



**Auditor of State  
Betty Montgomery**



CITY OF PICKERINGTON  
FAIRFIELD COUNTY

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**Auditor of State  
Betty Montgomery**

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

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

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, Ohio (the City) as of and for the year ended December 31, 2005, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 12, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the City's management dated June 12, 2006, we reported a matter involving internal control over financial reporting we did not deem a reportable condition.

**Compliance and Other Matters**

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*. In a separate letter to the City's management dated June 12, 2006, we reported other matters related to noncompliance we deemed immaterial.

We intend this report solely for the information and use of the finance committee, management, and the City Council. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
**Auditor of State**

June 12, 2006



PICKERINGTON

ESTABLISHED 1815

City of  
Pickerington, Ohio

**Comprehensive Annual  
Financial Report  
For The Year Ended December 31, 2005**





# City of Pickerington, Ohio

*Issued by  
Department of Finance  
Linda A. Fersch, Director*

**Comprehensive Annual  
Financial Report  
For The Year Ended December 31, 2005**

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# Introductory Section

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June 12, 2006

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

The Comprehensive Annual Financial Report (CAFR) of the City of Pickerington, Ohio (City), for the fiscal year ended December 31, 2005 is submitted herewith. The report has a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by the office of Betty Montgomery, Auditor of the State of Ohio.

### **Contents of the Report**

This report is prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conformance with standards of financial reporting in the United States of America as established by the Governmental Accounting Standards Board (GASB) using guidelines as recommended by the Government Finance Officers Association of the United States and Canada (GFOA). Based on these guidelines, the report consists of three sections:

1. Introductory section, including the letter of transmittal of the Finance Director, organizational chart, list of city officials, and the 2004 Certificate of Achievement for Excellence in Financial Reporting.
2. Financial section, including the completed financial statements of the City accompanied by State Auditor's opinion, management discussion and analysis and other schedules.
3. Statistical section, including tables of unaudited data depicting the financial history of the City for the last ten years where available, information of other governmental units overlapping the City, and other selected financial and demographic information.

The City's Finance Department is responsible for management's representations concerning the finances of the City. Consequently management assumes full responsibility for the accuracy of the data presented and the completeness and fairness of the presentation. To provide a reasonable basis for making these representations, management of the City has implemented a comprehensive internal control structure, which meets the objectives of management.

Progress and Tradition in our Community  
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[www.pickerington.net](http://www.pickerington.net)



In developing and revising the City's accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding:

- The safeguarding of assets from loss, theft or misuse, and
- Reliability of financial records for preparing the City's financial statements in conformity with GAAP and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

- The cost of a control should not exceed the benefits likely to be derived, and
- The evaluation of costs and benefits requires estimates and judgments by management.

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

Members of City Council have oversight responsibilities for the selection of the accountant responsible for the GAAP conversion, and meet with the State auditor's office to review the audit results when necessary. The Local Government Services section of the Auditor of State's Office assists the City with the preparation of the CAFR. The City Council also has the oversight responsibility over significant financial matters of the City. The Office of Betty Montgomery, Auditor of State has audited the City's financial statements. The audit involved examining, on a test basis, evidence supporting amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The Auditor of State's Office concluded based upon the audit that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2005, are fairly presented in conformity with GAAP. The Independent Accountants' Report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of 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 City's MD&A can be found immediately following the Independent Accountants' Report.

### **Profile of the Government**

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

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

The City's population as estimated by the Mid Ohio Regional Planning Commission (MORPC) for 2005 was 13,066. The unincorporated Violet Township estimated population (excluding Pickerington and Columbus) was 18,600. As a result of reaching an official population of over 5,000 persons, Pickerington was certified as a city by the Ohio Secretary of State in 1991. Pickerington is the second city in Fairfield County and is second in size to Lancaster.

### **Reporting Entity and Services Provided**

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

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

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

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

The City is associated with three jointly governed organizations and three insurance purchasing pools. These organizations are the Fairfield-Hocking Major Crimes Unit, the Mid-Ohio Regional Planning Commission, the Fairfield County Combined General Health District, the Central Ohio Risk Management Association Inc. (CORMA), the Central Ohio Health Care Consortium, and the Ohio Municipal League Worker's Compensation Group Rating Program.

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

The Mayor is elected by popular vote, performs ceremonial functions, recommends appointment of and acts as supervisor of the City Manager, is presiding officer of Council, is an ex-officio member of all Council Committees, appoints the Clerk of Court, and may veto Council-passed legislation.

The City Manager is the chief administrator of the City appointed by the Mayor with concurrence of Council, and is responsible for the day-to day operations of the municipality and municipal employees and hires all employees not appointed by Council.

The Finance Director is the chief fiscal and accounting officer of the City. The responsibilities of this office include preparation and management of the capital and operating budgets and debt and treasury programs of the City.

During the period of 2005, the City Council appointed an interim Law Director and also hired outside counsel in specialized areas for annexations and litigation. In 2006, the law firm of Schottenstein, Zox and Dunn was appointed as Law Director for a period of two years.

The City Engineer, W. E. Stilson Consulting Group, a private company, was appointed by City Council. In addition other engineering firms have been hired for various capital improvement projects.

The City provides the following services: public safety, operation of water, sewer and stormwater utilities, parks and recreation, and a State Certified building department. Fire Department services are provided by Violet Township. Sanitation is awarded on a contract basis every three years. The City also contracts with the Fairfield County Combined General Health District for Health Department services. The City has the power of appointment for one seat on the eleven-member board. The Mayor has appointed the Finance Director to serve in this capacity.

The annual budget serves as the foundation for the City's financial planning and control. The City complies with the requirements of the Ohio Revised Code in the adoption of the budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for requisitions and purchase orders, and through the use of the City's automated financial system. All departments of the City are required to submit requests for appropriation to the Finance Director before October 15. The Finance Director uses these requests as the starting point for developing a proposed budget. The City adopts a 5-year Capital Improvement Budget that aids in the preparation of the budget.

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

The appropriated budget is prepared by fund, function (e.g., public safety), department (e.g., police) and activity (personal services). The legal level of budgetary control is the level passed by Council which is at the fund level for all funds. Any budgetary modifications at this level may only be made by resolution of the City Council. The Finance Director is given the authority to further allocate fund appropriations within all funds. The City Council may pass supplemental appropriations at any time by ordinance. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The general fund and major special revenue fund are presented as part of the basic financial statements beginning on page 22. For other funds, this comparison is presented in the supplementary section of this report, which starts on page 66.

## Economic Condition and Outlook

The City has continued to see an upturn in the pace of nonresidential development that started in 2004, continuing through 2005 and 2006. Twenty-seven new businesses committed to locating in the City and sixteen existing businesses committed to expanding or relocating within the City. Over \$13.7 million dollars was invested in new construction or renovation of existing buildings in the City, and over 175,388 square feet of newly constructed space was built.

Creekside Business Park, also known as The Shoppes on The Parkway, constructed two 8,000 square foot retail buildings in 2004. A third building was completed in 2005 consisting of 17,098 square feet with the capability of housing ten retail shops. All are currently leased with the exception of two spaces, which have prospective tenants for 2006. Businesses consist of a title company, mattress store, dry cleaners, physical fitness facility, wine shop, gourmet cooking shop and a cellular phone company. A fourth building of 7,590 square feet, which will house dental offices, is currently under construction.

A major grocery store chain commenced construction in 2005 of an 87,466 square foot facility with an additional 3,170 square feet for the relocation of a bank. This project is scheduled for completion in June of 2006. An existing grocery store chain introduced plans in 2005 for an 18,180 square foot expansion to include household and home décor items with a market place theme.

Hunters Run Phase V project which began in 2005 and completed in 2006 adds 22,000 square feet of retail space to the existing 131,000 square feet of retail space, which is currently anchored by Marcus Cinema, Bed Bath & Beyond and Barnes & Noble bookstore.

Plans were approved in 2005 for a 9,500 square foot arts and craft mall, a 2,154 square foot facility housing a new bank and a 4,245 square foot facility relocating another bank.

A local credit union relocated from the State Route 256 corridor to a 2,462 square foot building in the Olde Pickerington Village. This relocation included improvements to the existing building. A family oriented fitness facility and a medical facility renovated and expanded their space to accommodate the growing community at an estimated cost of \$260,000.

The annexation of 362 acres on Milnor/Refugee Road was approved by the City after agreement with the Township. Annexation was completed in the spring of 2005. The development of this area will consist of single-family housing including condos and commercial development.

The annexation of 316 acres on Busey/Amanda Northern Road was approved by the Fairfield County Commissioners. The appeal by Violet Township has been dismissed and the City is currently contemplating whether to accept the annexation of these properties.

Another annexation of 387 acres on Busey Road was denied by the Fairfield County Commissioners and is currently under appeal pending a State Supreme Court decision on a related 200 acre annexation of adjacent property.

Pickerington has also continued to maintain a strong presence in the Central Ohio region through its participation in the Route 33 Southeast Growth Alliance, the Mid-Ohio Regional Planning Commission, and the Mid-Ohio Development Exchange. The City has also been active in the Pickerington Area Chamber of Commerce, helping to coordinate the fall Taste of Pickerington-Community Showcase event and participating on the Economic Development Committee.

The City is a co-sponsor of the Pickerington Violet Festival, another venue to showcase the community held in late July bringing an estimated 20,000 visitors into the community.

### **Major Initiatives**

#### **For the year:**

Numerous studies with regard to growth management were commenced in the City. The Planning and Zoning Department initiated a Growth Management Assessment and Strategy study, which incorporated the Cost of Community Service Study and the Impact Fee Study. Impact fees for Park, Police and Streets were established by Council and implemented in late 2005. The new source of revenue will assist the City in keeping pace with the growing community by providing funding for capital improvements necessitated by the new residents. The Department contracted with the Fairfield County Auditor's GIS Department to create and maintain the City's Zoning Map and various other City maps were created. An Accuglobe Data Explorer Edition was purchased in order to provide current digital mapping and property files of the City.

The City expanded the Planning and Zoning Department by promoting the Code Enforcement Officer to a full-time position and hiring a Planner I. The addition to the department is indicative of the City's emphasis on current and future planning needs associated with a growing community.

A zoning text amendment to create Residential Building Design Standards was initiated to enhance the quality of residential development in the City and to protect property values. Also, commercial sign color standards were modified to promote a consistent sign policy that would help create an aesthetically pleasing sign environment and reduce visual sign pollution.

The Planning and Zoning and Building Departments have initiated a process that streamlines development review to create a user-friendly process for developers, residents and staff. In addition, zoning certificates of approval has been transferred from the Building Department to the Planning and Zoning Department. Commencing in 2005, the Code Enforcement Officer was moved to a full time position under the Planning and Zoning Department for stricter enforcement of the City's Zoning Code.

Commercial expansion was valued at \$9,259,707 while residential housing including condominiums added another \$61,581,960 to the City's real estate valuation.

With the area growing rapidly, the Police Department's staff hired one additional patrol officer in 2005. The police staff including the chief, 2 commanders, 20 patrol officers and 6 auxiliaries are dedicated to protecting and serving the residents. The department's DARE program received a \$20,000 Honda Civic vehicle to assist in the work of educating the community's youth regarding alcohol and substance abuse.

A federal grant funding program awarded to Fairfield County in 2004 through Homeland Security for Combating Terrorism provided 14 personal protection suits for the Cruisers for Weapons of Mass Destruction, Chemical, Biological and Radiological emergencies. The Homeland Security grants also completed the department's interoperability project in communications with surrounding departments such as the Fairfield County Sheriff's Department and the Lancaster Police Department. Interoperability gives each department the ability to set up their own communications center at any of the above mentioned departments in the event of a disaster in our community and continue our daily operations from their communications center. In the area of training, ten self-defense classes for women were conducted in basic defensive tactics.

The Service Department while performing its standard services of leaf pickup, street sweeping, utility infrastructure maintenance, street maintenance, snow removal and mosquito fogging also oversaw a construction project. This included the construction of Phase III of the Diley Road expansion that realigned the northern terminus roadway to five lanes. An additional 3.29 miles of streets were constructed in subdivisions during 2005 adding to the 54 miles of existing streets. A total of 27,543 square yards of streets received asphalt resurfacing in the annual street repaving program.

The Water Plant realized an 8 percent increase in water distribution over 2004, with the average daily plant production of 1.333 MG. A record was set with the highest production in one day of 2.2 MG. A new water main was installed between Pickerington Hills and Simsbury subdivisions to improve water flow to those citizens. There were 19,638 linear feet of additional mains installed within the other City subdivisions. The City is beginning to identify other potential well sites within the area to reserve future raw water resources.

A stress test was conducted on the current Wastewater Treatment Plant to determine if the plant has the capability to process more wastewater than currently approved by the OEPA. The test revealed that the plant is able to process at least 33 percent more than the City's current NPDES (National Pollutant Discharge Elimination System) permit authorizes. The new NPDES permit should be received in 2006. During 2004, a complete overhaul of the tertiary filter system was started. During 2005, the east and west side filters have been completed by City personnel resulting in a greatly increased hydraulic flow at a fraction of the cost compared to contractor estimates for the same work. In addition, there were 13,422 linear feet of sanitary sewer collectors installed within the subdivisions underway in the City.

Over 905 linear feet of stormwater pipe was installed in 2005 and 580 linear feet of ditches improved. There were 18,941 linear feet of storm sewer collectors installed within the subdivisions.

For the 12<sup>th</sup> year in a row the City was designated "Tree City USA". Service workers planted 446 trees and removed 57 trees around the City in 2005. Over half of the work was performed by City staff with a cost savings of 20 percent compared to contractor costs. The Tree Commission, staff and Service Committee developed a tree brochure, which is accessible on the City's website. The brochure has tree recommendations for planting within the City and care guidelines for newly planted trees.

The City's Parks System has grown to include more than 157 acres of passive and active parkland. Pickerington's largest and most-used park, Sycamore Park provides tennis courts, softball diamonds, picnic shelters, horseshoe courts, fishing, sledding, and jogging/walking. In the lower level of Sycamore Park, an 8,000 square foot skate park facility was designed for beginner through advance skill levels with SkateWave ramps, rails and obstacles. In 2005, the City contracted with Edsall and Associates, Landscape Architects and Land Planners to prepare a Comprehensive Parks and Recreation Facilities Master Plan. The purpose of the Plan is to determine how parks and recreation facilities are used, what facilities and programs are missing, and to evaluate the level of parks and recreation services that should be provided by the City for the next five to ten years. During 2005, construction commenced on a Frisbee golf course in the Simsbury Park area to be completed in 2006 funded partly through a NatureWorks grant administered by the Ohio Department of Natural Resources. The Recreation Department program participation continues to grow with the addition of new activities and events. The Department sponsored special events including the Fourth of July festivities, Munchin' with the Bunny, Friday Night Flicks, Summer Concert series, Little Tots "Trick or Treat", Hometown Halloween for older children and Breakfast with Santa. The department also participated in the Violet Festival and Lions Cub Labor Day Fish Fry. A new theatre in the Park Program was initiated with two shows presented by the Columbus Children's Theatre.

The Division of Building and Regulations, which includes a Construction Inspection Division, has four full-time inspectors. The Department issued 550 building permits that consisted of 279 single-family residential units, 42 multi-family units and 117 new commercial units, and 151 miscellaneous permits for decks, room additions and garages, collecting \$419,577 in permit fees. The City's main building inspector received certification as a Building Regulations Official in 2005. The Construction Inspection Division also inspects the various capital improvement projects of the City instead of hiring a private firm.

The Finance Department continued to receive a positive return from income tax and personal property tax due to the growth in the area. Income tax increased 7.6 percent over 2004. Hiring of an outside consultant as a financial advisor enabled the City to work towards consolidating its current note debt for a future restructuring into long-term bonds. The City obtained a credit rating for the first time in 2004 with Moody's Financial Corporation, which rated the City an "A-2" for bond issues and an "MIG 1" for notes. This rating was maintained in 2005 and in 2006 the overall rating of the City was upgraded to "A-1" status. The City continues to utilize the no service charge Visa/MasterCard collection program through a renewed banking contract and has expanded it to include Mayor's Court ticket payments as well. Also, the no-charge daily courier service offered by the bank for picking up deposits, has saved employee time as well as providing safety. This year will mark the thirteenth year of filing financial statements according to the Generally Accepted Accounting Principles (GAAP) and the second year that the City has submitted a Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association for their Certificate of Achievement Program.

### **For the Future:**

The City is undertaking a major road improvement project to widen Diley Road from a two-lane to a five-lane profile. This major connector between S.R. 256 and S.R. 33 will open a corridor to promote more development of office and retail uses along the northern and southern portions of Diley Road. For 2005, the City adopted a 5-year Transportation Improvement Plan for a guideline to handle the influx of residential and commercial traffic. The Diley Road widening project is being accomplished in phases with the first and second phases completed, the third phase was finished in 2005 and the final phase which is being partially financed with an anticipated \$11,000,000 Federal Highway grant will be started in 2007, ending in 2009.

As a result of an Impact Fee Study conducted by Tischler & Associates of Bethesda, Maryland, the City is currently collecting impact fee charges to assist in the costs related to street, police, parks and recreation and governmental facilities in order to accommodate future commercial and residential growth. The first fees were collected in December of 2005 and amounted to \$24,290. As of the end of April 2006, over \$376,000 has been collected from construction of commercial and residential properties. A Growth Management Strategy & Assessment Plan was prepared as a part of the Impact Fee Study in order to guide the City in making future development discussions.

In 2005, the City commenced the process for adopting residential design guidelines to improve the quality of life and enhance property values. These were adopted in the spring of 2006. The City is considering preparing a focus-area land use plan to identify future development planning to revise and update the existing commercial design guidelines that will also enhance the value of property and add to the aesthetic beauty of the community.

Residential and commercial developments will continue to expand in 2006. Through mid May of 2006, 118 new home permits (which includes two condominiums) were issued in comparison to 67 new home permits issued during the same period in 2005. 279 new home permits were issued during 2005 with approximately 2,057 remaining platted lots. Fifth Third Bank is constructing a 4,890 square foot facility in the outlot area of the Windmill Plaza. Rutherford Body Shop is planning a 2,560 square foot expansion of their existing facility at an estimated value of \$200,000. The Embroidery Barn is also expanding their facility an additional 3,744 square feet at a value of \$250,000. Barnyard Primitives is building a 9,912 square foot craft mall valued at \$300,000 that should be completed by the fall of 2006. A mixed use development consisting of five office buildings totaling 40,000 square feet and a large retail strip center of 45,000 square feet is being planned for the area surround Kohl's Department store. In addition, two outlots will also be available in this same acreage for future business ventures.

A roadway connecting this area with S.R. 256 is being financed and built by the developers utilizing a non-school 30-year Tax Increment Financing program. The cost of the project will be reimbursed to the developer as funds are collected. This is in keeping with the restrictions established by the City's newly adopted Debt Policy. In Creekbend Business Park, a 7,600 square foot medical building has been approved at an estimated cost of \$643,000. In addition, Violet Township is planning a 12,000 square foot service facility in the City limits.



The Building Department plans to continue to enhance its records management system by utilizing Franklin Systems software that can be utilized in the future for code enforcement purposes. In the spring of 2006, through a collaboration of the City's finance software company, CMI and Franklin Systems created an interface between the two systems that allows for posting of all receipts from the building department to the accounting system, thus eliminating duplication of work and streamlining of posting. The Planning and Zoning Department has improved its operations through the use of Fairfield County's AccuGlobe Data Explorer (GIS) data and mapping system.

In 2006, the City's newly created citizen task force committee and the utility fees review committee, continues to meet to evaluate the costs of operation and the utility rate structure. The water and sewer capacity fees increased by 8 percent for both residential and commercial connections to the City's utility systems, which will provide for future capital improvements to these systems. The committee is currently reviewing user fees for increases to allow the two systems to be self-sufficient which will enable the refinancing of current debt from notes to bonds for substantial interest savings. These additional committees, along with the existing Planning and Zoning Commission, Board of Zoning Appeals, Parks Board, Tax Appeals and Tree Commission, gives residents a chance for input and involvement in the various aspects of city government.

An agreement to explore the possibility of a Joint Economic Development District has been entered into with Violet Township. This proposed venture will enable the City to collect income tax revenues from commercial enterprises in the township and share part of that tax revenue with the Violet Township.

### **Long-term Financial Planning**

The City adopted a Debt Policy in 2005 which has provided a tool for the City to better manage the issuance of debt and to further set guidelines for selecting professional service vendors on a competitive basis. The first phase of this planning was the consolidation of the City's outstanding notes issued for a common maturity date, which was accomplished in the spring of 2006. For the first time, the City advertised a note sale over the internet through I-Deal which offered a more wide range market. In 2005, the City maintained the MG1 note issue rating, the highest rate for bond anticipation notes. The overall credit rating of the City was raised from A-2 to A-1 in the spring of 2006. The immediate goal will be converting the utility system note issues into long-term revenue bonds, which will allow for additional debt capacity for street improvement projects.

Each year the City adopts a Five Year Capital Improvement Plan with appropriate updates of pending capital projects by department, year of desired commencement of the project and funding sources, including grants, and developer contributions to projects. This is a work-in-progress and an excellent planning tool for budgeting purposes.

### **Cash Management Policies and Practice**

Cash management is a vital component of the City's overall financial strategy. Cash temporarily idle during the year was invested in U.S. Treasury Notes, certificates of deposit, pools managed by the State of Ohio and securities issued by governmental agencies, including Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, and Federal Farm Credit Bank. The yields on the portfolio at December 31 ranged from approximately 1.77% to 5.01% and the average for the entire portfolio was 4.03%.

Investment income in governmental funds amounted to \$230,845 and \$141,280 in the enterprise funds. With a rising interest rating environment, the policy has been to invest in short term securities to take full advantage of the frequent increase in rates. All deposits are covered by the federal depository insurance or pooled collateral with a market value equal to at least 105 percent of deposits. Interest earnings are allocated to funds based on the requirements of the Ohio Constitution, State statutes, and City ordinances.

The City adopted an Investment Policy as per the Ohio Revised Code that sets guidelines and limits the type of investments the City may utilize and reinforces the State ethics code in investing procedures.

### **Risk Management**

In July 2001, the City established membership in the Central Ohio Risk Management Association (CORMA) Self-Insurance pool for property and general liability, automobile liability, boiler and machinery liability, law enforcement liability, and public official's liability coverage. Membership in the Pool, which includes three other cities, enables the City to have more control over claims and still realize any savings from the insurance pool. The City has purchased general and professional liability insurance through CORMA, which for the total group covers up to \$10,000,000 with a \$100,000 deductible. The City also purchases fidelity bond insurance coverage for its employees through CORMA and also has separate bonding requirements for key employees: Mayor, President ProTempore of Council, City Manager, Finance Director, Deputy Finance Director, Tax Department employees, Park Director and Administrative Clerk, Utility Billing Department personnel and Mayor's Court Clerk.

Effective January 1, 2003, the City established membership in the Central Ohio Health Care Consortium (COHCC) Self-Insurance pool for health coverage for City employees which includes major medical, drug, and dental insurance. In addition, the City contracts privately with Vision Service Plus (VSP) for vision insurance and Jefferson Pilot for life insurance for the employees.

### **Pension And Other Post-Employment Benefits**

All non-uniformed full-time and part-time (general) City employees participate in a cost sharing multiple employer Ohio Public Employee Retirement System (OPERS). Police officers participate in the Ohio Police and Fire Pension Fund (OP&F). The City provides post retirement health care benefits through the City's pension contributions to OPERS and OP&F.

Additional information on the City's pension arrangements and post-employment benefits can be found in Notes 11 and 12 in the notes to the basic financial statements.

### **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 Pickerington for its comprehensive annual financial report for the fiscal year ended December 31, 2004. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Tree City USA – The City received its twelfth Tree City USA Award for the year ended December 31, 2005. This prestigious award recognized the City for its annual program of planting new trees and maintaining and removing old trees.

