,362 | 162,333 | 113,047 | 275,380 | 1.96 |
| 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 |

WATER OWDA LOANS:

| Year | Operating Revenue | Operating Expenses (1) | Net Revenue Available for Debt Service | Debt Service Requirements (2) | | | Coverage Ratio |
|------|-------------------|------------------------|--|-------------------------------|----------|---------|----------------|
| | | | | Principal | Interest | Total | |
| 2015 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 2014 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 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 |

(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⁾ |
|--------------------|----------------------------------|---|--|--|-------------------|--|---|
| 2015 | 15,392 | \$ 67,880 | \$ 441,196,288 | \$ 28,664 | 36.3 | 7,889 | 4.1% |
| 2014 | 15,281 | 59,341 | 403,983,797 | 26,437 | 36.1 | 7,653 | 4.2% |
| 2013 | 15,154 | 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% |

OTHER MISCELLANEOUS INFORMATION ⁽⁵⁾

Date of Incorporation 1891
Form of Government Charter City
Population ⁽¹⁾ 15,031

Area in square miles 28.19

| <u>City Acreage by class:</u> | <u>Total</u> | <u>Percent</u> |
|--------------------------------------|---------------------|-----------------------|
| Agricultural | 10,539 | 58.4% |
| Residential | 5,703 | 31.6% |
| Office/Commercial/Industrial | 1,153 | 6.4% |
| Roadways, utilities, other | <u>647</u> | <u>3.6%</u> |
| Total City Acreage | 18,042 | 100.0% |

Facilities & Services

Miles of streets 165
Number of signalized intersections 11

Sources:

- (1) U.S. Census Bureau
- (2) U.S. Bureau of Labor Statistics
- (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 PATASKALA, OHIO

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND FIVE YEARS AGO**

| Employer | 2015 | | 2010 | |
|---|--|-------------|--|-------------|
| | Percent of Total Withholding Taxes Paid | Rank | Percent of Total Withholding Taxes Paid | Rank |
| Licking Heights Local School District | 6.37% | 1 | 8.89% | 1 |
| West Licking Joint Fire District | 2.16% | 2 | 4.10% | 3 |
| Southwest Licking Local School District | 2.13% | 3 | 4.94% | 2 |
| Kroger | 1.83% | 4 | 3.71% | 5 |
| American Electric Power Service Corp. | 1.49% | 5 | 1.93% | 6 |
| City of Pataskala | 1.15% | 6 | 1.52% | 9 |
| Craft Wholesalers | 1.20% | 7 | 1.70% | 8 |
| Buckeye Ready Mix | 1.05% | 8 | 1.41% | 10 |
| Licking Memorial Professional | 1.05% | 9 | | |
| 84 Lumber Co. | 0.90% | 10 | | |
| Pataskala Oaks Care Center | | | 3.98% | 4 |
| Mulch Manufacturing | | | 1.77% | 7 |
| Total of Top Ten | <u>19.33%</u> | | <u>33.95%</u> | |
| Total Withholdings - All Employers | <u>\$2,333,963</u> | | <u>\$360,868</u> | |