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

Respectfully submitted,

Linda A. Fersch  
Finance Director

Judith Gilleland  
City Manager

**City of Pickerington, Ohio  
List of City Officials  
December 31, 2005**

**City Council**

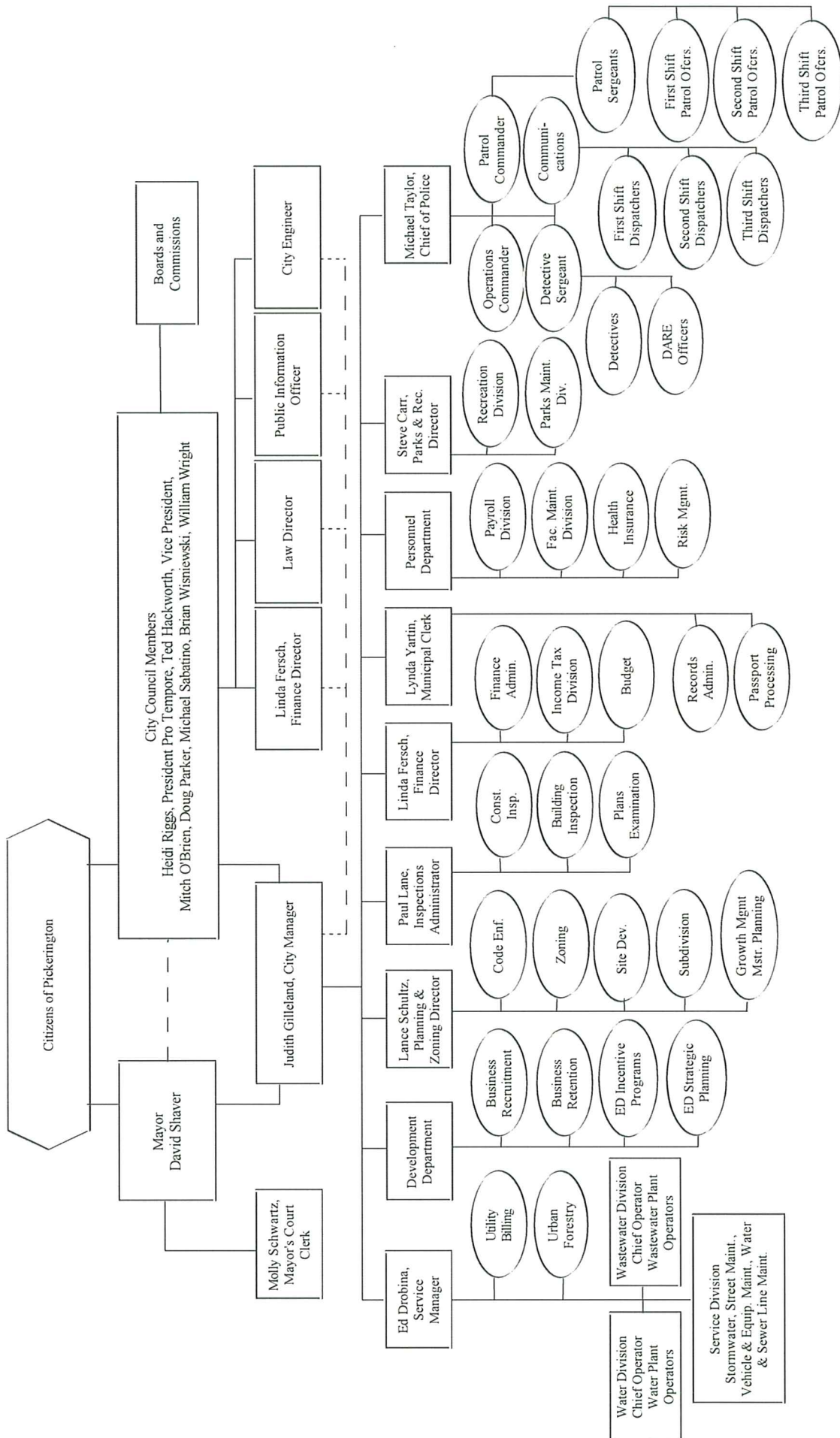
Mayor	David B. Shaver
President Pro Tempore	Heidi F. Riggs
Vice President Pro Tempore	Ted L. Hackworth
Council Member	Mitch W. O'Brien
Council Member	Doug Parker
Council Member	Michael Sabatino
Council Member	Brian Wisniewski
Council Member	William W. Wright

**Appointed Officials**

City Manager	Judith A. Gilleland
Law Director	Schottenstein, Zox & Dunn, LPA
Finance Director	Linda A. Fersch
Engineer	W. E. Stilson Consulting Group, LLC

**Executive Staff**

Deputy Finance Director	Christopher P. Schornack
Development Director	Michael Arcari, Consultant
Income Tax Administrator	Janice M. Eichner
Mayor's Court Clerk	Molly J. Schwartz
Municipal Clerk	Lynda D. Yartin
Parks and Recreation Director	Stephen A. Carr
Interim Personnel Director	Linda A. Fersch
Planning and Zoning Director	Lance A. Schultz
Police Chief	Michael D. Taylor
Service Manager	Edward J. Drobina



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Pickerington,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2004

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



*Carla E. Judge*

President

*Jeffrey R. Emer*

Executive Director

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# Financial Section





**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

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

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, Ohio (the City), as of and for the year ended December 31, 2005, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pickerington, Fairfield County, Ohio, as of December 31, 2005, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Police Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2006, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

35 N. Fourth St. / Second Floor / Columbus, OH 43215  
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
**Auditor of State**

June 12, 2006

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended December 31, 2005*  
*Unaudited*

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The discussion and analysis of the City of Pickerington's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2005. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements, and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

**Financial Highlights**

Key financial highlights for 2005 are as follows:

- The City's total net assets increased by 5 percent, or \$3,601,654, from the total net assets at the beginning of the year 2005.
- At the end of the current year, the City's governmental activities reported total net assets of \$34,594,892, an increase of \$1,074,836 from the prior year.
- At the end of the current year, unreserved fund balance for the General Fund was \$1,606,415, which represents a 10 percent increase from the prior year, and represents 43 percent of total General Fund expenditures.
- Capital assets increased \$4,643,931. Capital assets from governmental activities increased \$2,682,532 or 6 percent. Capital assets of business-type activities increased \$1,961,399 or 5 percent.

**Using this Annual Financial Report**

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

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

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended December 31, 2005*  
*Unaudited*

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

**Statement of Net Assets and Statement of Activities**

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2005?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

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

***Fund Financial Statements***

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

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended December 31, 2005*  
*Unaudited*

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

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

The City maintains a number of individual governmental funds. Information for the major funds, identified earlier, is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The individual governmental fund financial statements can be found on pages 73 through 122 of this report.

***Proprietary Funds*** The City uses enterprise funds to account for its water, sewer, and stormwater operations. For water and sewer operations, the City charges a fee to customers, based upon the amount of usage, to recover the costs of the services provided, and to cover the capital assets associated with the services. For stormwater operations, the City charges a flat monthly fee.

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

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended December 31, 2005*  
*Unaudited*

**The City as a Whole**

Recall that the Statement of Net Assets looks at the City as a whole. Table I provides a summary of the City's net assets for 2005 compared to 2004.

**Table I**  
**Net Assets**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2005	2004	2005	2004	2005	2004
<b>Assets</b>						
Current and Other Assets	\$7,542,851	\$7,361,222	\$6,456,980	\$6,507,761	\$13,999,831	\$13,868,983
Capital Assets, Net	44,712,120	42,029,588	42,715,127	40,753,728	87,427,247	82,783,316
<i>Total Assets</i>	<u>52,254,971</u>	<u>49,390,810</u>	<u>49,172,107</u>	<u>47,261,489</u>	<u>101,427,078</u>	<u>96,652,299</u>
<b>Liabilities</b>						
Current and Other Liabilities	6,230,203	7,452,290	888,529	848,828	7,118,732	8,301,118
Long-term Liabilities	11,429,876	8,418,464	11,228,491	11,884,392	22,658,367	20,302,856
<i>Total Liabilities</i>	<u>17,660,079</u>	<u>15,870,754</u>	<u>12,117,020</u>	<u>12,733,220</u>	<u>29,777,099</u>	<u>28,603,974</u>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	30,277,012	29,828,785	31,347,584	28,356,121	61,624,596	58,184,906
Restricted	5,374,845	5,796,319	0	0	5,374,845	5,796,319
Unrestricted (Deficit)	(1,056,965)	(2,105,048)	5,707,503	6,172,148	4,650,538	4,067,100
<i>Total Net Assets</i>	<u>\$34,594,892</u>	<u>\$33,520,056</u>	<u>\$37,055,087</u>	<u>\$34,528,269</u>	<u>\$71,649,979</u>	<u>\$68,048,325</u>

Total assets increased \$4,774,779. The increase in capital assets for governmental activities is primarily due to capital contributions from developers for roads in the amount of \$1,623,293 and current year capital acquisitions for the Diley Road/ State Route 256 widening project. The increase in capital assets for business-type activities is primarily due to capital contributions from developers for water, sewer, and stormwater lines in the amount of \$2,166,138. Capital asset increases are offset by depreciation on depreciable capital assets.

Total governmental activities liabilities increased \$1,789,325. Current liabilities decreased \$1,222,087. This decrease is mainly due to a decrease in contracts payable in the amount of \$298,758 and a decrease in notes payable for \$935,000. During 2005, the City retired their Diley Road Street Improvement bond anticipation note in the amount of \$380,000 through State Infrastructure Bank Loan proceeds received from the Ohio Department of Transportation. The City retired \$300,000 of the \$807,000 TIF State Route 256/204, TIF Hill Road, and TIF Old Town revenue anticipation notes.

Total governmental long-term liabilities increased \$3,011,412 due to the City drawing down \$2,547,880 in loan proceeds from the Ohio Department of Transportation for a State Infrastructure Bank Loan for the purpose of financing the Diley Road Widening and Realignment Project. In addition, the City issued \$250,000 in bond anticipation notes for the costs of acquiring park land and \$275,000 in bond anticipation notes for the cost of constructing and acquiring improvements and renovations to the City Hall and Building Department buildings.

Net assets of the City's governmental activities increased \$1,074,836, with capital assets representing \$2,682,532 of the increase. The increase in capital assets is offset by an increase in long-term liabilities in the amount of \$3,011,412.

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
For the Fiscal Year Ended December 31, 2005  
Unaudited

The net assets of the City's business-type activities increased \$2,526,818, with capital assets representing \$1,961,399 of the increase. The City continues to invest heavily in their water and sewer treatment plant facilities. In 2001, the City began the Diley Road water plant expansion which was completed by the end of 2003. Total amounts expended on this expansion were \$4,288,185.

Table 2 shows the changes in net assets for 2005, compared to the changes in net assets for 2004.

**Table 2**  
**Changes in Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$1,508,283	\$1,373,241	\$2,982,787	\$2,179,476	\$4,491,070	\$3,552,717
Operating Grants and Contributions	705,880	534,987	0	0	705,880	534,987
Capital Grants and Contributions	1,630,721	2,529,860	3,888,703	6,862,557	5,519,424	9,392,417
<i>Total Program Revenues</i>	<u>3,844,884</u>	<u>4,438,088</u>	<u>6,871,490</u>	<u>9,042,033</u>	<u>10,716,374</u>	<u>13,480,121</u>
General Revenue						
Property and Other Taxes	1,941,527	1,718,886	0	0	1,941,527	1,718,886
Income Taxes	3,648,635	3,372,437	0	0	3,648,635	3,372,437
Franchise Taxes	15,963	17,365	0	0	15,963	17,365
Grants and Entitlements	803,723	641,415	0	0	803,723	641,415
Investment Earnings	189,389	140,672	141,280	76,247	330,669	216,919
Payment in Lieu of Taxes	681,607	437,296	0	0	681,607	437,296
Miscellaneous	171,553	210,754	49,642	40,762	221,195	251,516
<i>Total General Revenues</i>	<u>7,452,397</u>	<u>6,538,825</u>	<u>190,922</u>	<u>117,009</u>	<u>7,643,319</u>	<u>6,655,834</u>
<i>Total Revenues</i>	<u>11,297,281</u>	<u>10,976,913</u>	<u>7,062,412</u>	<u>9,159,042</u>	<u>18,359,693</u>	<u>20,135,955</u>
<b>Program Expenses</b>						
General Government	2,044,288	1,902,593	0	0	2,044,288	1,902,593
Security of Persons and Property	3,285,125	2,956,311	0	0	3,285,125	2,956,311
Transportation	2,168,811	1,506,242	0	0	2,168,811	1,506,242
Leisure Time Activities	813,732	767,388	0	0	813,732	767,388
Public Health Services	116,159	103,208	0	0	116,159	103,208
Community Environment	1,305,830	1,210,341	0	0	1,305,830	1,210,341
Interest and Fiscal Charges	488,500	265,189	0	0	488,500	265,189
Water	0	0	1,936,883	1,744,618	1,936,883	1,744,618
Sewer	0	0	2,089,523	1,922,633	2,089,523	1,922,633
Stormwater	0	0	509,188	425,989	509,188	425,989
<i>Total Program Expenses</i>	<u>10,222,445</u>	<u>8,711,272</u>	<u>4,535,594</u>	<u>4,093,240</u>	<u>14,758,039</u>	<u>12,804,512</u>
Increase before transfers	1,074,836	2,265,641	2,526,818	5,065,802	3,601,654	7,331,443
Transfers	0	(37,840)	0	37,840	0	0
<i>Change in Net Assets</i>	<u>1,074,836</u>	<u>2,227,801</u>	<u>2,526,818</u>	<u>5,103,642</u>	<u>3,601,654</u>	<u>7,331,443</u>
Net Assets Beginning of Year	33,520,056	31,292,255	34,528,269	29,424,627	68,048,325	60,716,882
<i>Net Assets End of Year</i>	<u>\$34,594,892</u>	<u>\$33,520,056</u>	<u>\$37,055,087</u>	<u>\$34,528,269</u>	<u>\$71,649,979</u>	<u>\$68,048,325</u>

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
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***Governmental Activities***

Grants and contributions accounted for 21 percent of total governmental revenues. Of the 21 percent, operating grants and contributions accounted for 6 percent while capital grants and contributions accounted for 15 percent. Capital grants and contributions consist of \$1,623,293 in capital contributions from developers.

Tax revenue provided 49 percent of total governmental revenues. Of the 49 percent, 32 percent was generated from income taxes and 17 percent was generated from property and other local taxes. These revenue sources comprise the largest components of City revenues. Income taxes, property and other taxes, and grants and contributions combined together, provided 70 percent of the City's total governmental revenues.

The City received \$1,508,283, or 13 percent, of total governmental revenues, in charges for services. These direct charges to citizens include recreation fees, court fines and forfeitures, police security services, and licenses and permits.

The City's security of persons and property activities accounted for \$3,285,125, or 32 percent, of total expenses. General government activities utilized \$2,044,288, or 20 percent, of total expenses.

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

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

	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2005	2005	2004	2004
General Government	\$2,044,288	\$1,966,732	\$1,902,593	\$1,881,277
Security of Persons and Property	3,285,125	2,814,803	2,956,311	2,649,826
Transportation	2,168,811	(51,348)	1,506,242	(1,715,890)
Leisure Time Activities	813,732	468,557	767,388	586,579
Public Health Services	116,159	116,159	103,208	103,208
Community Environment	1,305,830	574,158	1,210,341	502,995
Interest and Fiscal Charges	488,500	488,500	265,189	265,189
<b>Totals</b>	<b>\$10,222,445</b>	<b>\$6,377,561</b>	<b>\$8,711,272</b>	<b>\$4,273,184</b>



**City of Pickerington, Ohio**  
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***Business-Type Activities***

The City's business-type activities are for water, sewer, and stormwater services. During 2005, program revenues exceeded expenses by \$2,335,896.

The minimum water rate is \$2.13 per each thousand gallons of water used up to a maximum of 12,000 gallons plus a \$4.50 per month service charge. A water fee of \$3.27 is assessed for each thousand gallons used in excess of 12,000 gallons per month. Sewer fees are calculated on the amount of water used. The minimum sewer rate is \$12.87 per month up to 3,000 gallons of water. A sewer fee of \$4.29 is assessed for each thousand gallons of water used in excess of 3,000 per month. Stormwater fees are assessed at a flat rate of a \$1.50 per month.

**The City's Funds**

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

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

***General Fund***

The General Fund is the primary operating fund of the City. At the end of 2005, unreserved fund balance was \$1,606,415, while total fund balance was \$1,684,808. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance, to total expenditures. Unreserved fund balance represents 43 percent to total General Fund expenditures, while total fund balance represents 45 percent of General Fund expenditures.

The fund balance of the City's General Fund increased by \$166,719 during the current year. The key factor in this increase is due to an increase in income tax collections.

***Other Major Governmental Funds***

***Police Fund***

The fund balance of the Police Fund at December 31, 2005 is \$114,556, a decrease of \$124,334 from the prior year. The decrease in fund balance is due mainly to an increase in property taxes which are offset by a greater increase in expenditures related to accrued wages and intergovernmental payables.

***Debt Service Fund***

The fund balance of the Debt Service Fund at December 31, 2005 is \$59,008, a decrease of \$12,918 from the prior year primarily due to the street improvement general obligation bond semi-annual interest payments in the total amount of \$77,500. In 2004, only one semi-annual interest payment was due by year end.

**City of Pickerington, Ohio**  
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***Tax Increment Financing Agreement Windmill/ Diley Construction Fund***

The fund balance of the Tax Increment Financing Agreement Windmill/ Diley Construction Fund at December 31, 2005 is (\$2,154,732), a decrease of \$141,312 from the prior year. The decrease in fund balance is due the issuance of \$2,547,880 in a State Infrastructure Bank Loan from the Ohio Department of Transportation. \$2,000,000 of the State Infrastructure Bank Loan proceeds were used to retire the Ohio Municipal Bond Pool Loan entered into during 2004 and completely drawn down during 2005.

***Proprietary Funds***

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

The City's major proprietary funds are the Water Fund, the Sewer Fund, and the Stormwater Fund. The Water Fund's net assets increased \$963,265, the Sewer Fund's net assets increased \$761,506, and the Stormwater Fund's net assets increased \$802,047. These increases can be primarily attributed to capital contributions for water, sewer and stormwater lines from developers. The overall operating loss for the enterprise funds was \$1,077,668.

**General Fund Budgetary Highlights**

The City made numerous revisions to the original appropriations approved by City Council. Overall, these changes resulted in an increase from the original budget of \$1,124,794. The City increased their original appropriations by \$554,000 for inspection fees, by \$250,000 for park land acquisition, and \$275,000 for legal services. Appropriations were increased for the following functions: general government by \$375,624, community environment by \$729,500, other by \$22,870. Appropriations for leisure time activities decreased by \$3,200. Actual expenditures were less than the final budgeted expenditures by \$1,050,972. The City's actual revenues were less than the final budgeted revenues by \$63,943.

At December 31, 2005, the fund balance on a budgetary basis is \$1,267,379 better than initially projected in the original budget.

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**Capital Assets and Debt Administration**

*Capital Assets*

At the end of fiscal year 2005, the City had \$87,427,247 invested in capital assets, net of accumulated depreciation. Table 4 shows fiscal year 2005 balances compared to 2004.

**Table 4**  
**Capital Assets at December 31, 2005 with comparative as of December 31, 2004**  
**(Net of Depreciation)**

	<u>Government Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	2005	2004	2005	2004	2005	2004
Land	\$3,223,716	\$2,754,816	\$840,867	\$831,267	\$4,064,583	\$3,586,083
Construction in Progress	1,413,349	5,177,743	1,315,546	966,722	2,728,895	6,144,465
Land Improvements	670,699	686,238	21,378	23,134	692,077	709,372
Buildings	3,801,376	3,893,986	8,508,278	8,738,996	12,309,654	12,632,982
Equipment	553,465	673,927	2,981,320	3,161,265	3,534,785	3,835,192
Infrastructure	34,755,217	28,538,555	28,897,400	26,947,599	63,652,617	55,486,154
Vehicles	294,298	304,323	150,338	84,745	444,636	389,068
<b>Totals</b>	<b>\$44,712,120</b>	<b>\$42,029,588</b>	<b>\$42,715,127</b>	<b>\$40,753,728</b>	<b>\$87,427,247</b>	<b>\$82,783,316</b>

For additional information on capital assets, see Note 10 to the basic financial statements.

The total increase in the City's capital assets, net of accumulated depreciation, for the current year was \$4,643,931 or 5 percent. As further detailed in Note 18 of the notes to the basic financial statements, the City had \$2,321,340 in major construction commitments. During 2005, the City had \$3,789,431 in capital contributions from developers, \$1,623,293 in governmental capital contributions and \$2,166,138 in business-type capital contributions.

**City of Pickerington, Ohio**  
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**Debt**

As of December 31, 2005 and December 31, 2004, the City had total long-term debt of \$22,471,635 and \$19,848,538, respectively, as follows:

**Table 5**  
**Outstanding Debt**  
**As of December 31, 2005, with comparative for December 31, 2004**

	Governmental Activities		Business-Type Activities		Totals	
	2005	2004	2005	2004	2005	2004
General Obligation Bonds	\$1,522,459	\$1,568,356	\$4,788,814	\$5,089,460	\$6,311,273	\$6,657,816
Bond Anticipation Notes	3,010,000	2,170,000	2,685,000	2,780,000	5,695,000	4,950,000
Revenue Notes	0	0	2,847,244	2,847,244	2,847,244	2,847,244
Long-Term Loans	2,547,880	169,000	0	0	2,547,880	169,000
Issue Two Notes	0	0	44,111	56,715	44,111	56,715
OWDA Loans	0	0	886,446	933,859	886,446	933,859
Capital Leases	3,957,029	4,120,449	182,652	113,455	4,139,681	4,233,904
<b>Totals</b>	<b>\$11,037,368</b>	<b>\$8,027,805</b>	<b>\$11,434,267</b>	<b>\$11,820,733</b>	<b>\$22,471,635</b>	<b>\$19,848,538</b>

During 2005, the City issued \$8,542,244 and paid off \$7,797,244 in bond anticipation and revenue notes, incurred \$4,378,880 in long-term loans, paid down \$2,000,000 in long-term loans and \$370,000 in general obligation bonds. Issue Two Notes and OWDA Loans decreased \$12,604 and \$47,413, respectively. Capital lease balances decreased \$94,223.

The City's overall legal debt margin was \$25,943,826 at December 31, 2005. For additional information on debt, see Note 16 to the basic financial statements.

**Economic Factors**

- The City's income tax rate of 1 percent with a ½ percent credit for tax paid to other municipalities has not increased since inception in 1976, but revenues have continued to increase each year even in times of economic downturn. This is due not only to the influx of residential and commercial development, but mandatory filing and a diligent delinquency program for strict compliance.
- The City has its own certified building department rather than having the State of Ohio conduct commercial inspections. The City's construction division, established under the building department, inspects infrastructure from new developments and the City collects charges from developers for these inspections.
- A contractor registration program was instituted in 1996 that requires all general contractors and individual trades performing work in the City to register with the City. This requirement helps as a control for income tax revenues.
- A hotel/ motel tax of 3 percent was instituted in 1995. This tax has generated approximately \$98,000 in revenues to the General Fund in 2005.

**City of Pickerington, Ohio**  
*Management's Discussion and Analysis*  
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- Monies are collected from developers for turn-lanes, traffic lights, detention pond maintenance, and tree planting in subdivisions.
- Right-of-way fees were instituted in 2002 as a charge for the utility companies who use the City right-of-way for their service lines.
- Capacity fee charges for water, sewer, and stormwater increase an automatic 3 percent each year.
- Impact fees were instituted in 2005 on new residential and commercial construction in the City.

**Requests for Information**

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

# Basic Financial Statements

**City of Pickerington, Ohio**

Statement of Net Assets

December 31, 2005

	Governmental Activities	Business - Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$3,720,053	\$6,015,330	\$9,735,383
Accounts Receivable	17,464	274,582	292,046
Permissive Motor Vehicle Registration Fees Receivable	8,271	0	8,271
Accrued Interest Receivable	13,417	33,388	46,805
Intergovernmental Receivable	746,435	0	746,435
Income Taxes Receivable	417,815	0	417,815
Materials and Supplies Inventory	41,242	10,091	51,333
Prepaid Items	59,882	70,046	129,928
Property and Other Taxes Receivable	1,898,944	0	1,898,944
Payments in Lieu of Taxes Receivable	594,889	0	594,889
Deferred Charges	24,439	53,543	77,982
Non-Depreciable Capital Assets	4,637,065	2,156,413	6,793,478
Depreciable Capital Assets, Net	40,075,055	40,558,714	80,633,769
<i>Total Assets</i>	<u>52,254,971</u>	<u>49,172,107</u>	<u>101,427,078</u>
<b>Liabilities</b>			
Matured Compensated Absences Payable	530	0	530
Accrued Wages and Benefits	125,646	36,231	161,877
Intergovernmental Payable	152,500	22,342	174,842
Accounts Payable	218,184	60,714	278,898
Contracts Payable	23,075	278,418	301,493
Retainage Payable	2,271	28,560	30,831
Accrued Interest Payable	143,497	162,764	306,261
Deferred Revenue	1,785,000	0	1,785,000
Notes Payable	3,779,500	295,000	4,074,500
Customer Deposits Payable	0	4,500	4,500
Long-Term Liabilities:			
Due Within One Year	380,050	490,837	870,887
Due In More Than One Year	11,049,826	10,737,654	21,787,480
<i>Total Liabilities</i>	<u>17,660,079</u>	<u>12,117,020</u>	<u>29,777,099</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	30,277,012	31,347,584	61,624,596
Restricted for:			
Capital Projects	4,574,032	0	4,574,032
Other Purposes	790,502	0	790,502
Security of Persons and Property	10,311	0	10,311
Unrestricted (Deficit)	(1,056,965)	5,707,503	4,650,538
<i>Total Net Assets</i>	<u>\$34,594,892</u>	<u>\$37,055,087</u>	<u>\$71,649,979</u>

See accompanying notes to the basic financial statements

**City of Pickerington, Ohio**  
Statement of Activities  
For the Year Ended December 31, 2005

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$2,044,288	\$35,240	\$42,316	\$0
Security of Persons and Property	3,285,125	254,383	215,939	0
Transportation	2,168,811	151,667	445,199	1,623,293
Leisure Time Activities	813,732	335,321	2,426	7,428
Public Health Services	116,159	0	0	0
Community Environment	1,305,830	731,672	0	0
Interest and Fiscal Charges	488,500	0	0	0
<i>Total Governmental Activities</i>	<u>10,222,445</u>	<u>1,508,283</u>	<u>705,880</u>	<u>1,630,721</u>
<b>Business-Type Activities:</b>				
Water	1,936,883	1,329,105	0	1,443,143
Sewer	2,089,523	1,408,308	0	1,388,855
Stormwater	509,188	245,374	0	1,056,705
<i>Total Business-Type Activities</i>	<u>4,535,594</u>	<u>2,982,787</u>	<u>0</u>	<u>3,888,703</u>
<i>Total</i>	<u>\$14,758,039</u>	<u>\$4,491,070</u>	<u>\$705,880</u>	<u>\$5,519,424</u>

**General Revenues**

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

*Change in Net Assets*

Net Assets Beginning of Year

*Net Assets End of Year*

See accompanying notes to the basic financial statements



Net (Expense) Revenue and  
Change in Net Assets

Governmental Activities	Business - Type Activities	Total
(\$1,966,732)	\$0	(\$1,966,732)
(2,814,803)	0	(2,814,803)
51,348	0	51,348
(468,557)	0	(468,557)
(116,159)	0	(116,159)
(574,158)	0	(574,158)
(488,500)	0	(488,500)
<u>(6,377,561)</u>	<u>0</u>	<u>(6,377,561)</u>
0	835,365	835,365
0	707,640	707,640
0	792,891	792,891
<u>0</u>	<u>2,335,896</u>	<u>2,335,896</u>
<u>(6,377,561)</u>	<u>2,335,896</u>	<u>(4,041,665)</u>
759,644	0	759,644
1,181,883	0	1,181,883
3,648,635	0	3,648,635
15,963	0	15,963
803,723	0	803,723
189,389	141,280	330,669
681,607	0	681,607
171,553	49,642	221,195
<u>7,452,397</u>	<u>190,922</u>	<u>7,643,319</u>
1,074,836	2,526,818	3,601,654
<u>33,520,056</u>	<u>34,528,269</u>	<u>68,048,325</u>
<u>\$34,594,892</u>	<u>\$37,055,087</u>	<u>\$71,649,979</u>

**City of Pickerington, Ohio**

Balance Sheet  
Governmental Funds  
December 31, 2005

	General	Police	Debt Service	Tax Increment Financing Agreement Windmill/ Diley Construction	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$1,500,247	\$263,116	\$59,008	\$163,729	\$1,711,870	\$3,697,970
Receivables:						
Permissive Motor Vehicle Registration Fees	0	0	0	0	8,271	8,271
Property and Other Taxes	684,614	1,214,330	0	0	0	1,898,944
Income Taxes	417,815	0	0	0	0	417,815
Payments in Lieu of Taxes	0	0	0	110,863	484,026	594,889
Accounts	17,303	161	0	0	0	17,464
Accrued Interest	13,417	0	0	0	0	13,417
Intergovernmental	384,626	70,025	0	12,306	279,478	746,435
Materials and Supplies Inventory	6,481	6,094	0	0	28,667	41,242
Prepaid Items	20,596	20,527	0	0	18,759	59,882
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	2,136	0	0	0	0	2,136
<i>Total Assets</i>	<u>\$3,047,235</u>	<u>\$1,574,253</u>	<u>\$59,008</u>	<u>\$286,898</u>	<u>\$2,531,071</u>	<u>\$7,498,465</u>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts Payable	\$129,331	\$2,191	\$0	\$3,788	\$76,615	\$211,925
Contracts Payable	0	0	0	23,075	0	23,075
Accrued Wages and Benefits	37,506	74,735	0	0	11,853	124,094
Retainage Payable	0	0	0	2,271	0	2,271
Intergovernmental Payable	18,767	98,441	0	10,907	23,503	151,618
Deferred Revenue	1,176,293	1,284,330	0	123,169	691,909	3,275,701
Accrued Interest Payable	0	0	0	28,420	19,356	47,776
Matured Compensated Absences Payable	530	0	0	0	0	530
Notes Payable	0	0	0	2,250,000	1,529,500	3,779,500
<i>Total Liabilities</i>	<u>1,362,427</u>	<u>1,459,697</u>	<u>0</u>	<u>2,441,630</u>	<u>2,352,736</u>	<u>7,616,490</u>
<b>Fund Balances</b>						
Reserved for Encumbrances	76,257	85,325	0	61,787	183,858	407,227
Reserved for Unclaimed Monies	2,136	0	0	0	0	2,136
Unreserved (Deficit):						
Undesignated, Reported in:						
General Fund	1,606,415	0	0	0	0	1,606,415
Special Revenue Funds	0	29,231	0	0	670,103	699,334
Debt Service Funds	0	0	59,008	0	0	59,008
Capital Projects Funds	0	0	0	(2,216,519)	(675,626)	(2,892,145)
<i>Total Fund Balances (Deficits)</i>	<u>1,684,808</u>	<u>114,556</u>	<u>59,008</u>	<u>(2,154,732)</u>	<u>178,335</u>	<u>(118,025)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$3,047,235</u>	<u>\$1,574,253</u>	<u>\$59,008</u>	<u>\$286,898</u>	<u>\$2,531,071</u>	<u>\$7,498,465</u>

See accompanying notes to the basic financial statements

**City of Pickerington, Ohio**  
 Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2005

**Total Governmental Fund Balances** (\$118,025)

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

Capital Assets used in governmental activities are not  
 financial resources and therefore are not reported in the funds. 44,712,120

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

Property Taxes	108,327	
Income Taxes	143,048	
Payment in Lieu of Taxes	594,889	
Intergovernmental	639,094	
Interest	5,343	
Total	1,490,701	1,490,701

An internal service fund is used by management to charge the costs  
 of vehicle maintenance to individual funds. The assets and liabilities of the  
 internal service fund are included in governmental activities in the  
 statement of net assets. 11,254

Unamortized issuance costs are reported as deferred charges on the Statement  
 of Net Assets but as an expenditure on the fund financial statements which do not  
 provide current financial resources and, therefore, are not reported in the funds. 24,439

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

General Obligation Bonds	(1,522,459)	
Compensated Absences	(392,508)	
Accrued Interest Payable	(95,721)	
Long - Term Loan Payable	(2,547,880)	
Long-Term Notes Payable	(3,010,000)	
Capital Leases	(3,957,029)	
Total	(11,525,597)	(11,525,597)

**Net Assets of Governmental Activities** \$34,594,892

See accompanying notes to the basic financial statements

**City of Pickerington, Ohio**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2005

	General	Police	Debt Service	Tax Increment Financing Agreement Windmill/ Diley Construction	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Property and Other Taxes	\$742,048	\$1,150,600	\$0	\$0	\$0	\$1,892,648
Permissive Motor Vehicle Registration Fees	0	0	0	0	146,739	146,739
Municipal Income Taxes	3,607,752	0	0	0	0	3,607,752
Charges for Services	274,768	146,162	0	0	130,253	551,183
Licenses and Permits	477,264	0	0	0	194,148	671,412
Impact Fees	0	0	0	0	24,290	24,290
Fines and Forfeitures	101,866	0	0	0	11,593	113,459
Intergovernmental	510,837	206,819	26,661	10,528	517,751	1,272,596
Interest	165,498	0	7,661	16,460	41,226	230,845
Payments in Lieu of Taxes	0	0	60,080	96,600	284,691	441,371
Rent	1,200	0	0	0	0	1,200
Contributions and Donations	7,518	2,450	0	0	2,426	12,394
Other	107,627	47,739	0	0	32,150	187,516
<i>Total Revenues</i>	<u>5,996,378</u>	<u>1,553,770</u>	<u>94,402</u>	<u>123,588</u>	<u>1,385,267</u>	<u>9,153,405</u>
<b>Expenditures</b>						
Current:						
General Government	2,237,015	0	0	0	9,421	2,246,436
Security of Persons and Property	72,577	3,044,201	0	0	18,596	3,135,374
Transportation	0	0	0	0	487,891	487,891
Leisure Time Activities	15,170	0	0	0	748,379	763,549
Public Health Services	116,159	0	0	0	0	116,159
Community Environment	1,305,830	0	0	0	0	1,305,830
Capital Outlay	0	0	0	1,331,789	1,403,660	2,735,449
Debt Service:						
Principal Retirement	0	0	2,176,000	0	32,420	2,208,420
Interest and Fiscal Charges	0	0	277,534	65,898	83,428	426,860
<i>Total Expenditures</i>	<u>3,746,751</u>	<u>3,044,201</u>	<u>2,453,534</u>	<u>1,397,687</u>	<u>2,783,795</u>	<u>13,425,968</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,249,627</u>	<u>(1,490,431)</u>	<u>(2,359,132)</u>	<u>(1,274,099)</u>	<u>(1,398,528)</u>	<u>(4,272,563)</u>
<b>Other Financing Sources (Uses):</b>						
Proceeds from the Sale of Capital Assets	0	0	0	0	3,549	3,549
Notes Issued	250,000	0	2,170,000	0	590,000	3,010,000
Loans Issued	0	0	2,000,000	1,132,787	1,246,093	4,378,880
Current Refunding of Bond Anticipation Note	0	0	(2,170,000)	0	0	(2,170,000)
Transfers In	0	1,366,097	421,214	0	655,395	2,442,706
Transfers Out	(2,332,908)	0	(75,000)	0	(34,798)	(2,442,706)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,082,908)</u>	<u>1,366,097</u>	<u>2,346,214</u>	<u>1,132,787</u>	<u>2,460,239</u>	<u>5,222,429</u>
<i>Net Change in Fund Balances</i>	<u>166,719</u>	<u>(124,334)</u>	<u>(12,918)</u>	<u>(141,312)</u>	<u>1,061,711</u>	<u>949,866</u>
Fund Balances (Deficits) at						
Beginning of Year	<u>1,518,089</u>	<u>238,890</u>	<u>71,926</u>	<u>(2,013,420)</u>	<u>(883,376)</u>	<u>(1,067,891)</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$1,684,808</u>	<u>\$114,556</u>	<u>\$59,008</u>	<u>(\$2,154,732)</u>	<u>\$178,335</u>	<u>(\$118,025)</u>

See accompanying notes to the basic financial statements

**City of Pickerington, Ohio**  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balances of Governmental Funds to the Statement of Activities  
 For the Year Ended December 31, 2005

**Net Change in Fund Balances - Total Governmental Funds** \$949,866

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

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

Capital Asset Additions	2,710,635	
Capital Contributions from Developers	1,623,293	
Depreciation Expense	(1,624,322)	2,709,606

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (27,074)

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

Property Taxes	48,879	
Income Taxes	40,883	
Payment in Lieu of Taxes	240,236	
Intergovernmental	232,041	
Interest	(41,456)	520,583

Repayment of principal and refundings are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

General Obligation Bonds	45,000	
Long-Term Loans	2,000,000	
Long-Term Bond Anticipation Notes	2,170,000	
Capital Leases	163,420	4,378,420

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of activities. Premiums are reported as revenues when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities:

Accrued Interest Payable	(61,281)	
Amortization of Issuance Costs	(1,256)	
Amortization on Premium of General Obligation Bonds	897	(61,640)

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

Long-Term Bond Anticipation Notes	(3,010,000)	
Long-Term Loan	(4,378,880)	(7,388,880)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Compensated Absences Payable	(1,849)	(1,849)
------------------------------	---------	---------

The internal service fund used by management to charge the costs of vehicle maintenance to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The change for governmental funds is reported for the year.

(4,196)

*Change in Net Assets of Governmental Activities*

\$1,074,836

See accompanying notes to the basic financial statements

**City of Pickerington, Ohio**  
Statement of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Year Ended December 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Taxes	\$654,696	\$734,975	\$743,533	\$8,558
Municipal Income Taxes	3,407,630	3,409,315	3,613,483	204,168
Charges for Services	712,866	574,199	274,768	(299,431)
Licenses and Permits	507,150	523,650	478,016	(45,634)
Fines and Forfeitures	95,000	95,000	102,406	7,406
Intergovernmental	547,694	568,987	559,787	(9,200)
Interest	100,140	100,415	139,101	38,686
Rent	2,200	2,200	1,200	(1,000)
Contributions and Donations	6,000	7,518	7,518	0
Other	59,072	76,189	108,693	32,504
<i>Total Revenues</i>	<u>6,092,448</u>	<u>6,092,448</u>	<u>6,028,505</u>	<u>(63,943)</u>
<b>Expenditures</b>				
Current:				
General Government	1,958,954	2,334,578	2,220,020	114,558
Security of Persons and Property	74,573	74,573	74,314	259
Leisure Time Activities	18,500	15,300	15,170	130
Public Health Services	120,264	120,264	116,159	4,105
Community Environment	1,556,202	2,285,702	1,360,925	924,777
Other	67,885	90,755	83,612	7,143
<i>Total Expenditures</i>	<u>3,796,378</u>	<u>4,921,172</u>	<u>3,870,200</u>	<u>1,050,972</u>
<i>Excess of Revenues Over Expenditures</i>	<u>2,296,070</u>	<u>1,171,276</u>	<u>2,158,305</u>	<u>987,029</u>
<b>Other Financing Sources (Use)</b>				
Proceeds from the Sale of Capital Assets	130,000	130,000	0	(130,000)
Notes Issued	0	0	250,000	250,000
Transfers Out	(2,377,453)	(2,493,258)	(2,332,908)	160,350
<i>Total Other Financing Sources (Use)</i>	<u>(2,247,453)</u>	<u>(2,363,258)</u>	<u>(2,082,908)</u>	<u>280,350</u>
<i>Net Change in Fund Balance</i>	48,617	(1,191,982)	75,397	1,267,379
Fund Balance at Beginning of Year	1,137,585	1,137,585	1,137,585	0
Prior Year Encumbrances Appropriated	114,816	114,816	114,816	0
<i>Fund Balance at End of Year</i>	<u>\$1,301,018</u>	<u>\$60,419</u>	<u>\$1,327,798</u>	<u>\$1,267,379</u>

See accompanying notes to the basic financial statements

**City of Pickerington, Ohio**  
Statement of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Police Fund  
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property and Other Taxes	\$1,149,000	\$1,155,000	\$1,150,600	(\$4,400)
Charges for Services	149,105	149,105	146,162	(2,943)
Intergovernmental	184,794	178,794	211,190	32,396
Contributions and Donations	500	500	2,450	1,950
Other	36,760	36,760	47,578	10,818
<i>Total Revenues</i>	<u>1,520,159</u>	<u>1,520,159</u>	<u>1,557,980</u>	<u>37,821</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	<u>3,211,799</u>	<u>3,211,799</u>	<u>3,116,791</u>	<u>95,008</u>
<i>Excess of Revenues Under Expenditures</i>	(1,691,640)	(1,691,640)	(1,558,811)	132,829
<b>Other Financing Source</b>				
Transfers In	<u>1,450,000</u>	<u>1,450,000</u>	<u>1,366,097</u>	<u>(83,903)</u>
<i>Net Change in Fund Balance</i>	(241,640)	(241,640)	(192,714)	48,926
Fund Balance at Beginning of Year	257,170	257,170	257,170	0
Prior Year Encumbrances Appropriated	<u>111,127</u>	<u>111,127</u>	<u>111,127</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$126,657</u>	<u>\$126,657</u>	<u>\$175,583</u>	<u>\$48,926</u>

See accompanying notes to the basic financial statements

**City of Pickerington, Ohio**  
Statement of Fund Net Assets  
Proprietary Funds  
December 31, 2005

	Business - Type Activities - Enterprise Funds				Governmental Activities- Internal Service Fund
	Water	Sewer	Stormwater	Totals	
<b>Assets:</b>					
Current Assets:					
Equity in Pooled Cash and Cash Equivalents	\$3,177,028	\$2,336,112	\$497,690	\$6,010,830	\$19,947
Accounts Receivable	155,817	102,875	15,890	274,582	0
Accrued Interest Receivable	23,205	4,983	5,200	33,388	0
Materials and Supplies Inventory	8,817	1,274	0	10,091	0
Prepaid Items	29,325	40,721	0	70,046	0
<i>Total Current Assets</i>	<i>3,394,192</i>	<i>2,485,965</i>	<i>518,780</i>	<i>6,398,937</i>	<i>19,947</i>
Noncurrent Assets:					
Deferred Charges	20,134	33,409	0	53,543	0
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	2,250	2,250	0	4,500	0
Non-Depreciable Capital Assets	803,915	1,343,895	8,603	2,156,413	0
Depreciable Capital Assets, net	16,502,031	16,943,675	7,113,008	40,558,714	0
<i>Total Noncurrent Assets</i>	<i>17,328,330</i>	<i>18,323,229</i>	<i>7,121,611</i>	<i>42,773,170</i>	<i>0</i>
<i>Total Assets</i>	<i>20,722,522</i>	<i>20,809,194</i>	<i>7,640,391</i>	<i>49,172,107</i>	<i>19,947</i>
<b>Liabilities:</b>					
Current Liabilities:					
Accrued Wages and Benefits	15,700	16,159	4,372	36,231	1,552
Intergovernmental Payable	6,833	13,065	2,444	22,342	882
Accounts Payable	31,677	25,506	3,531	60,714	6,259
Contracts Payable	0	278,418	0	278,418	0
Accrued Interest Payable	95,378	66,475	911	162,764	0
Retainage Payable	0	28,560	0	28,560	0
Notes Payable	200,000	95,000	0	295,000	0
Current Portion of:					
Issue II Payable	12,604	0	0	12,604	0
Compensated Absences Payable	27,841	20,098	3,165	51,104	0
General Obligation Bonds Payable	95,000	235,000	0	330,000	0
Capital Leases Payable	12,706	12,707	21,796	47,209	0
OWDA Loans Payable	0	49,920	0	49,920	0
<i>Total Current Liabilities</i>	<i>497,739</i>	<i>840,908</i>	<i>36,219</i>	<i>1,374,866</i>	<i>8,693</i>
Long-Term Liabilities (Net of Current Portion):					
Restricted Assets:					
Customer Deposits Payable from Restricted Assets	2,250	2,250	0	4,500	0
Issue II Payable	31,507	0	0	31,507	0
Compensated Absences Payable	28,558	8,904	658	38,120	0
Notes Payable	3,622,244	1,615,000	0	5,237,244	0
General Obligation Bonds Payable	774,855	3,683,959	0	4,458,814	0
Capital Leases Payable	32,376	32,376	70,691	135,443	0
OWDA Loans Payable	0	836,526	0	836,526	0
<i>Total Long-Term Liabilities</i>	<i>4,491,790</i>	<i>6,179,015</i>	<i>71,349</i>	<i>10,742,154</i>	<i>0</i>
<i>Total Liabilities</i>	<i>4,989,529</i>	<i>7,019,923</i>	<i>107,568</i>	<i>12,117,020</i>	<i>8,693</i>
<b>Net Assets:</b>					
Invested in Capital Assets, Net of Related Debt	12,550,566	11,767,894	7,029,124	31,347,584	0
Unrestricted	3,182,427	2,021,377	503,699	5,707,503	11,254
<i>Total Net Assets</i>	<i>\$15,732,993</i>	<i>\$13,789,271</i>	<i>\$7,532,823</i>	<i>\$37,055,087</i>	<i>\$11,254</i>

See accompanying notes to the basic financial statements



**City of Pickerington, Ohio**  
Statement of Revenues, Expenses, and Changes in Fund Net Assets  
Proprietary Funds  
For the Year Ended December 31, 2005

	Business - Type Activities - Enterprise Funds				Governmental Activities- Internal Service Fund
	Water	Sewer	Stormwater	Total	
<b>Operating Revenues</b>					
Charges for Services	\$1,329,105	\$1,408,308	\$245,374	\$2,982,787	\$234,851
<b>Operating Expenses</b>					
Personal Services	580,151	578,861	246,759	1,405,771	66,246
Contractual Services	421,307	701,417	124,473	1,247,197	25,307
Materials and Supplies	268,469	63,001	15,446	346,916	147,494
Depreciation	491,241	451,095	118,235	1,060,571	0
<i>Total Operating Expenses</i>	<u>1,761,168</u>	<u>1,794,374</u>	<u>504,913</u>	<u>4,060,455</u>	<u>239,047</u>
<i>Operating Loss</i>	<u>(432,063)</u>	<u>(386,066)</u>	<u>(259,539)</u>	<u>(1,077,668)</u>	<u>(4,196)</u>
<b>Non-Operating Revenues (Expenses)</b>					
Interest	90,732	43,461	7,087	141,280	0
Interest and Fiscal Charges	(175,715)	(295,149)	(4,275)	(475,139)	0
Other Non-Operating Revenues	37,168	10,405	2,069	49,642	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(47,815)</u>	<u>(241,283)</u>	<u>4,881</u>	<u>(284,217)</u>	<u>0</u>
<i>Loss Before Contributions</i>	<u>(479,878)</u>	<u>(627,349)</u>	<u>(254,658)</u>	<u>(1,361,885)</u>	<u>(4,196)</u>
Capital Contributions from Developers	596,730	710,694	858,714	2,166,138	0
Capital Contributions from Customers	846,413	678,161	197,991	1,722,565	0
<i>Change in Net Assets</i>	963,265	761,506	802,047	2,526,818	(4,196)
Net Assets Beginning of Year	<u>14,769,728</u>	<u>13,027,765</u>	<u>6,730,776</u>	<u>34,528,269</u>	<u>15,450</u>
<i>Net Assets End of Year</i>	<u>\$15,732,993</u>	<u>\$13,789,271</u>	<u>\$7,532,823</u>	<u>\$37,055,087</u>	<u>\$11,254</u>

See accompanying notes to the basic financial statements

**City of Pickerington, Ohio**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2005**

	Business - Type Activities - Enterprise Funds				Governmental Activities- Internal Service Fund
	Water	Sewer	Stormwater	Total	
<b>Increase (Decrease) in Cash and Cash Equivalents</b>					
<b>Cash Flows from Operating Activities</b>					
Cash Received from Customers	\$1,330,066	\$1,413,571	\$245,099	\$2,988,736	\$0
Cash Received from Transactions with Other Funds	0	0	0	0	234,851
Cash Payments for Employee Services and Benefits	(563,217)	(557,958)	(236,885)	(1,358,060)	(64,251)
Cash Payments for Goods and Services	(682,376)	(772,710)	(152,117)	(1,607,203)	(170,845)
Utility Deposits Received	950	950	0	1,900	0
Utility Deposits Returned	(700)	(700)	0	(1,400)	0
Other Non-Operating Revenues	37,168	11,218	2,069	50,455	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>121,891</u>	<u>94,371</u>	<u>(141,834)</u>	<u>74,428</u>	<u>(245)</u>
<b>Cash Flows from Investing Activities</b>					
Interest on Investments	88,161	48,384	1,887	138,432	0
<i>Net Cash Provided by Investing Activities</i>	<u>88,161</u>	<u>48,384</u>	<u>1,887</u>	<u>138,432</u>	<u>0</u>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Acquisition of Capital Assets	(287,668)	(141,149)	0	(428,817)	0
Proceeds from the Sale of Notes	3,822,244	1,710,000	0	5,532,244	0
Tap-In Fees	783,007	678,161	197,991	1,659,159	0
Principal Paid on General Obligation Refunding Bonds	(95,000)	(150,000)	0	(245,000)	0
Principal Paid on General Obligation Bonds	0	(80,000)	0	(80,000)	0
Principal Paid on Notes	(4,272,244)	(2,005,000)	0	(6,277,244)	0
Principal Paid on Issue Two Notes	(12,604)	0	0	(12,604)	0
Principal Paid on OWDA Loans	0	(47,413)	0	(47,413)	0
Principal Paid on Capital Leases	(14,936)	(14,936)	(20,968)	(50,840)	0
Interest Paid on General Obligation Refunding Bonds	(30,245)	(55,857)	0	(86,102)	0
Interest Paid on General Obligation Bonds	0	(119,067)	0	(119,067)	0
Interest Paid on Notes	(72,058)	(52,492)	0	(124,550)	0
Interest Paid on OWDA Loans	0	(46,132)	0	(46,132)	0
Interest Paid on Capital Leases	(2,747)	(2,746)	(4,481)	(9,974)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(182,251)</u>	<u>(326,631)</u>	<u>172,542</u>	<u>(336,340)</u>	<u>0</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	27,801	(183,876)	32,595	(123,480)	(245)
Cash and Cash Equivalents Beginning of Year	<u>3,151,477</u>	<u>2,522,238</u>	<u>465,095</u>	<u>6,138,810</u>	<u>20,192</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$3,179,278</u>	<u>\$2,338,362</u>	<u>\$497,690</u>	<u>\$6,015,330</u>	<u>\$19,947</u>

(continued)

**City of Pickerington, Ohio**  
Statement of Cash Flows  
Proprietary Funds (Continued)  
For the Year Ended December 31, 2005

	Business - Type Activities - Enterprise Funds				Governmental Activities- Internal Service Fund
	Water	Sewer	Stormwater	Total	
<b>Reconciliation of Operating Loss to Net Cash Provided by (Used for) Operating Activities</b>					
Operating Loss	(\$432,063)	(\$386,066)	(\$259,539)	(\$1,077,668)	(\$4,196)
Adjustments:					
Other Non-Operating Revenues	37,168	11,218	2,069	50,455	0
Depreciation	491,241	451,095	118,235	1,060,571	0
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	961	5,263	(275)	5,949	0
Increase in Prepaid Items	(7,003)	(9,725)	0	(16,728)	0
(Increase) Decrease in Materials and Supplies Inventory	(1,790)	180	0	(1,610)	0
Increase (Decrease) in Accounts Payable	16,193	336	(8,698)	7,831	1,806
Increase in Accrued Wages and Benefits Payable	2,812	8,175	4,372	15,359	1,552
Increase in Compensated Absences Payable	12,200	9,542	3,823	25,565	0
Increase in Customer Deposits Payable	250	250	0	500	0
Increase (Decrease) in Intergovernmental Payable	1,922	4,103	(1,821)	4,204	593
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$121,891</u>	<u>\$94,371</u>	<u>(\$141,834)</u>	<u>\$74,428</u>	<u>(\$245)</u>

Noncash Capital Financing Activities:

Developers contributed \$596,730, \$710,694, and \$858,714 in the form of water, sewer, and stormwater lines, during 2005. During 2005, the water and sewer enterprise funds entered into capital leases in the amounts of \$60,018 and \$60,019 for a dump truck and a mailing machine.