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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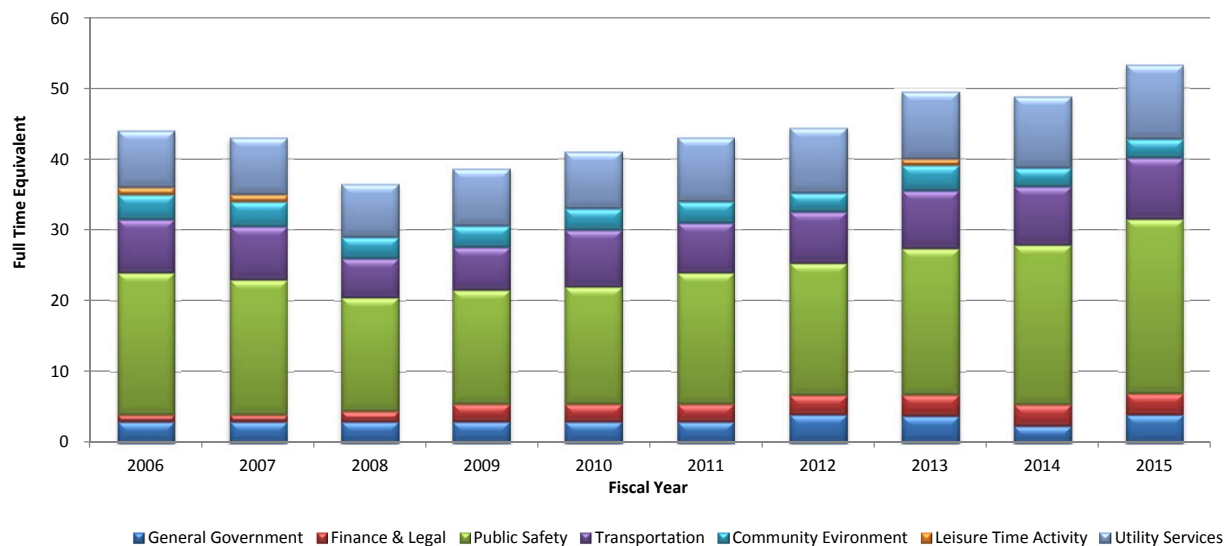
CITY OF PATASKALA, OHIO

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

| Function/Program | 2015 | 2014 | 2013 | 2012 |
|---|--------------|--------------|--------------|--------------|
| General Government | 4.01 | 2.43 | 3.80 | 4.00 |
| Clerk of Council | 1.00 | 1.00 | 1.00 | 1.00 |
| Mayor's Court | 1.01 | 0.99 | 1.00 | 1.00 |
| City Administrator | 2.00 | 0.44 | 1.00 | 1.00 |
| Project Manager | - | - | 0.80 | 1.00 |
| Finance & Legal | 3.00 | 3.00 | 3.00 | 2.75 |
| Finance | 2.00 | 2.00 | 2.00 | 1.75 |
| Law | 1.00 | 1.00 | 1.00 | 1.00 |
| Public Safety | 24.55 | 22.47 | 20.56 | 18.54 |
| Police/Clerk | 24.55 | 22.47 | 20.56 | 18.54 |
| Transportation | 8.62 | 8.28 | 8.15 | 7.25 |
| Public Service | 8.62 | 8.28 | 8.15 | 7.25 |
| Community Environment | 2.63 | 2.63 | 3.61 | 2.63 |
| Planning & Zoning | 2.63 | 2.63 | 3.61 | 2.63 |
| Leisure Time Activity | - | - | 0.83 | - |
| Parks Administration | - | - | 0.83 | - |
| Parks Maintenance | - | - | - | - |
| Utility Services | 10.47 | 10.02 | 9.49 | 9.15 |
| Water | 6.84 | 6.42 | 6.35 | 3.45 |
| Sewer | 3.63 | 3.60 | 3.14 | 5.70 |
| Total Full-Time Equivalent (FTE) | 53.28 | 48.83 | 49.44 | 44.32 |