During 2005, capital contributions from customers increased by \$66,343 in the water enterprise fund due to an increase in receivables for unbilled tap-in fees.

See accompanying notes to the basic financial statements

**City of Pickerington, Ohio**  
Statement of Fiduciary Assets and Liabilities  
Agency Fund  
December 31, 2005

<b>Assets</b>	
Cash and Cash Equivalents in Segregated Accounts	<u>\$85</u>
<i>Total Assets</i>	<u><u>\$85</u></u>
<b>Liabilities</b>	
Undistributed Monies	<u>\$85</u>
<i>Total Liabilities</i>	<u><u>\$85</u></u>

See accompanying notes to the basic financial statements

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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**NOTE 1 - REPORTING ENTITY**

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

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

**Reporting Entity**

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

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

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

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

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

The City is associated with three jointly governed organizations and three insurance purchasing pools. These organizations are the Fairfield-Hocking Major Crimes Unit, the Mid-Ohio Regional Planning Commission, the Fairfield County Combined General Health District, the Central Ohio Risk Management Association Inc. (CORMA), the Central Ohio Health Care Consortium, and the Ohio Municipal League Workers' Compensation Group Rating Program. These organizations are discussed in Notes 19 and 20 to the basic financial statements.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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

The financial statements of the City of Pickerington have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB statements and interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The more significant of the City's accounting policies are described below.

**A. Basis of Presentation**

The City's basic financial statements consist of government-wide statements, including a statement of net assets 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 assets 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 activities of the internal service fund are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. The statement of net assets presents the financial condition of the governmental and business-type activities of the City. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. The policy of the City is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

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

**B. Fund Accounting**

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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

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

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

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

Tax Increment Financing Agreement Windmill/ Diley Construction Fund – This fund is used to account for revenues and expenditures associated with the extension of Windermiller Drive, the realignment of Diley Road, and intersection improvements.

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

**Proprietary funds** Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows. Proprietary funds are classified as either enterprise or internal service. The City reports the following proprietary funds:

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

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

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

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

Internal Service Fund – Internal Service funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The internal service fund is used to account for the maintenance and repair of City vehicles and equipment and fuel purchased for City vehicles and the related charges for service.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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

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

C. Measurement Focus

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

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

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

D. Basis of Accounting

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

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



**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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

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

***Deferred Revenue*** Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2005, but which were levied to finance year 2006 operations have been recorded as deferred revenue. Payment in lieu of taxes and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

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

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

**E. Budgetary Process**

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The Tax Increment Financing Agreement Old Town Construction Capital Projects Fund was not budgeted because the City did not anticipate any financial activity within this fund. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates.

The certificate of estimated resources establishes a limit on the amount the City Council may appropriate. The appropriations resolution is the City Council's authorization to spend resources and sets annual limits on the expenditures plus encumbrances at the level of control selected by the City Council. The legal level of budgetary control is at the fund level for all funds. Any budgetary modifications at this level may only be made by resolution of the City Council. The finance director is given the authority to further allocate fund appropriations within all funds.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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

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

F. Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents."

During 2005, investments were limited to Federal Home Loan Bank Treasury and Discount Notes, Federal Home Loan Mortgage Corporation Treasury and Discount Notes, Federal Home Loan Mortgage Association Treasury Notes, Federal Farm Credit Bank Treasury Notes, Discount Notes, and Bonds, certificates of deposit, and the State Treasury Asset Reserve of Ohio (STAR Ohio).

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost.

The City has invested funds in STAR Ohio during 2005. 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 share price which is the price the investment could be sold for on December 31, 2005.

Provisions of the Ohio Revised Code restrict investment procedures. During 2005, interest was distributed to the general fund, certain special revenue funds, capital projects funds, debt service funds, enterprise funds and the internal service fund according to City ordinances. Interest revenue credited to the general fund during 2005 amounted to \$165,498, which includes \$109,261 assigned from other City funds.

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

G. Receivables and Payables

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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H. Inventory of Supplies

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

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2005 are recorded as prepaid items using the consumption method recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

J. Restricted Assets

The City has set aside certain resources in the enterprise funds for the repayment of water and sewer deposits which are presented on the statement of fund net assets – proprietary funds. Restricted cash and cash equivalents in the General fund represent the amount of unclaimed monies not available for appropriation.

K. Capital Assets and Depreciation

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful life of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

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

The City's infrastructure consists of streets, curbs and gutters, traffic lights, water, sewer, and stormwater lines and includes infrastructure acquired after December 31, 1980.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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L. Compensated Absences

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

The entire compensated absences liability is reported on the government-wide financial statements. For governmental and proprietary funds, the City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. The City records a liability for accumulated unused sick leave for employees after five years of service.

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

M. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that these liabilities are due for payment during the current year. The City recognizes bonds, loans, capital leases and long-term notes as a liability in the governmental fund financial statements when due.

N. Bond Premiums and Issuance Costs

Bond issuance costs and bond premiums are deferred and amortized over the term of the bonds. Bonds payable are reported net of the applicable bond premium. Bond issuance costs are recorded as deferred charges and amortized over the term of the related debt.

On the governmental fund financial statements, issuance costs and bonds premiums are reported in the current period. The face amount of the debt issue is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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O. Fund Balance Reserves

The City reserves those portions of fund balance which are legally segregated for specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, and unclaimed monies. By law, the City may not appropriate unclaimed monies until the money has remained unclaimed for five years.

P. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the constitutional provisions or through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations or other governments.

The government-wide statement of net assets reports \$5,374,845 of restricted net assets, of which \$8,661 is restricted by enabling legislation.

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

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

Q. Contributions of Capital

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

R. Interfund Transactions

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

S. Estimates

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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T. Operating Revenues and Expenses

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

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 that are either unusual in nature or infrequent in occurrence.

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES

For 2005, the City has implemented GASB Statement No. 40, "Deposit and Investment Risk Disclosures" and GASB Statement No. 42, "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries."

GASB Statement No. 40 establishes new disclosure requirements for risks associated with deposits and investments.

GASB Statement No. 42 establishes accounting and financial reporting standards for impairment of capital assets and clarifies and establishes accounting requirements for insurance recoveries.

The implementation of GASB Statement No. 40 and No. 42 did not affect the presentation of the financial statements of the City.

NOTE 4 – ACCOUNTABILITY AND COMPLIANCE

Fund Type/Fund	Deficit Fund Balances
<u>Capital Projects:</u>	
Tax Increment Financing Agreement Windmill/ Diley Construction	\$2,154,732
Tax Increment Financing Agreement State Route 256/204 Construction	100,561
Tax Increment Financing Agreement Old Town Construction	397,964
Tax Increment Financing Agreement Cycle Way Construction	602,939
Tax Increment Financing Agreement Cover Construction	248,668

The deficits in the capital projects funds are the result of the issuance of short-term debt to finance projects in these funds. Once the debt is retired or bonds are issued, the deficits will be eliminated.

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2005**

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The State Highway special revenue fund had expenditures plus encumbrances in excess of appropriations in the amount of \$1,323 contrary to section 5705.41(B), Revised Code.

The following funds had appropriations in excess of estimated resources plus available balances contrary to section 5705.39, Revised Code as of December 31, 2005.

	<u>Resources</u>	<u>Appropriations</u>	<u>Excess</u>
<u>Capital Projects Funds:</u>			
TIF - Windmill/ Diley Construction	\$1,250,501	\$1,252,179	(\$1,678)
Diley Road Improvement	882,388	912,207	(29,819)

The City will more closely monitor budgetary procedures pertaining to violations of this nature in the future.

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

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

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

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance.
4. Unrecorded cash and fair market value adjustments are reported on the GAAP basis, but not on the budgetary basis.

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2005**

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

Net Change in Fund Balances General and Major Special Revenue Fund		
	General	Police
GAAP Basis	\$166,719	(\$124,334)
Net Adjustment for Revenue Accruals	28,188	4,210
Net Adjustment for Expenditure Accruals	33,815	14,943
Beginning of Year:		
Unreported Cash	6,965	0
GASB 31 Adjustment	14,295	0
End of Year:		
Unreported Cash	(8,575)	0
GASB 31 Adjustment	(8,746)	0
Encumbrances	(157,264)	(87,533)
Budget Basis	\$75,397	(\$192,714)

**NOTE 6 - DEPOSITS AND INVESTMENTS**

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

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

Interim monies held by the City can 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;



**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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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, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations describe in division (1) or (2) and repurchase agreements secured by such obligations;
7. The State Treasurer's investment pool (STAR Ohio); and,
8. Commercial paper and bankers acceptances if training requirements have been met.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

**Cash on Hand**

At year end, the City had \$9,493 in undeposited cash on hand which is included on the financial statements of the City as part of "equity in pooled cash and cash equivalents".

**Deposits:** Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$2,573,221 of the City's bank balance of \$3,083,983 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledge to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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**Investments:** Investments are reported at fair value. As of December 31, 2005, the City had the following investments.

	<u>Fair Value</u>	<u>Maturity</u>
Federal Home Loan Bank - Treasury Note	\$252,262	12/28/2006
Federal Home Loan Bank - Treasury Note	500,000	11/28/2007
Federal Home Loan Bank - Treasury Note	199,535	2/15/2006
Federal Home Loan Bank - Treasury Note	302,068	1/30/2006
Federal Home Loan Bank - Discount Note	345,987	4/7/2006
Federal Home Loan Mortgage Corporation- Discount Note	295,084	5/16/2006
Federal Home Loan Mortgage Corporation- Discount Note	343,670	5/30/2006
Federal Home Loan Mortgage Corporation- Discount Note	367,120	6/20/2006
Federal Home Loan Mortgage Corporation- Treasury Note	299,123	2/15/2006
Federal National Mortgage Association- Treasury Note	297,353	9/29/2006
Federal Farm Credit Bank - Treasury Note	399,411	1/23/2006
Federal Farm Credit Bank - Bonds	252,215	3/24/2006
Federal Farm Credit Bank - Discount Note	297,396	3/15/2006
STAR Ohio	<u>2,653,173</u>	Average 39.41 Days
Total	<u><u>\$6,804,397</u></u>	

**Interest Rate Risk**

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

**Credit Risk**

The City's investment policy addresses credit risk to the extent that it limits the Finance Director to invest in the safest type of securities where there is certainty of receiving full par value plus accrued interest at the security's legal final maturity. The Finance Director invests in a diversified portfolio to minimize potential losses on individual investments. In addition, the City pre-qualifies the financial institutions, broker/ dealers, intermediaries, and advisors with which an entity will do business.

The Federal Home Loan Bank Treasury Notes and Discount Note, the Federal Home Loan Mortgage Corporation Treasury Note and Discount Notes, the Federal National Mortgage Association Treasury Note, and the Federal Farm Credit Bank Treasury Note, Discount Note, and Bonds carry a rating of Aaa by Moody's. STAR Ohio carries a rating of AAAM by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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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 Home Loan Bank Treasury Note in the amount of \$199,185 and the Federal Farm Credit Bank Treasury Note, Discount Note, and Bonds are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the City's name. The City has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Finance Director or qualified trustee.

Concentration of Credit Risk

Concentration of credit risk is defined by the Governmental Accounting Standards Board as having five percent or more invested in the securities of a single issuer. The City places no limit on the amount it may invest in any one issuer. Of the City's total investments, 18% is invested in Federal Home Loan Bank Treasury Notes, 15% is invested in Federal Home Loan Mortgage Corporation Discount Notes, 6% is invested in Federal Farm Credit Bank Treasury Notes, and 5% is invested in Federal Home Loan Bank Discount Notes.

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2005 for real and public utility property taxes represents collections of 2004 taxes. Property tax payments received during 2005 for tangible personal property (other than public utility property) is for 2005 taxes.

2005 real property taxes are levied after October 1, 2005, on assessed value as of January 1, 2005, the lien date. Assessed values are established by State law at 35 percent of the appraised value. 2005 real property taxes are collected in and intended to finance 2006.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2005 public utility property taxes became a lien December 31, 2004, are levied after October 1, 2005, and are collected in 2006 with real property taxes.

2005 tangible personal property taxes are levied after October 1, 2004, on the value as of December 31, 2004. Collections are made in 2005. Tangible personal property assessments for machinery and equipment are 25 percent of true value and 23 percent of true value of inventory.

The full tax rate for all City operations for the year ended December 31, 2005, was \$7.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2005 property tax receipts were based are as follows:

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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	<u>2005</u>
Real Property	\$341,774,430
Public Utility Real and Tangible Personal Property	10,160
Tangible Personal Property	<u>7,998,246</u>
Total Assessed Value	<u><u>\$349,782,836</u></u>

Real property taxes are payable annually and semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established. For 2005, the due dates were February 19 and July 15.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The County Treasurer collects property taxes on behalf of Fairfield County, including the City of Pickerington. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2005 and for which there is an enforceable legal claim. In the General Fund and Police Special Revenue Fund, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2005 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

**NOTE 8 - INCOME TAX**

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

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

Income tax proceeds are used for general municipal operations, maintenance, new equipment, extension and enlargement of municipal services and facilities and capital improvements of the City of Pickerington. In 2005, the proceeds were receipted into the General Fund.

**NOTE 9 - RECEIVABLES**

Receivables at December 31, 2005 consisted primarily of taxes, payment in lieu of taxes, intergovernmental receivables arising from grants, entitlements and shared revenues, interest on investments, and utility accounts. All receivables are considered fully collectible.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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A summary of intergovernmental receivables follows:

<u>Governmental Activities</u>	
Homestead and Rollback	\$176,060
Local Government Subsidies	197,789
Estate Taxes	146,827
Gasoline Tax	169,472
Motor Vehicle License Tax	56,052
Miscellaneous Reimbursements	<u>235</u>
Total Governmental Activities	<u><u>\$746,435</u></u>

Payment in Lieu of Taxes

The City entered into Tax Increment Financing Agreements in 1997 between the City and Bob Evans Farms, Inc., Pickerington Plaza Limited Partnership, and Steak n Shake, Inc., for the purpose of constructing a movie theater, two restaurants and a retail center. During 2002, the City entered into four additional Tax Increment Financing Agreements with various developers for the purpose of constructing several retail and commercial centers.

To encourage these improvements, the companies and home owners were granted an exemption from paying any property taxes on the new construction; however, payments in lieu of taxes are made to the City in an amount equal to the real property taxes that otherwise would have been due in that current year. These payments are being used to finance public improvements and will continue over ten years. The City is not able to record a receivable for all future payments because the payments are based upon projected collections. A receivable has been recorded in the amount of \$594,889 which represents amounts measurable at December 31, 2005.

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2005**

**NOTE 10 – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2005, was as follows:

	Balance December 31, 2004	Additions	Reductions	Balance December 31, 2005
<b><u>Governmental Activities:</u></b>				
Non Depreciable Capital Assets:				
Land	\$2,754,816	\$468,900	\$0	\$3,223,716
Construction in Progress	5,177,743	1,045,743	(4,810,137)	1,413,349
Total Non Depreciable Capital Assets	<u>7,932,559</u>	<u>1,514,643</u>	<u>(4,810,137)</u>	<u>4,637,065</u>
Depreciable Capital Assets:				
Land Improvements	1,204,807	41,058	0	1,245,865
Buildings	4,630,502	0	0	4,630,502
Equipment	1,134,883	0	(59,083)	1,075,800
Infrastructure	36,554,204	7,524,700	0	44,078,904
Vehicles	782,890	63,664	0	846,554
Total Depreciable Capital Assets	<u>44,307,286</u>	<u>7,629,422</u>	<u>(59,083)</u>	<u>51,877,625</u>
Accumulated Depreciation:				
Land Improvements	(518,569)	(56,597)	0	(575,166)
Buildings	(736,516)	(92,610)	0	(829,126)
Equipment	(460,956)	(93,388)	32,009	(522,335)
Infrastructure	(8,015,649)	(1,308,038)	0	(9,323,687)
Vehicles	(478,567)	(73,689)	0	(552,256)
Total Accumulated Depreciation	<u>(10,210,257)</u>	<u>(1,624,322) *</u>	<u>32,009</u>	<u>(11,802,570)</u>
Total Depreciable Capital Assets, Net	<u>34,097,029</u>	<u>6,005,100</u>	<u>(27,074)</u>	<u>40,075,055</u>
Governmental Capital Assets, Net	<u>\$42,029,588</u>	<u>\$7,519,743</u>	<u>(\$4,837,211)</u>	<u>\$44,712,120</u>

During 2005, developers contributed \$1,623,293 in infrastructure. This amount is reflected as Capital Grants and Contributions on the Statement of Activities.

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

<b><u>Governmental Activities:</u></b>	
General Government	\$81,142
Security of Persons and Property	155,403
Transportation	1,351,541
Leisure Time Activities	36,236
Total Depreciation Expense	<u>\$1,624,322</u>

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
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	Balance December 31, 2004	Additions	Reductions	Balance December 31, 2005
<b><u>Business - Type Activities:</u></b>				
Non Depreciable Capital Assets:				
Land	\$831,267	\$9,600	\$0	\$840,867
Construction in Progress	966,722	377,114	(28,290)	1,315,546
Total Non Depreciable Capital Assets	<u>1,797,989</u>	<u>386,714</u>	<u>(28,290)</u>	<u>2,156,413</u>
Depreciable Capital Assets:				
Land Improvements	35,124	0	0	35,124
Buildings	11,535,871	0	0	11,535,871
Equipment	4,648,370	138,314	0	4,786,684
Infrastructure	30,148,571	2,433,622	0	32,582,193
Vehicles	247,236	91,610	(8,267)	330,579
Total Depreciable Capital Assets	<u>46,615,172</u>	<u>2,663,546</u>	<u>(8,267)</u>	<u>49,270,451</u>
Accumulated Depreciation:				
Land Improvements	(11,990)	(1,756)	0	(13,746)
Buildings	(2,796,875)	(230,718)	0	(3,027,593)
Equipment	(1,487,105)	(318,259)	0	(1,805,364)
Infrastructure	(3,200,972)	(483,821)	0	(3,684,793)
Vehicles	(162,491)	(26,017)	8,267	(180,241)
Total Accumulated Depreciation	<u>(7,659,433)</u>	<u>(1,060,571)</u>	<u>8,267</u>	<u>(8,711,737)</u>
Total Depreciable Capital Assets, Net	<u>38,955,739</u>	<u>1,602,975</u>	<u>0</u>	<u>40,558,714</u>
Business - Type Activities Capital Assets, Net	<u>\$40,753,728</u>	<u>\$1,989,689</u>	<u>(\$28,290)</u>	<u>\$42,715,127</u>

**NOTE 11 - DEFINED BENEFIT PENSION PLANS**

**A. Ohio Public Employees Retirement System**

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

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6701 or (800) 222-7377.

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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For the year ended December 31, 2005, the members of all three plans were required to contribute 8.5 percent of their annual covered salaries. The employer contribution rate for pension benefits for 2005 was 9.55 percent. For 2004, 9.55 percent of annual covered salary was also the portion used to fund pension obligations. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2005, 2004, and 2003 were \$253,464, \$263,863 and \$178,024 respectively; 94.80 percent has been contributed for 2005 and 100 percent for 2004 and 2003. Contributions to the member-directed plan for 2005 were \$2,589 made by the City and \$1,624 made by the plan members.

**B. Ohio Police and Fire Pension Fund**

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

The City has no firefighters. Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations while the City is required to contribute 11.75 percent for police officers. Contributions are authorized by State statute. The City's contributions to OP&F for the years ended December 31, 2005, 2004, and 2003 were \$165,187, \$147,844 and \$100,931 respectively, equal to the required contributions for each year. The full amount has been contributed for 2004 and 2003. 95.66 percent has been contributed for 2005.

**NOTE 12 - POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability benefit recipients and qualified survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2005 local government employer contribution rate was 13.55 percent of covered payroll, 4 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2004, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between 0.50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 1 to 6 percent annually for the next eight years and 4 percent annually after eight years.



**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 376,109. Actual City contributions for 2005 which were used to fund postemployment benefits were \$106,163. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2004, (the latest information available) was \$10.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.5 billion and \$18.7 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health coverage to improve the financial solvency of the fund in response to increasing health care costs. Member and employer contribution rates increased as of January 1, 2006, which will allow additional funds to be allocated to the health care plan.

**B. Ohio Police and Fire Pension Fund**

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement 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. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution rate is 19.5 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2005 and 2004. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for 2005 that were used to fund postemployment benefits were \$108,953 for police. The OP&F's total health care expense for the year ended December 31, 2004 (the latest information available) was \$102,173,796, which was net of member contributions of \$55,665,341. The number of OP&F participants eligible to receive health care benefits as of December 31, 2004, was 13,812 for police.

**NOTE 13 – OTHER EMPLOYEE BENEFITS**

**A. Compensated Absences**

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
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Sick leave is earned at the rate of three and seven tenths hours per eighty hours of service and can be accumulated without limit. In the case of death or retirement of an employee who has ten years of service, an employee or his estate is paid for one-third of his accumulated sick leave up to a maximum payment equal to forty days.

After forty or more days have been accumulated, City employees are eligible to sell back certain amounts of sick leave. The formula depends on the number of sick days taken in the preceding calendar year. Employees eligible to retire within three years are also eligible to sell back leave. All employees must retain a minimum balance of forty days.

**B. Insurance Options**

The City offers dental coverage through Delta Dental of Ohio, life insurance coverage through Jefferson Pilot, and vision coverage through the Vision Service Plan, Inc.

**NOTE 14 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2005, the City contracted with CORMA for property and general liability, automobile liability, boiler and machinery liability, law enforcement liability, and public officials' liability.

Under the CORMA program for general liability, law enforcement liability, and public officials' liability, the City has \$2,000,000 of total liability coverage for each occurrence. The City carries a \$100,000 deductible for both law enforcement and public officials' liability insurance. Property insurance is covered to a limit of \$200,000,000 with a \$25,000 deductible. Under automobile liability the City has \$1,000,000 of total liability coverage for each occurrence. Automobile insurance carries a \$100 per vehicle deductible for comprehensive coverage and a \$250 per vehicle collision coverage. Boiler and machinery insurance is covered to a limit of \$50,000,000 with various sublimits. The City carries a \$1,000 deductible for boiler and machinery liability. Settlements have not exceeded coverage in any of the last three years. There has not been a significant reduction in coverage from the prior year.

The City participates in the Ohio Municipal League workers' compensation group rating plan (the Plan), an insurance purchasing pool (see Note 20). The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating municipalities is calculated as one experience in order to create a lower workers' compensation premium rate. Each municipality pays its workers' compensation premium to the State based on the rate for the Plan rather than the municipality's individual rate.

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

**City of Pickerington, Ohio**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2005

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**NOTE 15 - CAPITAL LEASES - LESSEE DISCLOSURE**

The City has outstanding capital leases for two dump trucks, a mower, a mailing machine, a street sweeper and a police station facility. During 2005, the City repaid capital leases for a tractor and a mower. Each lease meets the criteria of a capital lease as defined by *Statement of Financial Accounting Standards No. 13 "Accounting for Leases,"* which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures in the basic financial statements for governmental funds.

The police facility capital lease obligation relates to the construction of a new police facility and the necessary operational equipment within the facility. On May 28, 2002, as part of the agreement, First Star Bank, as lessor, wired \$4.3 million in lease proceeds to the City for a portion of the costs of construction. At December 31, 2005 the City has expended \$4.3 million for the construction of the building, operational equipment, and infrastructure.

A police facility and equipment acquired by lease has been capitalized in the government-wide statements governmental activities in the amount of \$4,392,732 and business-type activities in the amount of \$258,941, which is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded in the government-wide statements for governmental activities and business-type activities; respectively. Governmental activities capitalized leased assets are reflected net of accumulated depreciation in the amount of \$4,040,911. Business-type capitalized leases assets are reflected net of accumulated depreciation in the amount of \$237,383. Principal payments toward governmental activities capital leases during 2005 totaled \$163,420, \$131,000 for capitalized buildings, \$16,640 for capitalized equipment, and \$15,780 for capitalized vehicles. Principal payments toward business-type activities capital leases during 2005 totaled \$50,840, \$20,968 for capitalized equipment and \$29,872 for capitalized vehicles.

The following is a schedule of the future minimum lease payments at December 31, 2005 for governmental activities:

Year	Principal	Interest
2006	\$158,645	\$200,292
2007	157,384	192,297
2008	156,000	184,578
2009	166,000	176,670
2010	176,000	168,255
2011-2015	1,050,000	696,390
2016-2020	1,406,000	396,228
2021-2022	687,000	52,773
Total	<u>\$3,957,029</u>	<u>\$2,067,483</u>

The following is a schedule of the future minimum lease payments at December 31, 2005 for business-type activities:

**City of Pickerington, Ohio**  
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**For the Year Ended December 31, 2005**

Year	Principal	Interest
2006	\$47,209	\$8,979
2007	49,538	6,649
2008	34,307	4,198
2009	36,012	2,493
2010	12,359	697
2011	3,227	37
Total	<u>\$182,652</u>	<u>\$23,053</u>

**NOTE 16 - LONG-TERM OBLIGATIONS**

Changes in the City's long-term obligations during 2005 consist of the following:

	Outstanding 12/31/2004	Additions	Reductions	Outstanding 12/31/2005	Amounts Due Within One Year
<b><u>Governmental Activities:</u></b>					
<b><u>General Obligation Bonds:</u></b>					
Street Improvement					
2004 - \$1,550,000					
Serial Bonds - 5.00%	\$1,550,000	\$0	\$45,000	\$1,505,000	\$50,000
Bond Premium	18,356	0	897	17,459	0
Total General Obligation Bonds	<u>1,568,356</u>	<u>0</u>	<u>45,897</u>	<u>1,522,459</u>	<u>50,000</u>
<b><u>Long-Term Bond Anticipation Notes</u></b>					
Courtright Road Realignment/ Downtown Streetscape/Diley Road Improvement					
2004 - \$2,170,000 - 1.5%	2,170,000	2,170,000	2,170,000	2,170,000	0
Land Acquisition - 2005 - \$250,000 - 3.25%	0	250,000	0	250,000	0
Municipal Building Improvement - 2005 \$315,000 - 3.25%	0	275,000	0	275,000	0
Police Facility - 2005 - \$315,000 - 3.248%	0	315,000	0	315,000	0
Total Long-Term Bond Anticipation Notes	<u>2,170,000</u>	<u>3,010,000</u>	<u>2,170,000</u>	<u>3,010,000</u>	<u>0</u>
<b><u>Long-Term Loans</u></b>					
Diley Road Improvement					
2004 - \$169,000 (Variable)	169,000	1,831,000	2,000,000	0	0
Diley Road Improvement					
State Infrastructure Bank Loan - 2005 \$7,737,113 - 3.00%	0	2,547,880	0	2,547,880	0
Total Long-Term Loans	<u>169,000</u>	<u>4,378,880</u>	<u>2,000,000</u>	<u>2,547,880</u>	<u>0</u>
Compensated Absences	390,659	202,195	200,346	392,508	171,405
Capital Leases Payable	4,120,449	0	163,420	3,957,029	158,645
Total Governmental Activities	<u>\$8,418,464</u>	<u>\$7,591,075</u>	<u>\$4,579,663</u>	<u>\$11,429,876</u>	<u>\$380,050</u>

(continued)

**City of Pickerington, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2005**

	Outstanding 12/31/2004	Additions	Reductions	Outstanding 12/31/2005	Amounts Due Within One Year
<b><u>Business-Type Activities:</u></b>					
<b><u>General Obligation Bonds:</u></b>					
Water System Improvement Various Purpose					
Utility General Obligation Refunding Bonds					
2003 - \$1,210,000					
Serial Bonds - 1.50 - 3.625%	\$1,040,000	\$0	\$95,000	\$945,000	\$95,000
Bond Premium	6,366	0	588	5,778	0
Deferred Amount on Refunding	(89,153)	0	(8,230)	(80,923)	0
Wastewater Treatment Plant Various Purpose					
Utility General Obligation Refunding Bonds					
2003 - \$2,165,000					
Serial Bonds - 1.50 - 3.625%	1,875,000	0	150,000	1,725,000	155,000
Bond Premium	8,086	0	683	7,403	0
Deferred Amount on Refunding	(205,839)	0	(17,395)	(188,444)	0
Sanitary Sewer Improvement Bonds					
1999 - \$2,850,000					
Serial Bonds - 4.85%	2,455,000	0	80,000	2,375,000	80,000
<b>Total General Obligation Bonds</b>	<b>5,089,460</b>	<b>0</b>	<b>300,646</b>	<b>4,788,814</b>	<b>330,000</b>
<b><u>Long-Term Bond Anticipation Notes:</u></b>					
Water Plant Tower - \$975,000 - 1.75%					
	975,000	775,000	975,000	775,000	0
Sewer D-Line IV and					
Sewer Plant Engineer - \$1,710,000 - 2.75%					
	1,805,000	1,615,000	1,805,000	1,615,000	0
<b>Total Long-Term Bond Anticipation Notes</b>	<b>2,780,000</b>	<b>2,390,000</b>	<b>2,780,000</b>	<b>2,390,000</b>	<b>0</b>
<b><u>Revenue Notes:</u></b>					
Water Plant - 2.70%					
	2,847,244	2,847,244	2,847,244	2,847,244	0
<b>Total Revenue Notes</b>	<b>2,847,244</b>	<b>2,847,244</b>	<b>2,847,244</b>	<b>2,847,244</b>	<b>0</b>
<b><u>OWDA Loans:</u></b>					
\$440,864 - 6.25% - 1973 OWDA Loans					
	194,901	0	18,044	176,857	19,172
\$819,398 - 4.64% - 2001 OWDA Notes					
	738,958	0	29,369	709,589	30,748
<b>Total OWDA</b>	<b>933,859</b>	<b>0</b>	<b>47,413</b>	<b>886,446</b>	<b>49,920</b>
\$189,057 - 0.00% - 1994 Issue Two Notes					
	56,715	0	12,604	44,111	12,604
Compensated Absences Payable					
	63,659	27,848	2,283	89,224	51,104
Capital Leases Payable					
	113,455	120,037	50,840	182,652	47,209
<b>Total Business-Type Activities</b>	<b>11,884,392</b>	<b>5,385,129</b>	<b>6,041,030</b>	<b>11,228,491</b>	<b>490,837</b>
<b>Total All Types</b>	<b>\$20,302,856</b>	<b>\$12,976,204</b>	<b>\$10,620,693</b>	<b>\$22,658,367</b>	<b>\$870,887</b>

**City of Pickerington, Ohio**  
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For the Year Ended December 31, 2005

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**Governmental Activities:**

***General Obligation Bonds***

The 2004 street improvement general obligation serial bonds were issued for the purpose of improving Courtright and Diley roads, realigning East Street, and constructing sidewalks, curbs and gutters on Refugee and Hill roads. The general obligation bonds were sold at a premium of \$18,845 that will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$26,380 are deferred and will be amortized over the term of the bonds.

Bonds maturing December 1, 2008 are subject to mandatory sinking fund redemption on December 1, 2007 in the principal amount of \$50,000 plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$50,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing December 1, 2010 are subject to mandatory sinking fund redemption on December 1, 2009 in the principal amount of \$55,000 plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$60,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing December 1, 2012 are subject to mandatory sinking fund redemption on December 1, 2011 in the principal amount of \$65,000 plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$65,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing December 1, 2014 are subject to mandatory sinking fund redemption on December 1, 2013 in the principal amount of \$70,000 plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$70,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing December 1, 2016 are subject to mandatory sinking fund redemption on December 1, 2015 in the principal amount of \$75,000 plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$80,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing December 1, 2018 are subject to mandatory sinking fund redemption on December 1, 2017 in the principal amount of \$85,000 plus accrued interest to the date of redemption. Unless otherwise called for redemption, the remaining \$90,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing December 1, 2021 are subject to mandatory sinking fund redemption on December 1, 2019, and on each December 1 thereafter at 100% of the principal amount thereof plus accrued interest to the date of redemption, according to the following schedule:

<u>Year</u>	<u>Principal Amount to be Redeemed</u>
2019	\$95,000
2020	95,000
	<u>\$190,000</u>

Unless otherwise called for redemption, the remaining \$105,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing December 1, 2024 are subject to mandatory sinking fund redemption on December 1, 2022, and on each December 1 thereafter at 100% of the principal amount thereof plus accrued interest to the date of redemption according to the following schedule:

**City of Pickerington, Ohio**  
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Year	Principal Amount to be Redeemed
2022	\$110,000
2023	115,000
	\$225,000

Unless otherwise called for redemption, the remaining \$120,000 principal amount of such bonds is to be paid at stated maturity.

Bonds maturing after December 1, 2014 are subject to optional redemption, in whole or in part, at the option of the City, in inverse order of maturity, in integral multiples of \$5,000 and by lot within a maturity, on any date commencing December 1, 2014 at the redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date.

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

Year	Street Improvement General Obligation Bonds		
	Principal	Interest	Total
2006	\$50,000	\$75,250	\$125,250
2007	50,000	72,750	122,750
2008	50,000	70,250	120,250
2009	55,000	67,750	122,750
2010	60,000	65,000	125,000
2011-2015	345,000	276,750	621,750
2016-2020	445,000	181,250	626,250
2021-2024	450,000	57,500	507,500
Total	\$1,505,000	\$866,500	\$2,371,500

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

The street improvement bond anticipation notes issued on March 9, 2005, for \$2,170,000 will mature on March 9, 2006. The street improvement bond anticipation notes were used to retire the \$2,170,000 street improvement bond anticipation notes issued March 11, 2004. These notes were issued for the purpose of constructing streets, sidewalks, curbs and gutters.

The land acquisition bond anticipation notes issued on June 15, 2005, for \$250,000 will mature on March 9, 2006. The land acquisition bond anticipation notes were issued for the purpose of paying part of the costs of acquiring real property for use as park land.

The municipal building improvement bond anticipation notes issued on June 15, 2005, for \$275,000 will mature on March 9, 2006. The municipal building improvement bond anticipation notes were issued for the purpose of paying part of the cost of constructing and acquiring improvements and renovations to the City Hall and Building Department Buildings.

**City of Pickerington, Ohio**  
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The police facility bond anticipation notes issued on September 1, 2005, for \$315,000 will mature on March 9, 2006. The police facility bond anticipation notes were used to retire the \$330,000 police facility bond anticipation notes issued on September 3, 2004. These notes were issued for the purpose of paying part of the cost of acquiring, constructing, equipping, and furnishing a police building.

***Long-Term Loans***

On December 16, 2004, the City entered into a loan agreement for \$2,000,000 under the Ohio Municipal Bond Financing Program for the purpose of financing the northern extension to Diley Road. The City pledged future Ohio State Infrastructure Bank loan proceeds and municipal income tax revenues as repayment for the loan. During 2005, the City had drawn down \$2,000,000 in loan proceeds, the total amount authorized. During 2005, the City retired the \$2,000,000 Ohio Municipal Bond Financing Program loan with the State Infrastructure Bank Loan proceeds.

On October 19, 2005, the City entered into a State Infrastructure Bank Loan agreement with the Ohio Department of Transportation in the amount of \$7,737,113 for the purpose of financing the Diley Road Widening and Realignment Project. The City is pledging municipal income tax revenues, motor vehicle license tax funds, motor vehicle gasoline tax funds, stormwater utility fees, and water utility capacity fees. During 2005, the City drew down \$2,547,880 in loan proceeds.

***Compensated Absences Payable***

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

***Capital Leases Payable***

The City has outstanding capital leases for a dump truck, a mower, and a police facility. These leases will be repaid through the General Fund and the Parks and Recreation, Police Facilities and Street Special Revenue Funds.

**Business-Type Activities:**

***General Obligation Bonds***

The 2003 various purpose utility general obligation refunding bonds originally were issued in the amount of \$3,375,000 with interest rates varying from 1.5 percent to 3.6 percent. The proceeds were used to refund \$1,095,000 of the outstanding 1994 water system improvement general obligation bonds and \$1,910,000 of outstanding 1995 wastewater treatment plant improvement general obligation bonds. The general obligation refunding bonds were sold at a premium of \$15,935, which will be amortized over the life of the bonds. Issuance costs associated with the bond issue were \$64,662 and are deferred and will be amortized over the life of the bond issue. These refunding bonds will be repaid from Water and Sewer Enterprise Fund revenues. The advance refunding resulted in a difference between the net carrying amount of the debt and the acquisition price. This difference, reported in the accompanying financial statements as an increase to bonds payable, is being amortized to interest expense through the year 2014 for the water system improvement general obligation bonds and through the year 2015 for the wastewater treatment plant improvement general obligation bonds using the straight-line method. The total amount amortized for 2005 is \$25,625.



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The various purpose general obligation refunding bonds maturing on and after December 1, 2004 are subject to prior redemption, by and at the sole opinion of the City, either in whole or in part (as selected by the City) on any date on or after December 1, 2004, at the following redemption prices (expressed as percentages of the principal amount redeemed), plus accrued interest to the redemption date:

Redemption Dates (inclusive)	Redemption Prices
December 1, 2004 through November 30, 2005	102%
December 1, 2005 and thereafter	102%

The 1999 sanitary sewer improvement general obligation bonds, originally issued in the amount of \$2,850,000 with an interest rate of 4.85 percent, were issued for the purpose of retiring the bond anticipation notes previously issued for the purpose of acquiring and constructing a sanitary sewer system. These general obligation bonds will be paid from Sewer Enterprise revenues.

Principal and interest requirements to retire the City's general obligation bonds payable from the enterprise funds outstanding at December 31, 2005 were:

Year	Sewer General Obligation Bonds		Water General Obligation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2006	\$235,000	\$168,045	\$95,000	\$28,345	\$330,000	\$196,390
2007	245,000	161,065	95,000	26,445	340,000	187,510
2008	250,000	153,213	95,000	24,308	345,000	177,521
2009	260,000	144,847	105,000	21,932	365,000	166,779
2010	270,000	135,703	100,000	19,045	370,000	154,748
2011-2015	1,515,000	511,045	455,000	40,905	1,970,000	551,950
2016-2020	765,000	251,230	0	0	765,000	251,230
2021-2023	560,000	55,290	0	0	560,000	55,290
Total	\$4,100,000	\$1,580,438	\$945,000	\$160,980	\$5,045,000	\$1,741,418

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

The water plant tower bond anticipation notes were issued on May 20, 2004 for \$975,000 which matured on March 9, 2005. On March 9, 2005, the notes rolled over into bond anticipation notes for \$775,000 which will mature on March 9, 2006. These notes were issued for the purpose of constructing improvements to the water supply and waterworks system of the City.

The sewer D-Line and sewer plant engineer bond anticipation notes were issued on June 17, 2004 for \$1,710,000 which matured on June 15, 2005. On June 15, 2005, the notes rolled over into bond anticipation notes for \$1,615,000 which will mature on March 9, 2006. These notes were issued for the purpose of constructing improvements to the sanitary sewer collection and treatment system of the City, including phases three and four of the D-Line sewer project.

**City of Pickerington, Ohio**  
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For the Year Ended December 31, 2005

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***Revenue Notes***

The water plant revenue notes were issued on October 15, 2004 which matured on May 15, 2005. On May 15, 2005, the notes rolled over into notes for \$2,847,244 which will mature on March 9, 2006. These notes were issued for the purpose of water system improvements.

***OWDA Loans***

The 1973 OWDA loans represent amounts borrowed from the Ohio Water Development Authority for the construction of sewer system improvements. The 2001 OWDA loan borrowed from the Ohio Water Pollution Control Loan Fund was also issued for the purpose of improving the sewer system. During 2005, the City made principal payments of \$18,044 and \$29,369. The loans are paid from Sewer Enterprise Fund revenue.

***Issue Two***

The Issue Two notes represent amounts borrowed from the Ohio Public Works Commission for the improvement of filters to the water plant. The notes were issued interest free and are paid from Water Enterprise Fund revenue.

Principal and interest requirements to retire the City's OWDA loans and Issue Two notes outstanding at December 31, 2005 were:

<u>Year</u>	<u>OWDA</u>		<u>Issue Two</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>
2006	\$49,920	\$43,626	\$12,604
2007	52,561	40,984	12,604
2008	55,345	38,200	12,604
2009	58,280	35,266	6,299
2010	61,373	32,172	0
2011-2015	280,636	111,528	0
2016-2020	267,146	49,454	0
2021	61,185	2,137	0
Total	<u>\$886,446</u>	<u>\$353,367</u>	<u>\$44,111</u>

***Compensated Absences Payable***

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

***Capital Leases Payable***

The City has outstanding capital leases for a dump truck, a mailing machine, and a street sweeper. These leases will be repaid from the Water, Sewer, and Stormwater Enterprise Funds.

As of December 31, 2005, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$25,943,826.

**City of Pickerington, Ohio**  
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For the Year Ended December 31, 2005

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**NOTE 17 – SHORT TERM OBLIGATIONS**

A summary of the short-term note transactions for the year ended December 31, 2005, follows:

<b><u>Governmental Activities:</u></b>	<u>Outstanding 12/31/2004</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding 12/31/2005</u>
<b><u>Revenue Anticipation Notes</u></b>				
TIF Cover - 2005 - \$322,500 - 4.08%	\$322,500	\$322,500	\$322,500	\$322,500
TIF State Route 256/204/ TIF Hill Road/ TIF Old Town - 2005 - \$507,000 - 4.08%	807,000	507,000	807,000	507,000
TIF Cycle Way - 2005 - \$700,000 - 4.08%	625,000	700,000	625,000	700,000
TIF Windmill/ Diley Road 2005 - \$250,000 - 4.08%	250,000	250,000	250,000	250,000
TIF Windmill/ Diley Road 2005 - \$2,000,000 - 4.08%	2,000,000	2,000,000	2,000,000	2,000,000
Total Revenue Anticipation Notes	<u>4,004,500</u>	<u>3,779,500</u>	<u>4,004,500</u>	<u>3,779,500</u>
<b><u>Bond Anticipation Notes</u></b>				
Diley Road Street Improvement 2004 - \$380,000 - 1.97%	380,000	0	380,000	0
Police Facility - 2004 - \$330,000 - 2.0%	330,000	0	330,000	0
Total Bond Anticipation Notes	<u>710,000</u>	<u>0</u>	<u>710,000</u>	<u>0</u>
Total Governmental Activities	<u>4,714,500</u>	<u>3,779,500</u>	<u>4,714,500</u>	<u>3,779,500</u>
<b><u>Business-Type Activities:</u></b>				
<b><u>Bond Anticipation Notes</u></b>				
Water Plant Engineer - 2.13%	450,000	0	450,000	0
Sanitary Sewer System Improvement - 1.50%	200,000	0	200,000	0
Water Plant Tower - \$200,000 - 1.75%	0	200,000	0	200,000
Sewer D-Line IV and Sewer Plant Engineer - \$95,000 - 2.75%	0	95,000	0	95,000
Total Bond Anticipation Notes	<u>650,000</u>	<u>295,000</u>	<u>650,000</u>	<u>295,000</u>
Total All Types	<u>\$5,364,500</u>	<u>\$4,074,500</u>	<u>\$5,364,500</u>	<u>\$4,074,500</u>

**Governmental Activities:**

***Revenue Anticipation Notes***

The TIF Cover revenue anticipation notes issued on September 8, 2005, for \$322,500 will mature on September 8, 2006. These revenue anticipation notes retired the \$322,500 TIF Cover revenue anticipation notes issued on September 3, 2004. These notes were issued for the purpose of constructing street and traffic signal improvements in the State Route 256/ Stonecreek Drive area of the City. The City is pledging tax increment financing revenues as repayment for these revenue anticipation notes.

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The TIF State Route 256/204/ TIF Hill Road/ TIF Old Town revenue anticipation notes issued on September 9, 2005, for \$507,000 will mature on September 8, 2006. These revenue anticipation notes retired the \$807,000 revenue anticipation notes issued on September 10, 2004. These notes were issued for the purpose of constructing street improvements on Hill Road and Blacklick-Eastern Road, which includes the Hill Road connector, widening streets, traffic control devices, sidewalks, curbs and gutters. The City is pledging tax increment financing revenues as repayment for these revenue anticipation notes.

The TIF Cycle Way revenue anticipation notes issued on September 9, 2005, for \$700,000 will mature on September 8, 2006. These revenue anticipation notes retired the \$625,000 revenue anticipation notes issued on September 10, 2004. These notes were issued for the purpose of constructing street improvements in the Cycle Way area. The City is pledging tax increment financing revenues as repayment for these revenue anticipation notes.

The TIF Windmill/ Diley Road revenue anticipation notes issued on September 9, 2005, for \$250,000 will mature on September 8, 2006. These revenue anticipation notes retired the \$250,000 revenue anticipation notes issued on September 10, 2004. These notes were issued for the purpose of street improvements in the Windmill/ Diley Road areas of the City. The City is pledging tax increment financing revenues as repayment for these revenue anticipation notes.

The TIF Windmill/ Diley Road revenue anticipation notes issued on September 9, 2005, for \$2,000,000 will mature on September 8, 2006. These revenue anticipation notes retired the \$2,000,000 revenue anticipation notes issued on May 17, 2004. These notes were issued for the purpose of widening Diley Road and constructing turn lane improvements for State Route 256 to establish and exit point for the realignment of Diley Road. The City is pledging tax increment financing revenues as repayment for these revenue anticipation notes.

**Business-Type Activities:**

***Bond Anticipation Notes***

The water plant tower bond anticipation notes were issued on March 9, 2005 for \$200,000 which will mature on March 9, 2006. The water plant tower bond anticipation notes were retired on March 9, 2006 (see Note 23). These notes were issued for the purpose of constructing improvements to the water supply and waterworks system of the City.

The sewer D-Line and sewer plant engineer bond anticipation notes were issued on June 15, 2005 for \$95,000 which will mature on March 9, 2006. The sewer D-Line and sewer plant engineer bond anticipation notes were retired on March 9, 2006 (see Note 23). These notes were issued for the purpose of constructing improvements to the sanitary sewer collection and treatment system of the City, including phases three and four of the D-Line sewer project.

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**NOTE 18 - SIGNIFICANT CONTRACTUAL OBLIGATIONS**

As of December 31, 2005 the City had the following material contractual purchase commitments. The amount for each project is as follows:

Source	Fund	Purchase Commitments	Amount Paid as of December 31, 2005	Amount Remaining on Contracts
Diley Road Phase III	Tax Increment Financing Agreement Windmill/ Diley Construction	\$1,225,617	\$1,202,084	\$23,533
Traffic Light Refugee/ Windmill	Tax Increment Financing Agreement Windmill/ Diley Construction	80,788	43,200	37,588
State Route 256 Lighting	Tax Increment Financing Agreement Cover Construction	129,500	81,980	47,520
Diley Road Widening	Diley Road Improvement	89,935	35,673	54,262
Wellfied Maintenance and Repair	Water	31,600	11,775	19,825
Bio Solids Contract	Sewer	60,000	49,761	10,239
Emergency Water Construction	Water Capital Improvement	34,900	32,437	2,463
D-Line Sewer Phase III	Sewer Repair and Replacement	669,000	336,271	332,729
		<u>\$2,321,340</u>	<u>\$1,793,181</u>	<u>\$528,159</u>

**NOTE 19 - JOINTLY GOVERNED ORGANIZATIONS**

**A. Fairfield Hocking Major Crimes Unit**

The City is a participant in the Fairfield Hocking Major Crimes Unit, a jointly governed organization. The organization is composed of an operating board which consists of seven members: the Fairfield County sheriff and prosecuting attorney, the Hocking County sheriff and prosecuting attorney, and the chiefs of police from the City of Pickerington, the City of Lancaster, and the City of Logan. The purpose of the organization is to provide additional police protection to the citizens of Fairfield and Hocking Counties and to reduce the influence and affects of illegal drug trafficking activities and other major crimes. The City contributed \$61,568 in man hours to the Fairfield Hocking Major Crimes Unit during 2005.

**B. Mid-Ohio Regional Planning Commission (MORPC)**

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. The organization is composed of 74 representatives appointed by member governments who make up the Commission, the policy-making body of the organization, and the oversight board. MORPC is a voluntary association of local governments in central and south central Ohio and a regional planning agency whose membership includes 42 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio.

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The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/ sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members. The City contributed \$2,553 in membership dues to the Mid-Ohio Regional Planning Commission during 2005.

C. Fairfield County Combined General Health District

The City is a participant in the Fairfield County Combined General Health District, a jointly governed organization. The organization is composed of an operating board which consists of eleven members: five members representing the City of Lancaster, four members representing Fairfield County with one of the four being a licensed physician within Fairfield County, one member representing the City of Pickerington, and one member representing the Licensing Council of the Fairfield County Combined General Health District. The purpose of the organization is to provide public health district services that are required by the Ohio Revised Code, the Ohio Sanitary Code, and services authorized or required by regulations of the General Health District and requested by the contracting parties. Contributions for all contracting parties, except the City of Lancaster, are based upon taxable valuations. The City of Lancaster's base contribution is \$250,000. During 2005, the City contributed \$65,883 to the Fairfield County Combined General Health District.