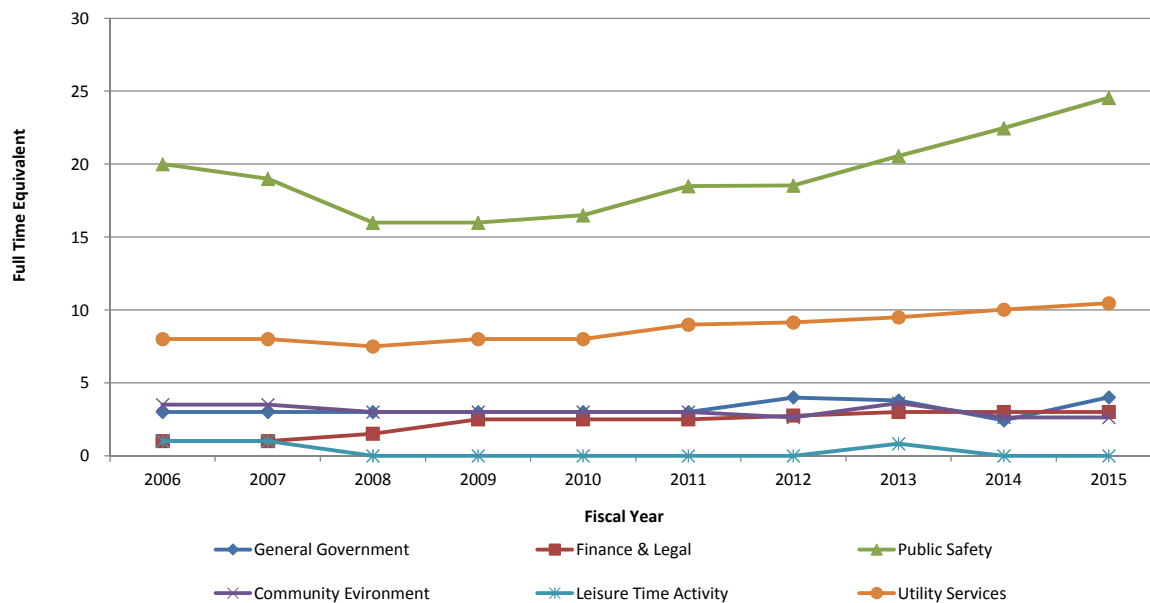
Source: City payroll systems

**Full-Time Equivalent Employees
By Function 2006 - 2015**



| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| 3.00 | 3.00 | 3.00 | 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 |
| - | - | - | - | - | - |
| 2.50 | 2.50 | 2.50 | 1.50 | 1.00 | 1.00 |
| 1.50 | 1.50 | 1.50 | 1.50 | 1.00 | 1.00 |
| 1.00 | 1.00 | 1.00 | - | - | - |
| 18.50 | 16.50 | 16.00 | 16.00 | 19.00 | 20.00 |
| 18.50 | 16.50 | 16.00 | 16.00 | 19.00 | 20.00 |
| 7.00 | 8.00 | 6.00 | 5.50 | 7.50 | 7.50 |
| 7.00 | 8.00 | 6.00 | 5.50 | 7.50 | 7.50 |
| 3.00 | 3.00 | 3.00 | 3.00 | 3.50 | 3.50 |
| 3.00 | 3.00 | 3.00 | 3.00 | 3.50 | 3.50 |
| - | - | - | - | 1.00 | 1.00 |
| - | - | - | - | 0.50 | 0.50 |
| - | - | - | - | 0.50 | 0.50 |
| 9.00 | 8.00 | 8.00 | 7.50 | 8.00 | 8.00 |
| 4.50 | 4.00 | 4.00 | 3.50 | 4.00 | 4.00 |
| 4.50 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| 43.00 | 41.00 | 38.50 | 36.50 | 43.00 | 44.00 |

**Full-Time Equivalent Employees
By Function 2006 - 2015**



CITY OF PATASKALA, OHIO

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN YEARS

| Function/Program | 2015 | 2014 | 2013 | 2012 |
|----------------------------------|-------|-------|-------|-------|
| General Government | | | | |
| Positions Filled | 5 | 9 | 8 | 11 |
| Zoning Permits Issued | 517 | 433 | 517 | 447 |
| Zoning Inspections Performed | 368 | 267 | 274 | 279 |
| Ordinances & Resolutions | 108 | 65 | 118 | 101 |
| Public Safety | | | | |
| Number of Arrests | 538 | 524 | 406 | 715 |
| Incidents/Police Reports Taken | 1,577 | 1,383 | 1,035 | 1,853 |
| Traffic Violations/Citations | 1,231 | 1,370 | 1,528 | 1,850 |
| Mayor's Court | | | | |
| Misdemeanor Cases | 107 | 102 | 108 | 123 |
| O.V.I. Cases | 10 | 10 | 1 | 1 |
| Other Traffic Cases | 966 | 1,280 | 1,325 | 1,557 |
| Leisure Time Activities * | | | | |
| Youth Soccer Participation | 862 | 843 | 825 | 452 |
| Select Soccer | 126 | 114 | 122 | 216 |
| Middle School Participation | 128 | 113 | 80 | 43 |
| High School Participation | 91 | 82 | 75 | 44 |
| Youth Softball Participation | 165 | 175 | 142 | 135 |
| Adult Softball Participation | 168 | 256 | 256 | 120 |
| Youth Baseball Participation | 64 | 89 | 56 | 175 |
| Porpoise Swim Team Members | 223 | 212 | 197 | 190 |
| Transportation | | | | |
| Street Resurfacing (miles) | 6.70 | 6.50 | 12.48 | 7.00 |
| Tons of salt used | 600 | 1,850 | 3,100 | 2,500 |
| Bridges Replaced/Repaired | - | - | - | 1 |
| Water | | | | |
| New Connections | 48 | 34 | 51 | 48 |
| Service Calls | 1,202 | 924 | 736 | 689 |