NOTE 20 - POOLS

A. Central Ohio Risk Management Association (CORMA)

The Central Ohio Risk Management Association Inc. (CORMA) is a shared risk pool which is administered by four cities in Central Ohio. Its present members in addition to the City of Pickerington are the Cities of Dublin, Upper Arlington and Westerville. CORMA was formed as an Ohio non-profit corporation for the purpose of establishing the CORMA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Each member has a representative on the Board of Trustees that approve bylaws, establish policies and contract with service providers for the best savings. Member cities agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORMA. Coverage includes comprehensive general liability, property insurance, crime insurance, employee benefits liability, law enforcement liability, public officials' liability, automotive liability, and healthcare professional liability.

B. Central Ohio Health Care Consortium

The Central Ohio Health Care Consortium is a shared risk pool which provides health care benefits for all full-time employees who wish to participate in the plan. The pool consists of twelve political subdivisions who pool risk for basic hospital, surgical and prescription drug coverage. The City pays monthly contributions to the Consortium, which are used to cover claims and administrative costs, and to purchase excess loss insurance for the plan. The Consortium 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 Plan for medical claims paid for an individual in excess of \$150,000 per claim per year, with an individual lifetime maximum of \$2,000,000. The aggregate excess loss coverage has been structured to indemnify the Plan for aggregated claims paid in excess of \$10,220,020 to a maximum of \$1,000,000 annually. In the event that the losses of the Consortium in any year exceeds amounts paid to the Consortium, 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 Pickerington, Ohio**  
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C. The Ohio Municipal League Workers' Compensation Group Rating Program

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

NOTE 21 - CONTINGENT LIABILITIES

A. Litigation

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

B. Federal and State Grants

For the period January 1, 2005 to December 31, 2005 the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

NOTE 22 - INTERFUND ACTIVITY

	Transfer to			Totals
	Major Funds		Other Nonmajor Governmental	
	Police	Debt Service		
<u>Transfer from</u>				
Major Fund:				
General Fund	\$1,365,000	\$421,214	\$546,694	\$2,332,908
Debt Service	0	0	75,000	75,000
Other Nonmajor				
Governmental	1,097	0	33,701	34,798
Totals	<u>\$1,366,097</u>	<u>\$421,214</u>	<u>\$655,395</u>	<u>\$2,442,706</u>

Transfers from the Other Nonmajor Governmental Funds to the Police and Street special revenue funds were for Federal Emergency Management Agency grant monies received for the reimbursement of 2005 expenses related to storm damage.

The transfer from the Debt Service Fund to the Tax Increment Financing 256/204 Construction Fund was for the principal payment on revenue anticipation notes.

The remaining above transfers were to use unrestricted revenue collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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**NOTE 23 - SUBSEQUENT EVENTS**

On March 7, 2006, the City issued \$6,595,000 in various purpose bond anticipation notes, with an interest rate of 4.50%, which will mature on March 7, 2007. Of this various purpose bond anticipation note issue the \$2,170,000 street improvement bond anticipation notes dated March 9, 2005, rolled over into bond anticipation notes in the amount of \$2,170,000. The \$315,000 police facility bond anticipation notes dated September 1, 2005, rolled over into bond anticipation notes in the amount of \$315,000. The \$250,000 land acquisition bond anticipation notes dated June 15, 2005, rolled over into bond anticipation notes in the amount of \$250,000. The \$275,000 municipal building improvements bond anticipation notes dated June 15, 2005, rolled over into bond anticipation notes in the amount of \$385,000. The City issued an additional \$110,000 in municipal building improvement bond anticipation notes for costs related to an alarm upgrade and new roof for the municipal building. The City issued \$490,000 in bond anticipation notes to pay part of the costs of acquiring real property for purpose of the City. The City issued \$260,000 in bond anticipation notes for the purpose of paying part of the cost of acquiring and installing traffic control devices and related street improvements. The City made a principal payment in the amount of \$200,000 on the \$975,000 water plant/ tower bond anticipation notes dated March 9, 2005, and rolled the remaining balance of \$775,000. The City made a principal payment in the amount of \$95,000 on the \$1,710,000 Sewer D-Line and Sewer Plant Engineer bond anticipation notes dated June 15, 2005, and rolled the remaining balance of \$1,615,000. The City issued \$260,000 and \$75,000 in bond anticipation notes for the purpose of paying part of the costs of acquiring and constructing improvements to the sanitary sewer collection and treatment system of the City, including phases 2-C, 3, and 4 of the D-Line Sewer and engineering costs related to Phase 2 of the Sycamore Creek E-Line Sewer.

On March 9, 2006, the City made a principal payment in the amount of \$47,244 on the \$2,847,244 water plant revenue notes dated May 15, 2005 and rolled the remaining balance of \$2,800,000 with an interest rate of 4.63%, which will mature March 9, 2007.

During 2006, the City drew down an additional \$416,332 State Infrastructure Bank loan proceeds from the Ohio Department of Transportation for the purpose of financing the Diley Road widening and realignment project.



## **GENERAL FUND**

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

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Year Ended December 31, 2005

	Original	Final	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Property and Other Taxes	\$654,696	\$734,975	\$743,533	\$8,558
Municipal Income Taxes	3,407,630	3,409,315	3,613,483	204,168
Charges for Services	712,866	574,199	274,768	(299,431)
Licenses and Permits	507,150	523,650	478,016	(45,634)
Fines and Forfeitures	95,000	95,000	102,406	7,406
Intergovernmental	547,694	568,987	559,787	(9,200)
Interest	100,140	100,415	139,101	38,686
Rent	2,200	2,200	1,200	(1,000)
Contributions and Donations	6,000	7,518	7,518	0
Other	59,072	76,189	108,693	32,504
<i>Total Revenues</i>	<u>6,092,448</u>	<u>6,092,448</u>	<u>6,028,505</u>	<u>(63,943)</u>
<b>Expenditures</b>				
Current:				
General Government				
Council				
Personal Services	133,550	134,050	130,735	3,315
Contractual Services	21,539	21,039	16,994	4,045
Materials and Supplies	1,400	1,400	499	901
Total Council	<u>156,489</u>	<u>156,489</u>	<u>148,228</u>	<u>8,261</u>
Mayor				
Personal Services	31,251	31,251	29,536	1,715
Contractual Services	3,600	3,600	1,060	2,540
Materials and Supplies	3,024	3,024	1,334	1,690
Total Mayor	<u>37,875</u>	<u>37,875</u>	<u>31,930</u>	<u>5,945</u>
City Manager				
Personal Services	132,857	101,907	95,950	5,957
Contractual Services	7,275	7,025	2,837	4,188
Materials and Supplies	2,550	2,550	1,817	733
Total City Manager	<u>142,682</u>	<u>111,482</u>	<u>100,604</u>	<u>10,878</u>
Receptionist				
Personal Services	105,972	102,972	101,535	1,437
Materials and Supplies	750	750	192	558
Total Reception	<u>106,722</u>	<u>103,722</u>	<u>101,727</u>	<u>1,995</u>
Facilities Operations Administration				
Personal Services	61,875	53,875	48,495	5,380
Contractual Services	750	750	128	622
Materials and Supplies	2,800	2,800	1,891	909
Total Facilities Operations Administration	<u>65,425</u>	<u>57,425</u>	<u>50,514</u>	<u>6,911</u>

(continued)

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2005

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
Personnel Department				
Personal Services	\$81,234	\$50,614	\$39,922	\$10,692
Contractual Services	13,940	14,615	18,579	(3,964)
Materials and Supplies	<u>4,601</u>	<u>3,926</u>	<u>3,613</u>	<u>313</u>
Total Personnel Department	<u>99,775</u>	<u>69,155</u>	<u>62,114</u>	<u>7,041</u>
Public Information				
Personal Services	950	34	34	0
Contractual Services	74,000	75,416	71,377	4,039
Materials and Supplies	<u>2,575</u>	<u>2,075</u>	<u>1,209</u>	<u>866</u>
Total Public Information	<u>77,525</u>	<u>77,525</u>	<u>72,620</u>	<u>4,905</u>
Records Retention				
Contractual Services	<u>5,880</u>	<u>4,580</u>	<u>4,497</u>	<u>83</u>
Personal Appeals Board				
Personal Services	750	750	0	750
Contractual Services	3,327	3,327	3,814	(487)
Materials and Supplies	<u>200</u>	<u>79</u>	<u>0</u>	<u>79</u>
Total Personal Appeals Board	<u>4,277</u>	<u>4,156</u>	<u>3,814</u>	<u>342</u>
Engineer				
Contractual Services	<u>133,096</u>	<u>243,396</u>	<u>243,361</u>	<u>35</u>
Law Director				
Personal Services	31,075	35,820	35,820	0
Contractual Services	<u>237,024</u>	<u>569,000</u>	<u>568,489</u>	<u>511</u>
Total Law Director	<u>268,099</u>	<u>604,820</u>	<u>604,309</u>	<u>511</u>
Temporary Employees				
Personal Services	<u>12,100</u>	<u>12,375</u>	<u>12,375</u>	<u>0</u>

(continued)

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2005

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
Mayor's Court Clerk				
Personal Services	\$63,830	\$65,495	\$64,580	\$915
Contractual Services	21,144	21,144	18,518	2,626
Materials and Supplies	<u>1,500</u>	<u>1,500</u>	<u>1,425</u>	<u>75</u>
Total Mayor's Court Clerk	<u>86,474</u>	<u>88,139</u>	<u>84,523</u>	<u>3,616</u>
Carnegie Building				
Contractual Services	13,050	11,774	8,411	3,363
Materials and Supplies	<u>1,000</u>	<u>1,000</u>	<u>4</u>	<u>996</u>
Total Carnegie Building	<u>14,050</u>	<u>12,774</u>	<u>8,415</u>	<u>4,359</u>
Administrative Assistant				
Personal Services	61,020	56,070	43,831	12,239
Contractual Services	980	1,030	651	379
Materials and Supplies	2,500	2,400	1,223	1,177
Capital Outlay	<u>1,000</u>	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Total Administrative Assistant	<u>65,500</u>	<u>60,500</u>	<u>45,705</u>	<u>14,795</u>
Finance Director				
Personal Services	339,620	338,136	303,257	34,879
Contractual Services	175,134	197,724	200,887	(3,163)
Materials and Supplies	26,750	25,644	23,888	1,756
Capital Outlay	21,170	21,170	21,170	0
Other	<u>2,700</u>	<u>2,700</u>	<u>1,002</u>	<u>1,698</u>
Total Finance Director	<u>565,374</u>	<u>585,374</u>	<u>550,204</u>	<u>35,170</u>
Municipal Clerk				
Personal Services	73,100	65,100	58,846	6,254
Contractual Services	1,400	1,400	1,037	363
Materials and Supplies	<u>2,000</u>	<u>2,000</u>	<u>791</u>	<u>1,209</u>
Total Municipal Clerk	<u>76,500</u>	<u>68,500</u>	<u>60,674</u>	<u>7,826</u>
Computer Networking				
Personal Services	2,000	0	0	0
Contractual Services	32,111	32,936	31,149	1,787
Materials and Supplies	<u>7,000</u>	<u>3,355</u>	<u>3,257</u>	<u>98</u>
Total Computer Networking	<u>41,111</u>	<u>36,291</u>	<u>34,406</u>	<u>1,885</u>
<i>Total General Government</i>	<u>1,958,954</u>	<u>2,334,578</u>	<u>2,220,020</u>	<u>114,558</u>
Security of Persons and Property				
Street Lighting				
Contractual Services	<u>73,823</u>	<u>73,823</u>	<u>74,314</u>	<u>(491)</u>

(continued)

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2005

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
Jail Fees				
Contractual Services	\$750	\$750	\$0	\$750
<i>Total Security of Persons and Property</i>	<u>74,573</u>	<u>74,573</u>	<u>74,314</u>	<u>259</u>
Leisure Time Activities				
Workers' Compensation				
Personal Services	12,000	9,800	9,727	73
Contractual Services	<u>6,500</u>	<u>5,500</u>	<u>5,443</u>	<u>57</u>
<i>Total Leisure Time Activities</i>	<u>18,500</u>	<u>15,300</u>	<u>15,170</u>	<u>130</u>
Public Health Services				
County Health Department				
Contractual Services	<u>71,385</u>	<u>71,385</u>	<u>69,883</u>	<u>1,502</u>
Senior Citizens				
Contractual Services	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Handicap Transportation				
Contractual Services	18,879	18,879	17,347	1,532
Materials and Supplies	<u>4,500</u>	<u>4,500</u>	<u>5,729</u>	<u>(1,229)</u>
Total Handicap Transportation	<u>23,379</u>	<u>23,379</u>	<u>23,076</u>	<u>303</u>
Mosquito Control				
Supplies and Materials	15,000	15,000	13,200	1,800
Other	<u>500</u>	<u>500</u>	<u>0</u>	<u>500</u>
Total Mosquito Control	<u>15,500</u>	<u>15,500</u>	<u>13,200</u>	<u>2,300</u>
<i>Total Public Health Services</i>	<u>120,264</u>	<u>120,264</u>	<u>116,159</u>	<u>4,105</u>
Community Environment				
Vandalism Reporting Reward				
Contractual Services	<u>1,000</u>	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Total Festivals and Celebrations	<u>1,000</u>	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Weed Removal				
Contractual Services	<u>446</u>	<u>468</u>	<u>465</u>	<u>3</u>
Nuisance Abatement				
Contractual Services	<u>500</u>	<u>500</u>	<u>0</u>	<u>500</u>

(continued)

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2005

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
Olde Pickerington Village Business Assoc.				
Contractual Services	\$13,000	\$5,500	\$5,500	\$0
Festivals and Celebrations				
Contractual Services	41,000	39,000	38,944	56
Board of Zoning Appeals				
Personal Services	200	200	0	200
Contractual Services	500	500	400	100
Supplies and Materials	25	25	0	25
Total Board of Zoning Appeals	725	725	400	325
Planning and Zoning Commission				
Personal Services	1,000	1,000	403	597
Contractual Services	270	270	337	(67)
Total Planning and Zoning Commission	1,270	1,270	740	530
Land and Buildings				
Contractual Services	147,250	165,250	155,749	9,501
Supplies and Materials	48,783	43,433	29,364	14,069
Capital Outlay	18,000	250,000	241,538	8,462
Total Land and Buildings	214,033	458,683	426,651	32,032
Development Department				
Personal Services	106,050	61,900	50,949	10,951
Contractual Services	53,470	33,967	24,271	9,696
Supplies and Materials	9,400	9,400	1,552	7,848
Total Development Department	168,920	105,267	76,772	28,495
Building Inspection				
Personal Services	338,250	338,250	340,304	(2,054)
Contractual Services	487,491	1,055,495	246,618	808,877
Supplies and Materials	26,620	26,620	22,048	4,572
Total Building Inspection	852,361	1,420,365	608,970	811,395

(continued)

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2005

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
Planning and Zoning				
Personal Services	\$142,960	\$145,065	\$137,405	\$7,660
Contractual Services	114,485	102,357	63,010	39,347
Supplies and Materials	<u>5,502</u>	<u>5,502</u>	<u>2,068</u>	<u>3,434</u>
Total Planning and Zoning	<u>262,947</u>	<u>252,924</u>	<u>202,483</u>	<u>50,441</u>
<i>Total Community Environment</i>	<u>1,556,202</u>	<u>2,285,702</u>	<u>1,360,925</u>	<u>924,777</u>
Miscellaneous				
Other General Government				
Contractual Services	3,500	16,020	14,920	1,100
Miscellaneous Dues	22,385	27,387	23,325	4,062
Election Expenses	2,500	2,500	519	1,981
Auditor and Treasurer Fees	11,500	12,946	12,946	0
State Examiner's Fees	<u>28,000</u>	<u>31,902</u>	<u>31,902</u>	<u>0</u>
Total Miscellaneous	<u>67,885</u>	<u>90,755</u>	<u>83,612</u>	<u>7,143</u>
<i>Total Expenditures</i>	<u>3,796,378</u>	<u>4,921,172</u>	<u>3,870,200</u>	<u>1,050,972</u>
<i>Excess of Revenues Over Expenditures</i>	<u>2,296,070</u>	<u>1,171,276</u>	<u>2,158,305</u>	<u>987,029</u>
<b>Other Financing Sources (Use)</b>				
Proceeds from the Sale of Capital Assets	130,000	130,000	0	(130,000)
Note Proceeds	0	0	250,000	250,000
Transfers Out	<u>(2,377,453)</u>	<u>(2,493,258)</u>	<u>(2,332,908)</u>	<u>160,350</u>
Total Other Financing Sources (Use)	<u>(2,247,453)</u>	<u>(2,363,258)</u>	<u>(2,082,908)</u>	<u>280,350</u>
<i>Net Change in Fund Balance</i>	48,617	(1,191,982)	75,397	1,267,379
Fund Balance at Beginning of Year	1,137,585	1,137,585	1,137,585	0
Prior Year Encumbrances Appropriated	<u>114,816</u>	<u>114,816</u>	<u>114,816</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$1,301,018</u>	<u>\$60,419</u>	<u>\$1,327,798</u>	<u>\$1,267,379</u>

## NONMAJOR GOVERNMENTAL FUNDS

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### Special Revenue Funds

The special revenue funds account for those financial resources that are restricted by legal, regulatory, or administrative action to finance particular functions or activities of the City.

### Capital Projects Funds

The capital projects funds are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds).



**City of Pickerington, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2005**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$588,738	\$1,123,132	\$1,711,870
Receivables:			
Permissive Motor Vehicle Registration Fees	3,308	4,963	8,271
Payments in Lieu of Taxes	0	484,026	484,026
Intergovernmental	225,724	53,754	279,478
Materials and Supplies Inventory	28,667	0	28,667
Prepaid Items	<u>18,759</u>	<u>0</u>	<u>18,759</u>
<i>Total Assets</i>	<u>\$865,196</u>	<u>\$1,665,875</u>	<u>\$2,531,071</u>
<b>Liabilities:</b>			
Accounts Payable	\$11,601	\$65,014	\$76,615
Accrued Wages and Benefits	11,853	0	11,853
Intergovernmental Payable	6,368	17,135	23,503
Deferred Revenue	154,129	537,780	691,909
Accrued Interest Payable	0	19,356	19,356
Notes Payable	<u>0</u>	<u>1,529,500</u>	<u>1,529,500</u>
<i>Total Liabilities</i>	<u>183,951</u>	<u>2,168,785</u>	<u>2,352,736</u>
<b>Fund Equity:</b>			
Fund Balances:			
Reserved for Encumbrances	11,142	172,716	183,858
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	670,103	0	670,103
Capital Projects Funds (Deficit)	<u>0</u>	<u>(675,626)</u>	<u>(675,626)</u>
<i>Total Fund Balances (Deficits)</i>	<u>681,245</u>	<u>(502,910)</u>	<u>178,335</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$865,196</u>	<u>\$1,665,875</u>	<u>\$2,531,071</u>

**City of Pickerington, Ohio**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2005

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
Permissive Motor Vehicle Registration Fees	\$58,713	\$88,026	\$146,739
Charges for Services	130,253	0	130,253
Licenses and Permits	143,141	51,007	194,148
Impact Fees	0	24,290	24,290
Fines and Forfeitures	11,593	0	11,593
Intergovernmental	470,863	46,888	517,751
Interest	5,925	35,301	41,226
Payments in Lieu of Taxes	0	284,691	284,691
Contributions and Donations	2,426	0	2,426
Other	30,224	1,926	32,150
	<u>853,138</u>	<u>532,129</u>	<u>1,385,267</u>
<i>Total Revenues</i>			
<b>Expenditures:</b>			
Current:			
General Government	9,421	0	9,421
Security of Persons and Property	18,596	0	18,596
Transportation	487,891	0	487,891
Leisure Time Activities	748,379	0	748,379
Capital Outlay	0	1,403,660	1,403,660
Debt Service:			
Principal Retirement	32,420	0	32,420
Interest and Fiscal Charges	2,900	80,528	83,428
	<u>1,299,607</u>	<u>1,484,188</u>	<u>2,783,795</u>
<i>Total Expenditures</i>			
<i>Excess of Revenues Under Expenditures</i>	<u>(446,469)</u>	<u>(952,059)</u>	<u>(1,398,528)</u>
<b>Other Financing Sources (Use)</b>			
Proceeds from the Sale of Capital Assets	3,549	0	3,549
Notes Issued	0	590,000	590,000
Loans Issued	0	1,246,093	1,246,093
Transfers In	435,901	219,494	655,395
Transfers Out	(34,798)	0	(34,798)
	<u>404,652</u>	<u>2,055,587</u>	<u>2,460,239</u>
<i>Total Other Financing Sources (Use)</i>			
<i>Net Changes in Fund Balances</i>	(41,817)	1,103,528	1,061,711
Fund Balances (Deficits) at Beginning of Year	<u>723,062</u>	<u>(1,606,438)</u>	<u>(883,376)</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$681,245</u>	<u>(\$502,910)</u>	<u>\$178,335</u>

## SPECIAL REVENUE FUNDS

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The special revenue funds account for those financial resources that are restricted by legal, regulatory, or administrative action to finance particular functions or activities of the City.

The following are reported as special revenue funds:

**Major Special Revenue Fund:**

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

**Nonmajor Special Revenue Funds:**

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

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

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

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

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

Law Enforcement Seizure Fund - To account for seized contraband and intergovernmental receipts used for law enforcement purposes as established by Section 2953.43, Ohio Revised Code.

Mandatory Drug Law Enforcement Fund - To account for fine monies collected which are used to subsidize law enforcement efforts that pertain to drug offenses.

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

Urban Forestry Fund - To account for the costs of planting trees.

Community Development Block Grant Revolving Loan Fund - To account for federal grant monies received and expenditures incurred associated with commercial development projects.

Federal Emergency Management Agency Fund – To account for federal and state grant monies received from the Ohio Emergency Management Agency.

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**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Police Fund  
For the Year Ended December 31, 2005

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
<b>Revenues</b>				
Property and Other Taxes	\$1,149,000	\$1,155,000	\$1,150,600	(\$4,400)
Charges for Services	149,105	149,105	146,162	(2,943)
Intergovernmental	184,794	178,794	211,190	32,396
Contributions and Donations	500	500	2,450	1,950
Other	36,760	36,760	47,578	10,818
<i>Total Revenues</i>	<u>1,520,159</u>	<u>1,520,159</u>	<u>1,557,980</u>	<u>37,821</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Personal Services	2,700,189	2,687,539	2,618,888	68,651
Contractual Services	293,782	321,932	306,426	15,506
Materials and Supplies	182,687	177,187	166,506	10,681
Capital Outlay	35,141	25,141	24,971	170
<i>Total Expenditures</i>	<u>3,211,799</u>	<u>3,211,799</u>	<u>3,116,791</u>	<u>95,008</u>
<i>Excess of Revenues Under Expenditures</i>	(1,691,640)	(1,691,640)	(1,558,811)	132,829
Transfers In	<u>1,450,000</u>	<u>1,450,000</u>	<u>1,366,097</u>	<u>(83,903)</u>
<i>Net Change in Fund Balance</i>	(241,640)	(241,640)	(192,714)	48,926
Fund Balance at Beginning of Year	257,170	257,170	257,170	0
Prior Year Encumbrances Appropriated	<u>111,127</u>	<u>111,127</u>	<u>111,127</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$126,657</u></u>	<u><u>\$126,657</u></u>	<u><u>\$175,583</u></u>	<u><u>\$48,926</u></u>

**City of Pickerington, Ohio**  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2005

	Street	State Highway	Parks and Recreation	Computer	Operation of a Motor Vehicle Under the Influence Enforcement and Education
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$195,218	\$6,963	\$90,026	\$11,789	\$6,259
Receivables:					
Permissive Motor Vehicle Registration Fees	3,308	0	0	0	0
Intergovernmental	208,610	16,914	0	0	0
Materials and Supplies Inventory	26,881	0	1,786	0	0
Prepaid Items	11,160	0	7,599	0	0
<i>Total Assets</i>	<u>\$445,177</u>	<u>\$23,877</u>	<u>\$99,411</u>	<u>\$11,789</u>	<u>\$6,259</u>
<b>Liabilities:</b>					
Accounts Payable	\$1,334	\$688	\$8,448	\$672	\$27
Accrued Wages and Benefits	3,867	332	7,654	0	0
Intergovernmental Payable	2,065	171	3,706	0	0
Deferred Revenue	142,385	11,544	0	0	0
<i>Total Liabilities</i>	<u>149,651</u>	<u>12,735</u>	<u>19,808</u>	<u>672</u>	<u>27</u>
<b>Fund Balances:</b>					
Reserved for Encumbrances	5,781	242	4,461	190	3
Unreserved:					
Undesignated	289,745	10,900	75,142	10,927	6,229
<i>Total Fund Balances</i>	<u>295,526</u>	<u>11,142</u>	<u>79,603</u>	<u>11,117</u>	<u>6,232</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$445,177</u>	<u>\$23,877</u>	<u>\$99,411</u>	<u>\$11,789</u>	<u>\$6,259</u>

<u>Law Enforcement Seizure</u>	<u>Mandatory Drug Enforcement</u>	<u>Immobilization</u>	<u>Urban Forestry</u>	<u>Community Development Block Grant Revolving Loan</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$2,621	\$4,946	\$5,777	\$206,394	\$58,745	\$588,738
0	0	0	0	0	3,308
0	0	200	0	0	225,724
0	0	0	0	0	28,667
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>18,759</u>
<u>\$2,621</u>	<u>\$4,946</u>	<u>\$5,977</u>	<u>\$206,394</u>	<u>\$58,745</u>	<u>\$865,196</u>
\$0	\$0	\$0	\$432	\$0	\$11,601
0	0	0	0	0	11,853
0	0	0	426	0	6,368
<u>0</u>	<u>0</u>	<u>200</u>	<u>0</u>	<u>0</u>	<u>154,129</u>
<u>0</u>	<u>0</u>	<u>200</u>	<u>858</u>	<u>0</u>	<u>183,951</u>
0	0	0	465	0	11,142
<u>2,621</u>	<u>4,946</u>	<u>5,777</u>	<u>205,071</u>	<u>58,745</u>	<u>670,103</u>
<u>2,621</u>	<u>4,946</u>	<u>5,777</u>	<u>205,536</u>	<u>58,745</u>	<u>681,245</u>
<u>\$2,621</u>	<u>\$4,946</u>	<u>\$5,977</u>	<u>\$206,394</u>	<u>\$58,745</u>	<u>\$865,196</u>

**City of Pickerington, Ohio**  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2005

	Street	State Highway	Parks and Recreation	Computer	Operation of a Motor Vehicle Under the Influence Enforcement and Education
<b>Revenues:</b>					
Permissive Motor Vehicle Registration Fees	\$58,713	\$0	\$0	\$0	\$0
Charges for Services	0	0	130,253	0	0
Licenses and Permits	0	0	50,760	0	0
Fines and Forfeitures	0	0	0	10,292	1,189
Intergovernmental	402,000	32,595	0	0	0
Interest	4,247	184	0	0	0
Contributions and Donations	0	0	2,426	0	0
Other	8,172	423	3,408	0	0
<i>Total Revenues</i>	<u>473,132</u>	<u>33,202</u>	<u>186,847</u>	<u>10,292</u>	<u>1,189</u>
<b>Expenditures:</b>					
Current:					
General Government	0	0	0	9,421	0
Security of Persons and Property	0	0	0	0	193
Transportation	454,858	33,033	0	0	0
Leisure Time Activities	0	0	607,448	0	0
Debt Service:					
Principal Retirement	26,958	0	5,462	0	0
Interest and Fiscal Charges	2,439	0	461	0	0
<i>Total Expenditures</i>	<u>484,255</u>	<u>33,033</u>	<u>613,371</u>	<u>9,421</u>	<u>193</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(11,123)</u>	<u>169</u>	<u>(426,524)</u>	<u>871</u>	<u>996</u>
<b>Other Financing Sources (Use)</b>					
Proceeds from the Sale of Capital Assets	2,649	0	900	0	0
Transfers In	78,701	0	350,000	0	0
Transfers Out	0	0	0	0	0
<i>Total Other Financing Sources (Use)</i>	<u>81,350</u>	<u>0</u>	<u>350,900</u>	<u>0</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	70,227	169	(75,624)	871	996
Fund Balances at Beginning of Year	<u>225,299</u>	<u>10,973</u>	<u>155,227</u>	<u>10,246</u>	<u>5,236</u>
<i>Fund Balances at End of Year</i>	<u>\$295,526</u>	<u>\$11,142</u>	<u>\$79,603</u>	<u>\$11,117</u>	<u>\$6,232</u>



<u>Law Enforcement Seizure</u>	<u>Mandatory Drug Enforcement</u>	<u>Immobilization</u>	<u>Urban Forestry</u>	<u>Community Development Block Grant Revolving Loan</u>	<u>Federal Emergency Management Agency</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$58,713
0	0	0	0	0	0	130,253
0	0	0	92,381	0	0	143,141
0	112	0	0	0	0	11,593
70	0	1,400	0	0	34,798	470,863
0	0	0	0	1,494	0	5,925
0	0	0	0	0	0	2,426
0	0	0	18,221	0	0	30,224
<u>70</u>	<u>112</u>	<u>1,400</u>	<u>110,602</u>	<u>1,494</u>	<u>34,798</u>	<u>853,138</u>
0	0	0	0	0	0	9,421
18,403	0	0	0	0	0	18,596
0	0	0	0	0	0	487,891
0	0	0	140,931	0	0	748,379
0	0	0	0	0	0	32,420
0	0	0	0	0	0	2,900
<u>18,403</u>	<u>0</u>	<u>0</u>	<u>140,931</u>	<u>0</u>	<u>0</u>	<u>1,299,607</u>
<u>(18,333)</u>	<u>112</u>	<u>1,400</u>	<u>(30,329)</u>	<u>1,494</u>	<u>34,798</u>	<u>(446,469)</u>
0	0	0	0	0	0	3,549
0	0	0	7,200	0	0	435,901
0	0	0	0	0	(34,798)	(34,798)
<u>0</u>	<u>0</u>	<u>0</u>	<u>7,200</u>	<u>0</u>	<u>(34,798)</u>	<u>404,652</u>
(18,333)	112	1,400	(23,129)	1,494	0	(41,817)
<u>20,954</u>	<u>4,834</u>	<u>4,377</u>	<u>228,665</u>	<u>57,251</u>	<u>0</u>	<u>723,062</u>
<u>\$2,621</u>	<u>\$4,946</u>	<u>\$5,777</u>	<u>\$205,536</u>	<u>\$58,745</u>	<u>\$0</u>	<u>\$681,245</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Permissive Motor Vehicle Registration Fees	\$53,000	\$58,101	\$5,101
Intergovernmental	440,000	398,150	(41,850)
Interest	1,000	4,247	3,247
Other	2,500	8,172	5,672
<i>Total Revenues</i>	<u>496,500</u>	<u>468,670</u>	<u>(27,830)</u>
<b>Expenditures</b>			
Current:			
Transportation			
Street			
Personal Services	239,404	184,461	54,943
Contractual Services	210,376	175,326	35,050
Materials and Supplies	164,840	123,136	41,704
Capital Outlay	57,500	49,341	8,159
<i>Total Expenditures</i>	<u>672,120</u>	<u>532,264</u>	<u>139,856</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(175,620)</u>	<u>(63,594)</u>	<u>112,026</u>
<b>Other Financing Sources</b>			
Proceeds from the Sale of Capital Assets	0	2,649	2,649
Transfers In	60,000	78,701	18,701
<i>Total Other Financing Sources</i>	<u>60,000</u>	<u>81,350</u>	<u>21,350</u>
<i>Net Change in Fund Balance</i>	(115,620)	17,756	133,376
Fund Balance at Beginning of Year	109,271	109,271	0
Prior Year Encumbrances Appropriated	<u>61,315</u>	<u>61,315</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$54,966</u></u>	<u><u>\$188,342</u></u>	<u><u>\$133,376</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
State Highway Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$31,000	\$32,282	\$1,282
Interest	50	184	134
Other	635	423	(212)
<i>Total Revenues</i>	<u>31,685</u>	<u>32,889</u>	<u>1,204</u>
<b>Expenditures</b>			
Current:			
Transportation			
State Highway			
Personal Services	16,975	16,061	914
Contractual Services	13,746	16,433	(2,687)
Materials and Supplies	450	0	450
<i>Total Expenditures</i>	<u>31,171</u>	<u>32,494</u>	<u>(1,323)</u>
<i>Net Change in Fund Balance</i>	514	395	(119)
Fund Balance at Beginning of Year	5,940	5,940	0
Prior Year Encumbrances Appropriated	<u>246</u>	<u>246</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$6,700</u>	<u>\$6,581</u>	<u>(\$119)</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Parks and Recreation Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$126,073	\$130,253	\$4,180
Licenses and Permits	52,500	50,971	(1,529)
Contributions and Donations	2,700	2,426	(274)
Other	950	3,408	2,458
<i>Total Revenues</i>	<u>182,223</u>	<u>187,058</u>	<u>4,835</u>
<b>Expenditures</b>			
Current:			
Leisure Time Activities			
Parks and Recreation			
Personal Services	344,439	334,066	10,373
Contractual Services	238,679	224,463	14,216
Materials and Supplies	49,103	51,211	(2,108)
Capital Outlay	6,075	6,525	(450)
<i>Total Expenditures</i>	<u>638,296</u>	<u>616,265</u>	<u>22,031</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(456,073)</u>	<u>(429,207)</u>	<u>26,866</u>
<b>Other Financing Sources</b>			
Proceeds from the Sale of Capital Assets	0	900	900
Transfers In	350,000	350,000	0
<i>Total Other Financing Sources</i>	<u>350,000</u>	<u>350,900</u>	<u>900</u>
<i>Net Change in Fund Balance</i>	(106,073)	(78,307)	27,766
Fund Balance at Beginning of Year	147,260	147,260	0
Prior Year Encumbrances Appropriated	8,534	8,534	0
<i>Fund Balance at End of Year</i>	<u>\$49,721</u>	<u>\$77,487</u>	<u>\$27,766</u>

**City of Pickerington, Ohio**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Computer Fund  
 For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$8,000	\$10,293	\$2,293
<i>Total Revenues</i>	<u>8,000</u>	<u>10,293</u>	<u>2,293</u>
<b>Expenditures</b>			
Current:			
General Government			
Computer			
Contractual Services	4,087	2,876	1,211
Materials and Supplies	1,413	6,735	(5,322)
Capital Outlay	12,000	0	12,000
<i>Total Expenditures</i>	<u>17,500</u>	<u>9,611</u>	<u>7,889</u>
<i>Net Change in Fund Balance</i>	(9,500)	682	10,182
Fund Balance at Beginning of Year	<u>9,598</u>	<u>9,598</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$98</u></u>	<u><u>\$10,280</u></u>	<u><u>\$10,182</u></u>

**City of Pickerington, Ohio**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Operation of a Motor Vehicle Under the Influence Enforcement and Education Fund  
 For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$800	\$1,239	\$439
<i>Total Revenues</i>	<u>800</u>	<u>1,239</u>	<u>439</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Operation of a Motor Vehicle Under			
Intoxication Education			
Contractual Services	2,000	0	2,000
Materials and Supplies	1,500	196	1,304
<i>Total Expenditures</i>	<u>3,500</u>	<u>196</u>	<u>3,304</u>
<i>Net Change in Fund Balance</i>	(2,700)	1,043	3,743
Fund Balance at Beginning of Year	<u>5,086</u>	<u>5,086</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$2,386</u></u>	<u><u>\$6,129</u></u>	<u><u>\$3,743</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Law Enforcement Seizure Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$70	\$70	\$0
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Law Enforcement			
Materials and Supplies	19,291	18,403	888
<i>Net Change in Fund Balance</i>	(19,221)	(18,333)	888
Fund Balance at Beginning of Year	1,663	1,663	0
Prior Year Encumbrances Appropriated	19,291	19,291	0
<i>Fund Balance at End of Year</i>	<u>\$1,733</u>	<u>\$2,621</u>	<u>\$888</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Mandatory Drug Enforcement Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$450	\$112	(\$338)
<i>Total Revenues</i>	<u>450</u>	<u>112</u>	<u>(338)</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Mandatory Drug Enforcement Fund			
Contractual Services	1,000	0	1,000
Materials and Supplies	3,000	0	3,000
<i>Total Expenditures</i>	<u>4,000</u>	<u>0</u>	<u>4,000</u>
<i>Net Change in Fund Balance</i>	(3,550)	112	3,662
Fund Balance at Beginning of Year	<u>4,834</u>	<u>4,834</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,284</u></u>	<u><u>\$4,946</u></u>	<u><u>\$3,662</u></u>



**City of Pickerington, Ohio**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Immobilization Fund  
 For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$400	\$1,500	\$1,100
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Immobilization			
Materials and Supplies	2,000	0	2,000
<i>Net Change in Fund Balance</i>	(1,600)	1,500	3,100
Fund Balance at Beginning of Year	4,277	4,277	0
<i>Fund Balance at End of Year</i>	<u>\$2,677</u>	<u>\$5,777</u>	<u>\$3,100</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Urban Forestry Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Licenses and Permits	\$112,550	\$92,818	(\$19,732)
Other	0	18,221	18,221
<i>Total Revenues</i>	<u>112,550</u>	<u>111,039</u>	<u>(1,511)</u>
<b>Expenditures</b>			
Current:			
Leisure Time Activities			
Urban Forestry			
Personal Services	64,697	64,020	677
Contractual Services	24,957	13,319	11,638
Materials and Supplies	108,105	78,462	29,643
Capital Outlay	3,900	0	3,900
<i>Total Expenditures</i>	<u>201,659</u>	<u>155,801</u>	<u>45,858</u>
<i>Excess of Revenues Under Expenditures</i>	(89,109)	(44,762)	44,347
<b>Other Financing Source</b>			
Transfers In	20,000	7,200	(12,800)
<i>Net Change in Fund Balance</i>	(69,109)	(37,562)	31,547
Fund Balance at Beginning of Year	222,718	222,718	0
Prior Year Encumbrances Appropriated	20,341	20,341	0
<i>Fund Balance at End of Year</i>	<u><u>\$173,950</u></u>	<u><u>\$205,497</u></u>	<u><u>\$31,547</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Community Development Block Grant Revolving Loan Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,174	\$1,225	\$51
Interest	217	1,880	1,663
<i>Total Revenues</i>	<u>1,391</u>	<u>3,105</u>	<u>1,714</u>
<b>Expenditures</b>			
Current:			
Community Environment			
Community Development Block Grant			
Contractual Services	55,000	0	55,000
<i>Total Expenditures</i>	<u>55,000</u>	<u>0</u>	<u>55,000</u>
<i>Net Change in Fund Balance</i>	(53,609)	3,105	56,714
Fund Balance at Beginning of Year	<u>55,640</u>	<u>55,640</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$2,031</u></u>	<u><u>\$58,745</u></u>	<u><u>\$56,714</u></u>

**City of Pickerington, Ohio**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Federal Emergency Management Agency Fund  
 For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$34,798	\$34,798	\$0
<b>Other Financing Use</b>			
Transfers-Out	34,798	34,798	0
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

## DEBT SERVICE FUNDS

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The debt service funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs.

The following are included in debt service funds:

**Major Debt Service Fund:**

Debt Service Fund - To account for revenue used to retire principal, interest, and related costs for general obligation bonds, general obligation bond anticipation notes, loans, and revenue anticipation notes.

**Nonmajor Debt Service Funds:**

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

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

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Debt Service Fund  
For the Year Ended December 31, 2005

	Final	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$41,678	\$36,121	(\$5,557)
Payment in Lieu of Taxes	344,842	334,075	(10,767)
Interest	3,083	13,520	10,437
<i>Total Revenues</i>	<u>389,603</u>	<u>383,716</u>	<u>(5,887)</u>
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	6,890,500	6,890,500	0
Interest and Fiscal Charges	404,133	389,646	14,487
<i>Total Expenditures</i>	<u>7,294,633</u>	<u>7,280,146</u>	<u>14,487</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(6,905,030)</u>	<u>(6,896,430)</u>	<u>8,600</u>
<b>Other Financing Sources (Use)</b>			
Proceeds of Loans	2,380,000	2,380,000	0
Notes Issued	6,264,500	6,189,500	(75,000)
Transfers In	505,467	450,088	(55,379)
Current Refunding of Bond Anticipation Note	(2,170,000)	(2,170,000)	0
<i>Total Other Financing Sources (Use)</i>	<u>6,979,967</u>	<u>6,849,588</u>	<u>(130,379)</u>
<i>Net Change in Fund Balance</i>	74,937	(46,842)	(121,779)
Fund Balance at Beginning of Year	<u>92,795</u>	<u>92,795</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$167,732</u></u>	<u><u>\$45,953</u></u>	<u><u>(\$121,779)</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Water Debt Service Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$0	\$5,580	\$5,580
<i>Total Revenues</i>	<u>0</u>	<u>5,580</u>	<u>5,580</u>
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	545,000	545,000	0
Interest and Fiscal Charges	102,303	102,303	0
<i>Total Expenditures</i>	<u>647,303</u>	<u>647,303</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(647,303)</u>	<u>(641,723)</u>	<u>5,580</u>
<b>Other Financing Sources (Uses)</b>			
Notes Issued	3,822,244	3,822,244	0
Current Refunding of Revenue Note	(2,847,244)	(2,847,244)	0
Current Refunding of Bond Anticipation Note	(975,000)	(975,000)	0
Transfers In	647,164	634,437	(12,727)
<i>Total Other Financing Sources (Uses)</i>	<u>647,164</u>	<u>634,437</u>	<u>(12,727)</u>
<i>Net Change in Fund Balance</i>	(139)	(7,286)	(7,147)
Fund Balance at Beginning of Year	<u>45,669</u>	<u>45,669</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$45,530</u></u>	<u><u>\$38,383</u></u>	<u><u>(\$7,147)</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Sewer Debt Service Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$0	\$1,903	\$1,903
<i>Total Revenues</i>	<u>0</u>	<u>1,903</u>	<u>1,903</u>
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	430,000	430,000	0
Interest and Fiscal Charges	227,416	227,416	0
<i>Total Expenditures</i>	<u>657,416</u>	<u>657,416</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(657,416)</u>	<u>(655,513)</u>	<u>1,903</u>
<b>Other Financing Sources (Use)</b>			
Notes Issued	1,710,000	1,710,000	0
Current Refunding of Bond Anticipation Note	(1,805,000)	(1,805,000)	0
Transfers In	752,554	738,299	(14,255)
<i>Total Other Financing Sources (Use)</i>	<u>657,554</u>	<u>643,299</u>	<u>(14,255)</u>
<i>Net Change in Fund Balance</i>	138	(12,214)	(12,352)
Fund Balance at Beginning of Year	<u>12,214</u>	<u>12,214</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$12,352</u></u>	<u><u>\$0</u></u>	<u><u>(\$12,352)</u></u>



## CAPITAL PROJECTS FUNDS

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The capital projects funds are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds).

### **Major Capital Projects Fund:**

Tax Increment Financing Agreement Windmill/ Diley Construction Fund – To account for revenues and expenditures associated with the extension to Windermiller Drive, realignment for Diley Road, intersection improvements, and the construction of storm sewers and sanitary sewers.

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

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

Tax Increment Financing Agreement State Route 256/204 Construction Fund - To account for revenues and expenditures associated with the completion of the State Route 256/204 Interceptor project.

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

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

Park Capital Improvement Fund - To account for a percentage of the estate tax money transferred from the General Fund, and building permit monies to be used for capital improvements to the City's parks.

Community Development Block Grant Fund - To account for grant monies and related expenditures for projects within the City.

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

Downtown Revitalization Fund – To account for General fund transfers and grant monies associated with downtown revitalization. Expenditures from this fund will be for downtown improvement projects.

Tax Increment Financing Agreement Old Town Construction Fund – A tax increment financing agreement for improvements to the infrastructure of a project known as Old Town Place (Town Square). For budgetary purposes, the payment of the note is reflected in the Debt Service Fund.

Tax Increment Financing Agreement Cycle Way Construction Fund – A tax increment financing agreement for improvements to the Blacklick-Eastern Road, a roadway from the culvert to the north to the existing roadway on the American Motorcycle Association parcel, and the widening and intersection improvements of Yarmouth Road.

(continued)

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

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Tax Increment Financing Agreement Cover Construction Fund – A tax increment financing agreement for a roadway by Picktown Beverage for the company of Kohls to begin business within the City.

Diley Road Improvement Fund - To account for loan proceeds from the State Infrastructure Bank for road construction and expenditures for the Diley Road widening project.

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

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

Municipal Building Fund – To account for note proceeds and expenditures associated with capital improvements to the municipal building.

Park Impact Fee Fund - To account for park impact fee revenues and expenditures related to park capital improvements.

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

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Tax Increment Financing Agreement Windmill/Diley Construction Fund  
For the Year Ended December 31, 2005

	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$10,500	\$10,528	\$28
Interest	14,972	16,460	1,488
Payment in Lieu of Taxes	26,991	27,223	232
<i>Total Revenues</i>	<u>52,463</u>	<u>54,211</u>	<u>1,748</u>
<b>Expenditures</b>			
Capital Outlay			
Tax Increment Financing Agreement			
Windmill/Diley Construction			
Contractual Services	13,941	24,990	(11,049)
Capital Outlay	1,797,957	1,724,354	73,603
<i>Total Expenditures</i>	<u>1,811,898</u>	<u>1,749,344</u>	<u>62,554</u>
<i>Excess of Revenues Under Expenditures</i>	(1,759,435)	(1,695,133)	64,302
<b>Other Financing Source</b>			
Loan Issued	<u>1,132,787</u>	<u>1,132,787</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(626,648)	(562,346)	64,302
Fund Balance at Beginning of Year	65,251	65,251	0
Prior Year Encumbrances Appropriated	<u>559,719</u>	<u>559,719</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>(\$1,678)</u>	<u>\$62,624</u>	<u>\$64,302</u>

**City of Pickerington, Ohio**  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2005

	State Route 256 Highway	Tax Increment Financing Agreement State Route 256/204 Construction	Street Construction	Street Impact Fee	Park Capital Improvement
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$39,793	\$32,014	\$2,053	\$4,945	\$227,731
Receivables:					
Permissive Motor Vehicle Registration Fees	4,963	0	0	0	0
Payments in Lieu of Taxes	0	279,482	0	0	0
Intergovernmental	<u>0</u>	<u>31,050</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u>\$44,756</u>	<u>\$342,546</u>	<u>\$2,053</u>	<u>\$4,945</u>	<u>\$227,731</u>
<b>Liabilities:</b>					
Accounts Payable	\$10,745	\$0	\$0	\$0	\$0
Intergovernmental Payable	0	17,135	0	0	0
Deferred Revenue	0	310,532	0	0	0
Accrued Interest Payable	0	1,440	0	0	0
Notes Payable	<u>0</u>	<u>114,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>10,745</u>	<u>443,107</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances:</b>					
Reserved for Encumbrances	255	1,865	0	0	38,900
Unreserved:					
Undesignated (Deficit)	<u>33,756</u>	<u>(102,426)</u>	<u>2,053</u>	<u>4,945</u>	<u>188,831</u>
<i>Total Fund Balances (Deficit)</i>	<u>34,011</u>	<u>(100,561)</u>	<u>2,053</u>	<u>4,945</u>	<u>227,731</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$44,756</u>	<u>\$342,546</u>	<u>\$2,053</u>	<u>\$4,945</u>	<u>\$227,731</u>

Community Development Block Grant	Police Impact Fee	Tax Increment Financing Agreement Old Town Construction	Tax Increment Financing Agreement Cycle Way Construction	Tax Increment Financing Agreement Cover Construction	Diley Road Improvement	Street Improvement Trust
\$352	\$5,071	\$0	\$105,903	\$77,942	\$56,881	\$277,266
0	0	0	0	0	0	0
0	0	2,071	34,543	167,930	0	0
0	0	230	3,834	18,640	0	0
<u>\$352</u>	<u>\$5,071</u>	<u>\$2,301</u>	<u>\$144,280</u>	<u>\$264,512</u>	<u>\$56,881</u>	<u>\$277,266</u>
\$0	\$0	\$0	\$0	\$0	\$54,269	\$0
0	0	0	0	0	0	0
0	0	2,301	38,377	186,570	0	0
0	0	4,964	8,842	4,110	0	0
0	0	393,000	700,000	322,500	0	0
0	0	400,265	747,219	513,180	54,269	0
0	0	0	0	47,520	54,262	0
352	5,071	(397,964)	(602,939)	(296,188)	(51,650)	277,266
352	5,071	(397,964)	(602,939)	(248,668)	2,612	277,266
<u>\$352</u>	<u>\$5,071</u>	<u>\$2,301</u>	<u>\$144,280</u>	<u>\$264,512</u>	<u>\$56,881</u>	<u>\$277,266</u>

(continued)

**City of Pickerington, Ohio**  
Combining Balance Sheet  
Nonmajor Capital Projects Funds (Continued)  
December 31, 2005

	Sidewalk Improvement Trust	Municipal Building	Park Impact Fee	Municipal Facility Impact Fee	Total Nonmajor Capital Projects Funds
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$1,508	\$277,315	\$10,959	\$3,399	\$1,123,132
Receivables:					
Permissive Motor Vehicle Registration Fees	0	0	0	0	4,963
Payments in Lieu of Taxes	0	0	0	0	484,026
Intergovernmental	0	0	0	0	53,754
	<u>\$1,508</u>	<u>\$277,315</u>	<u>\$10,959</u>	<u>\$3,399</u>	<u>\$1,665,875</u>
<i>Total Assets</i>					
<b>Liabilities:</b>					
Accounts Payable	\$0	\$0	\$0	\$0	\$65,014
Intergovernmental Payable	0	0	0	0	17,135
Deferred Revenue	0	0	0	0	537,780
Accrued Interest Payable	0	0	0	0	19,356
Notes Payable	0	0	0	0	1,529,500
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,168,785</u>
<i>Total Liabilities</i>					
<b>Fund Balances:</b>					
Reserved for Encumbrances	0	29,914	0	0	172,716
Unreserved:					
Undesignated (Deficit)	1,508	247,401	10,959	3,399	(675,626)
	<u>1,508</u>	<u>277,315</u>	<u>10,959</u>	<u>3,399</u>	<u>(502,910)</u>
<i>Total Fund Balances (Deficit)</i>					
<i>Total Liabilities and Fund Balances</i>	<u>\$1,508</u>	<u>\$277,315</u>	<u>\$10,959</u>	<u>\$3,399</u>	<u>\$1,665,875</u>