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.

| <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 4 | 2 | - | 2 | 5 | 3 |
| 401 | 457 | 503 | 605 | 484 | 891 |
| 236 | 362 | 385 | 449 | 669 | 842 |
| 115 | 86 | 77 | 69 | 80 | 95 |
| 436 | 405 | 534 | 610 | 726 | 794 |
| 1,521 | 1,390 | 1,345 | 1,534 | 1,851 | 1,928 |
| 1,167 | 1,254 | 1,342 | NA | NA | NA |
| 142 | 151 | NA | NA | NA | NA |
| 14 | 15 | NA | NA | NA | NA |
| 1,583 | 1,402 | NA | NA | NA | NA |
| 833 | 802 | 788 | 820 | 865 | 725 |
| 108 | 190 | 112 | 90 | 82 | 107 |
| 84 | 20 | NA | NA | NA | NA |
| 54 | 20 | NA | NA | NA | NA |
| 115 | 145 | 426 | 183 | 186 | 180 |
| NA | NA | NA | 205 | 226 | 201 |
| NA | NA | NA | NA | NA | NA |
| NA | NA | NA | NA | NA | NA |
| 0.75 | 2.06 | - | - | 20 | NA |
| 1,571 | 1,829 | 279 | 163 | 399 | NA |
| 1 | 1 | 1 | 1 | 1 | - |
| 19 | 19 | 16 | 20 | 32 | 44 |
| 578 | 578 | 610 | NA | NA | NA |

CITY OF PATASKALA, OHIO

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS**

| Function/Program | 2015 | 2014 | 2013 | 2012 |
|---------------------------------------|-------------|-------------|-------------|-------------|
| <u>Public Safety</u> | | | | |
| Police: | | | | |
| Stations | 1 | 1 | 1 | 1 |
| Cruisers/Patrol Vehicles | 25 | 29 | 23 | 20 |
| <u>Leisure Time Activities</u> | | | | |
| Parks | 6 | 6 | 6 | 6 |
| Park Acreage | 127 | 127 | 127 | 200 |
| Swimming Pools | 1 | 1 | 1 | 1 |
| Wading Pools | 1 | 1 | 1 | 1 |
| Baseball Diamonds | 3 | 3 | 3 | 3 |
| Softball Fields | 1 | 1 | 1 | 1 |
| Soccer Fields | 24 | 24 | 23 | NA |
| <u>Transportation</u> | | | | |
| Lane Miles | 328 | 328 | 328 | 328 |
| <u>Water</u> | | | | |
| Water Mains (linear feet) | 293,547 | 291,100 | 291,100 | 291,100 |
| <u>Sewer</u> | | | | |
| Sewer Lines (linear feet) | 183,478 | 181,923 | 181,923 | 181,908 |
| Lift Stations | 7 | 7 | 7 | 7 |
| Manholes | 767 | 762 | 762 | 760 |
| 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.

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| 1 19 | 1 18 | 1 24 | 1 32 | 1 35 | 1 NA |
| 6 200 1 1 3 NA NA | 6 200 1 1 4 NA NA | 6 200 1 1 4 NA NA | 6 200 1 1 4 NA NA | 6 200 1 1 4 NA NA | 6 200 1 1 4 NA NA |
| 321 | 320 | 320 | 320 | 320 | 320 |
| 291,100 | 291,215 | 291,215 | 290,400 | 289,200 | 283,200 |
| 161,500 7 737 15,365 | 161,500 7 737 15,365 | 161,500 7 737 15,365 | 160,252 7 737 15,365 | 154,892 7 737 15,365 | 148,452 7 737 15,365 |



END OF REPORT



**City of Pataskala, Ohio
Finance Department
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Pataskala, Ohio 43062**

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www.ci.pataskala.oh.us