**City of Pickerington, Ohio**  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2005

	State Route 256 Highway	Tax Increment Financing Agreement State Route 256/204 Construction	Street Construction	Street Impact Fee
<b>Revenues:</b>				
Permissive Motor Vehicle Registration Fees	\$88,026	\$0	\$0	\$0
Licenses and Permits	0	0	0	0
Impact Fees	0	0	0	4,928
Intergovernmental	0	5,599	0	0
Interest	0	5,144	165	17
Payment in Lieu of Taxes	0	240,754	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>88,026</u>	<u>251,497</u>	<u>165</u>	<u>4,945</u>
<b>Expenditures:</b>				
Capital Outlay	67,153	33,237	1,185	122,073
Debt Service:				
Interest and Fiscal Charges	0	9,384	0	0
<i>Total Expenditures</i>	<u>67,153</u>	<u>42,621</u>	<u>1,185</u>	<u>122,073</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>20,873</u>	<u>208,876</u>	<u>(1,020)</u>	<u>(117,128)</u>
<b>Other Financing Sources</b>				
Notes Issued	0	0	0	0
Loans Issued	0	0	0	0
Transfers In	0	75,000	0	79,179
<i>Total Other Financing Sources</i>	<u>0</u>	<u>75,000</u>	<u>0</u>	<u>79,179</u>
<i>Net Changes in Fund Balances</i>	20,873	283,876	(1,020)	(37,949)
Fund Balances (Deficits) at Beginning of Year	<u>13,138</u>	<u>(384,437)</u>	<u>3,073</u>	<u>42,894</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$34,011</u>	<u>(\$100,561)</u>	<u>\$2,053</u>	<u>\$4,945</u>

(continued)

**City of Pickerington, Ohio**  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Capital Projects Funds (Continued)  
For the Year Ended December 31, 2005

	Park Capital Improvement	Community Development Block Grant	Police Impact Fee	Downtown Revitalization
<b>Revenues:</b>				
Permissive Motor Vehicle Registration Fees	\$0	\$0	\$0	\$0
Licenses and Permits	51,007	0	0	0
Impact Fees	0	0	5,054	0
Intergovernmental	7,428	30,000	0	0
Interest	0	0	17	241
Payment in Lieu of Taxes	0	0	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>58,435</u>	<u>30,000</u>	<u>5,071</u>	<u>241</u>
<b>Expenditures:</b>				
Capital Outlay	62,465	30,580	0	45,779
Debt Service:				
Interest and Fiscal Charges	0	0	25,318	0
<i>Total Expenditures</i>	<u>62,465</u>	<u>30,580</u>	<u>25,318</u>	<u>45,779</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(4,030)</u>	<u>(580)</u>	<u>(20,247)</u>	<u>(45,538)</u>
<b>Other Financing Sources</b>				
Notes Issued	0	0	315,000	0
Loans Issued	0	0	0	0
Transfers In	0	0	21,582	36,441
<i>Total Other Financing Sources</i>	<u>0</u>	<u>0</u>	<u>336,582</u>	<u>36,441</u>
<i>Net Changes in Fund Balances</i>	(4,030)	(580)	316,335	(9,097)
Fund Balances (Deficits) at Beginning of Year	<u>231,761</u>	<u>932</u>	<u>(311,264)</u>	<u>9,097</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u><u>\$227,731</u></u>	<u><u>\$352</u></u>	<u><u>\$5,071</u></u>	<u><u>\$0</u></u>



Tax Increment Financing Agreement Old Town Construction	Tax Increment Financing Agreement Cycle Way Construction	Tax Increment Financing Agreement Cover Construction	Diley Road Improvement	Street Improvement Trust	Sidewalk Improvement Trust
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
198	3,663	0	0	0	0
64	1,334	2,662	9,584	9,262	41
1,783	18,601	23,553	0	0	0
0	0	0	1,926	0	0
<u>2,045</u>	<u>23,598</u>	<u>26,215</u>	<u>11,510</u>	<u>9,262</u>	<u>41</u>
0	28,975	11,496	995,379	0	0
<u>10,937</u>	<u>24,542</u>	<u>10,347</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>10,937</u>	<u>53,517</u>	<u>21,843</u>	<u>995,379</u>	<u>0</u>	<u>0</u>
<u>(8,892)</u>	<u>(29,919)</u>	<u>4,372</u>	<u>(983,869)</u>	<u>9,262</u>	<u>41</u>
0	0	0	0	0	0
0	0	0	1,246,093	0	0
<u>7,292</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>7,292</u>	<u>0</u>	<u>0</u>	<u>1,246,093</u>	<u>0</u>	<u>0</u>
(1,600)	(29,919)	4,372	262,224	9,262	41
<u>(396,364)</u>	<u>(573,020)</u>	<u>(253,040)</u>	<u>(259,612)</u>	<u>268,004</u>	<u>1,467</u>
<u>(\$397,964)</u>	<u>(\$602,939)</u>	<u>(\$248,668)</u>	<u>\$2,612</u>	<u>\$277,266</u>	<u>\$1,508</u>

(continued)

**City of Pickerington, Ohio**  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Capital Projects Funds (Continued)  
For the Year Ended December 31, 2005

	Municipal Building	Park Impact Fee	Municipal Facility Impact Fee	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>				
Permissive Motor Vehicle Registration Fees	\$0	\$0	\$0	\$88,026
Licenses and Permits	0	0	0	51,007
Impact Fees	0	10,920	3,388	24,290
Intergovernmental	0	0	0	46,888
Interest	6,720	39	11	35,301
Payment in Lieu of Taxes	0	0	0	284,691
Other	0	0	0	1,926
<i>Total Revenues</i>	<u>6,720</u>	<u>10,959</u>	<u>3,399</u>	<u>532,129</u>
<b>Expenditures:</b>				
Capital Outlay	5,338	0	0	1,403,660
Debt Service:				
Interest and Fiscal Charges	0	0	0	80,528
<i>Total Expenditures</i>	<u>5,338</u>	<u>0</u>	<u>0</u>	<u>1,484,188</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,382</u>	<u>10,959</u>	<u>3,399</u>	<u>(952,059)</u>
<b>Other Financing Sources</b>				
Notes Issued	275,000	0	0	590,000
Loans Issued	0	0	0	1,246,093
Transfers In	0	0	0	219,494
<i>Total Other Financing Sources</i>	<u>275,000</u>	<u>0</u>	<u>0</u>	<u>2,055,587</u>
<i>Net Changes in Fund Balances</i>	276,382	10,959	3,399	1,103,528
Fund Balances (Deficits) at Beginning of Year	933	0	0	(1,606,438)
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$277,315</u>	<u>\$10,959</u>	<u>\$3,399</u>	<u>(\$502,910)</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
State Route 256 Highway Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Permissive Motor Vehicle Registration Fees	\$85,000	\$87,103	\$2,103
<i>Total Revenues</i>	<u>85,000</u>	<u>87,103</u>	<u>2,103</u>
<b>Expenditures</b>			
Capital Outlay			
State Route 256 Highway			
Contractual Services	10,000	0	10,000
Materials and Supplies	38,098	21,547	16,551
Capital Outlay	46,000	45,861	139
<i>Total Expenditures</i>	<u>94,098</u>	<u>67,408</u>	<u>26,690</u>
<i>Net Change in Fund Balance</i>	(9,098)	19,695	28,793
Fund Balance at Beginning of Year	<u>9,098</u>	<u>9,098</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$28,793</u></u>	<u><u>\$28,793</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Tax Increment Financing Agreement State Route 256/204 Construction Fund  
For the Year Ended December 31, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Interest	\$75	\$2,537	\$2,462
Payment in Lieu of Taxes	32,000	12,472	(19,528)
<i>Total Revenues</i>	<u>32,075</u>	<u>15,009</u>	<u>(17,066)</u>
<b>Expenditures</b>			
Capital Outlay			
Tax Increment Financing Agreement			
State Route 256/204 Construction			
Contractual Services	46,200	35,102	11,098
<i>Total Expenditures</i>	<u>46,200</u>	<u>35,102</u>	<u>11,098</u>
<i>Net Change in Fund Balance</i>	(14,125)	(20,093)	(5,968)
Fund Balance at Beginning of Year	<u>33,107</u>	<u>33,107</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$18,982</u></u>	<u><u>\$13,014</u></u>	<u><u>(\$5,968)</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Construction Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$0	\$165	\$165
<b>Expenditures</b>			
Capital Outlay			
Street Construction			
Capital Outlay	1,185	1,185	0
<i>Excess of Revenues Under Expenditures</i>	(1,185)	(1,020)	165
<b>Other Financing Source</b>			
Notes Issued	75,000	0	(75,000)
<i>Net Change in Fund Balance</i>	73,815	(1,020)	(74,835)
Fund Balance at Beginning of Year	1,888	1,888	0
Prior Year Encumbrances Appropriated	1,185	1,185	0
<i>Fund Balance at End of Year</i>	<u>\$76,888</u>	<u>\$2,053</u>	<u>(\$74,835)</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Impact Fee Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Impact Fees	\$0	\$4,928	\$4,928
Interest	0	17	17
<i>Total Revenues</i>	<u>0</u>	<u>4,945</u>	<u>4,945</u>
<b>Expenditures</b>			
Capital Outlay			
Street Impact Fee			
Capital Outlay	<u>131,364</u>	<u>122,073</u>	<u>9,291</u>
<i>Excess of Revenues Under Expenditures</i>	(131,364)	(117,128)	14,236
<b>Other Financing Source</b>			
Transfers In	<u>88,470</u>	<u>79,179</u>	<u>(9,291)</u>
<i>Net Change in Fund Balance</i>	(42,894)	(37,949)	4,945
Fund Balance at Beginning of Year	38,194	38,194	0
Prior Year Encumbrances Appropriated	<u>4,700</u>	<u>4,700</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$4,945</u></u>	<u><u>\$4,945</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Park Capital Improvement Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Licenses and Permits	\$52,500	\$51,207	(\$1,293)
Intergovernmental	15,000	7,428	(7,572)
<i>Total Revenues</i>	<u>67,500</u>	<u>58,635</u>	<u>(8,865)</u>
<b>Expenditures</b>			
Capital Outlay			
Park Capital Improvement			
Contractual Services	13,898	14,298	(400)
Capital Outlay	261,730	103,387	158,343
<i>Total Expenditures</i>	<u>275,628</u>	<u>117,685</u>	<u>157,943</u>
<i>Net Change in Fund Balance</i>	(208,128)	(59,050)	149,078
Fund Balance at Beginning of Year	219,753	219,753	0
Prior Year Encumbrances Appropriated	<u>28,128</u>	<u>28,128</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$39,753</u></u>	<u><u>\$188,831</u></u>	<u><u>\$149,078</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Community Development Block Grant Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$30,000	\$30,000	\$0
<b>Expenditures</b>			
Capital Outlay			
Community Development Block Grant			
Capital Outlay	30,932	30,580	352
<i>Net Change in Fund Balance</i>	(932)	(580)	352
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	932	932	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$352</u>	<u>\$352</u>



**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Police Impact Fee Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Impact Fees	\$0	\$5,054	\$5,054
Interest	0	17	17
<i>Total Revenues</i>	<u>0</u>	<u>5,071</u>	<u>5,071</u>
<b>Expenditures</b>			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	5,071	5,071
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$5,071</u></u>	<u><u>\$5,071</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Downtown Revitalization Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$241	\$241	\$0
<b>Expenditures</b>			
Capital Outlay			
Downtown Revitalization			
Capital Outlay	91,181	91,181	0
<i>Excess of Revenues Under Expenditures</i>	(90,940)	(90,940)	0
<b>Other Financing Source</b>			
Transfers In	36,441	36,441	0
<i>Net Change in Fund Balance</i>	(54,499)	(54,499)	0
Fund Balance at Beginning of Year	3,058	3,058	0
Prior Year Encumbrances Appropriated	51,441	51,441	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Tax Increment Financing Agreement Cycle Way Construction Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$0	\$269	\$269
Payment in Lieu of Taxes	28,975	28,975	0
<i>Total Revenues</i>	<u>28,975</u>	<u>29,244</u>	<u>269</u>
<b>Expenditures</b>			
Capital Outlay			
Tax Increment Financing Agreement Cycle Way Construction			
Contractual Services	28,975	28,975	0
Capital Outlay	42,153	0	42,153
<i>Total Expenditures</i>	<u>71,128</u>	<u>28,975</u>	<u>42,153</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(42,153)</u>	<u>269</u>	<u>42,422</u>
<b>Other Financing Source (Use)</b>			
Notes Issued	0	75,000	75,000
Transfers Out	(813)	0	813
<i>Total Other Financing Source (Use)</i>	<u>(813)</u>	<u>75,000</u>	<u>75,813</u>
<i>Net Change in Fund Balance</i>	(42,966)	75,269	118,235
Fund Balance at Beginning of Year	813	813	0
Prior Year Encumbrances Appropriated	<u>42,153</u>	<u>42,153</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$118,235</u>	<u>\$118,235</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Tax Increment Financing Agreement Cover Construction Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$0	\$539	\$539
Payment in Lieu of Taxes	9,218	17,947	(8,729)
<i>Total Revenues</i>	<u>9,218</u>	<u>18,486</u>	<u>(9,268)</u>
<b>Expenditures</b>			
Capital Outlay			
Tax Increment Financings Agreement Cover Construction			
Contractual Services	9,218	11,496	(2,278)
Capital Outlay	67,842	47,520	20,322
<i>Total Expenditures</i>	<u>77,060</u>	<u>59,016</u>	<u>18,044</u>
<i>Excess of Revenues Under Expenditures</i>	(67,842)	(40,530)	27,312
<b>Other Financing Use</b>			
Transfers Out	(3,110)	0	3,110
<i>Net Change in Fund Balance</i>	(70,952)	(40,530)	30,422
Fund Balance at Beginning of Year	3,110	3,110	0
Prior Year Encumbrances Appropriated	67,842	67,842	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$30,422</u>	<u>\$30,422</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Diley Road Improvement Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$300	\$9,375	\$9,075
Other	0	1,926	(1,926)
<i>Total Revenues</i>	<u>300</u>	<u>11,301</u>	<u>(11,001)</u>
<b>Expenditures</b>			
Capital Outlay			
Diley Road Improvement			
Contractual Services	15,855	51,728	(35,873)
Capital Outlay	1,067,202	998,915	68,287
<i>Total Expenditures</i>	<u>1,083,057</u>	<u>1,050,643</u>	<u>32,414</u>
<i>Excess of Revenues Under Expenditures</i>	(1,082,757)	(1,039,342)	43,415
<b>Other Financing Source</b>			
Loans Issued	<u>877,070</u>	<u>866,093</u>	<u>(10,977)</u>
<i>Net Change in Fund Balance</i>	(205,687)	(173,249)	32,438
Fund Balance at Beginning of Year	5,018	5,018	0
Prior Year Encumbrances Appropriated	<u>170,850</u>	<u>170,850</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>(\$29,819)</u></u>	<u><u>\$2,619</u></u>	<u><u>\$32,438</u></u>

**City of Pickerington, Ohio**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Street Improvement Trust Fund  
 For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$7,700	\$9,262	\$1,562
<b>Expenditures</b>			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	7,700	9,262	1,562
Fund Balance at Beginning of Year	<u>268,004</u>	<u>268,004</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$275,704</u></u>	<u><u>\$277,266</u></u>	<u><u>\$1,562</u></u>

**City of Pickerington, Ohio**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Sidewalk Improvement Trust Fund  
 For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$41	\$41	\$0
<b>Expenditures</b>			
Current:			
Transportation			
Sidewalk Improvement Trust			
Contractual Services	1,504	0	1,504
<i>Net Change in Fund Balance</i>	(1,463)	41	1,504
Fund Balance at Beginning of Year	1,467	1,467	0
<i>Fund Balance at End of Year</i>	<u>\$4</u>	<u>\$1,508</u>	<u>\$1,504</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Municipal Building Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$5,000	\$6,720	\$1,720
<b>Expenditures</b>			
Capital Outlay			
Municipal Building			
Capital Outlay	275,000	35,252	239,748
<i>Excess of Revenues Under Expenditures</i>	(270,000)	(28,532)	241,468
<b>Other Financing Source</b>			
Notes Issued	275,000	275,000	0
<i>Net Change in Fund Balance</i>	5,000	246,468	241,468
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$5,000</u>	<u>\$246,468</u>	<u>\$241,468</u>



**City of Pickerington, Ohio**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Park Impact Fee Fund  
 For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Impact Fees	\$0	\$10,920	\$10,920
Interest	0	39	(39)
<i>Total Revenues</i>	<u>0</u>	<u>10,959</u>	<u>(10,959)</u>
<b>Expenditures</b>			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	10,959	10,959
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$10,959</u></u>	<u><u>\$10,959</u></u>

**City of Pickerington, Ohio**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Municipal Facility Impact Fee Fund  
 For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Impact Fees	\$0	\$3,388	\$3,388
Interest	0	11	(11)
<i>Total Revenues</i>	<u>0</u>	<u>3,399</u>	<u>(3,399)</u>
<b>Expenditures</b>			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	3,399	3,399
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$3,399</u></u>	<u><u>\$3,399</u></u>

## ENTERPRISE FUNDS

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

The following are included in enterprise funds:

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

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

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

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenses, and Changes  
In Fund Equity - Budget (Non-GAAP Basis) and Actual  
Water Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$1,227,454	\$1,330,066	\$102,612
Tap-in Fees	781,285	783,007	1,722
Utility Deposits Received	500	950	450
Interest	20,000	75,279	55,279
Other Non-Operating Revenues	24,818	37,168	12,350
<i>Total Revenues</i>	<u>2,054,057</u>	<u>2,226,470</u>	<u>172,413</u>
<b>Expenses</b>			
Current:			
Personal Services	586,064	563,902	22,162
Contractual Services	627,709	466,284	161,425
Materials and Supplies	396,044	289,368	106,676
Utility Deposits Applied	400	546	(146)
Utility Deposits Returned	400	154	246
Capital Outlay	854,112	311,078	543,034
Debt Service:			
Principal Retirement	12,604	12,604	0
<i>Total Expenses</i>	<u>2,477,333</u>	<u>1,643,936</u>	<u>833,397</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(423,276)	582,534	1,005,810
Transfers Out	<u>(677,633)</u>	<u>(634,437)</u>	<u>43,196</u>
<i>Excess of Revenues Under Expenses and Transfers</i>	(1,100,909)	(51,903)	1,049,006
Fund Equity at Beginning of Year	2,792,372	2,792,372	0
Prior Year Encumbrances Appropriated	<u>317,963</u>	<u>317,963</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$2,009,426</u></u>	<u><u>\$3,058,432</u></u>	<u><u>\$1,049,006</u></u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenses, and Changes  
In Fund Equity - Budget (Non-GAAP Basis) and Actual  
Sewer Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$1,359,887	\$1,413,571	\$53,684
Tap-in Fees	659,350	678,161	18,811
Utility Deposits Received	500	950	450
Interest	42,900	43,896	996
Other Non-Operating Revenues	400	9,963	9,563
Proceeds from the Sale of Capital Assets	0	1,255	1,255
<i>Total Revenues</i>	<u>2,063,037</u>	<u>2,147,796</u>	<u>84,759</u>
<b>Expenses</b>			
Current:			
Personal Services	596,611	558,602	38,009
Contractual Services	846,075	757,398	88,677
Materials and Supplies	91,239	63,313	27,926
Utility Deposits Applied	400	547	(147)
Utility Deposits Returned	400	153	247
Capital Outlay	847,514	791,297	56,217
Debt Service:			
Principal Retirement	49,525	47,413	2,112
Interest and Fiscal Charges	42,021	46,132	(4,111)
<i>Total Expenses</i>	<u>2,473,785</u>	<u>2,264,855</u>	<u>208,930</u>
<i>Excess of Revenues Under Expenses</i>	(410,748)	(117,059)	293,689
Transfers In	93,546	0	(93,546)
Transfers Out	(844,101)	(738,299)	105,802
<i>Excess of Revenues Under Expenses and Transfers</i>	(1,161,303)	(855,358)	305,945
Fund Equity at Beginning of Year	2,390,455	2,390,455	0
Prior Year Encumbrances Appropriated	121,492	121,492	0
<i>Fund Equity at End of Year</i>	<u>\$1,350,644</u>	<u>\$1,656,589</u>	<u>\$305,945</u>

**City of Pickerington, Ohio**  
Schedule of Revenues, Expenses, and Changes  
In Fund Equity - Budget (Non-GAAP Basis) and Actual  
Stormwater Fund  
For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$235,848	\$245,099	\$9,251
Tap-in Fees	193,823	197,991	4,168
Interest	1,525	1,887	362
Other Non-Operating Revenues	0	2,069	2,069
<i>Total Revenues</i>	<u>431,196</u>	<u>447,046</u>	<u>15,850</u>
<b>Expenses</b>			
Current:			
Personal Services	244,733	237,593	7,140
Contractual Services	135,323	142,994	(7,671)
Materials and Supplies	35,316	15,434	19,882
Capital Outlay	171,000	32,674	138,326
<i>Total Expenses</i>	<u>586,372</u>	<u>428,695</u>	<u>157,677</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(155,176)	18,351	173,527
Fund Equity at Beginning of Year	447,440	447,440	0
Prior Year Encumbrances Appropriated	<u>17,655</u>	<u>17,655</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$309,919</u></u>	<u><u>\$483,446</u></u>	<u><u>\$173,527</u></u>

## INTERNAL SERVICE FUND

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The internal service fund is maintained to account for the operations of City activities that provide services to other City departments and funds.

The internal service fund is:

Fleet Maintenance Fund – To account for the maintenance and repair of vehicles and equipment and fuel purchased for City vehicles and the related charges for service.

**City of Pickerington, Ohio**  
 Schedule of Revenues, Expenses, and Changes  
 In Fund Equity - Budget (Non-GAAP Basis) and Actual  
 Fleet Maintenance Fund  
 For the Year Ended December 31, 2005

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$253,095	\$234,851	(\$18,244)
<i>Total Revenues</i>	<u>253,095</u>	<u>234,851</u>	<u>(18,244)</u>
<b>Expenses</b>			
Personal Services	64,751	64,341	410
Contractual Services	24,755	28,609	(3,854)
Materials and Supplies	182,846	149,353	33,493
<i>Total Expenses</i>	<u>272,352</u>	<u>242,303</u>	<u>30,049</u>
<i>Excess of Revenues Under Expenses</i>	(19,257)	(7,452)	11,805
Fund Equity at Beginning of Year	13,935	13,935	0
Prior Year Encumbrances Appropriated	<u>6,257</u>	<u>6,257</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$935</u></u>	<u><u>\$12,740</u></u>	<u><u>\$11,805</u></u>



## AGENCY FUND

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

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

**City of Pickerington, Ohio**  
Statement of Changes in Assets and Liabilities  
Agency Fund  
For the Year Ended December 31, 2005

	<u>Balance 1/1/05</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/05</u>
<b>Mayor's Court</b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	<u>\$50</u>	<u>\$160,694</u>	<u>\$160,659</u>	<u>\$85</u>
<i>Total Assets</i>	<u><u>\$50</u></u>	<u><u>\$160,694</u></u>	<u><u>\$160,659</u></u>	<u><u>\$85</u></u>
<b>Liabilities</b>				
Undistributed Monies	<u>\$50</u>	<u>\$160,694</u>	<u>\$160,659</u>	<u>\$85</u>
<i>Total Liabilities</i>	<u><u>\$50</u></u>	<u><u>\$160,694</u></u>	<u><u>\$160,659</u></u>	<u><u>\$85</u></u>

# Statistical Section



## **Statistical Section**

The following unaudited statistical tables reflect social and economic data, financial trends and fiscal capability of the City.

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**City of Pickerington, Ohio**  
 Governmental Activities Revenues by Source  
 and Expenses by Function  
 Last Two Years

	<u>2005</u>	<u>2004 (1)</u>
<b><u>Program Revenues</u></b>		
Charges for Services	\$1,508,283	1,373,241
Operating grants and contributions	705,880	534,987
Capital grants and contributions	1,630,721	2,529,860
<b><u>General Revenues</u></b>		
Property and Other Taxes Levied for:		
General Purposes	759,644	640,080
Security of Persons and Property	1,181,883	1,078,806
Income Taxes Levied for General Purposes	3,648,635	3,372,437
Franchise Taxes	15,963	17,365
Grants and Entitlement not Restricted to Specific Programs	803,723	641,415
Investment Earnings	189,389	140,672
Payments in Lieu of Taxes	681,607	437,296
Miscellaneous	171,553	210,754
Total Revenues	<u>\$11,297,281</u>	<u>\$10,976,913</u>
<b><u>Expenses</u></b>		
General Government	\$2,044,288	\$1,902,593
Security of Persons and Property	3,285,125	2,956,311
Transportation	2,168,811	1,506,242
Leisure Time Activities	813,732	767,388
Public Health Services	116,159	103,208
Community Environment	1,305,830	1,210,341
Interest and Fiscal Charges	488,500	265,189
	<u>\$10,222,445</u>	<u>\$8,711,272</u>

(1) 2004 was the first year for full accrual reporting.

Source: City financial records.

**City of Pickerington, Ohio**  
 General Governmental Expenditures by Function (1)  
 Last Ten Years

<u>Year</u>	<u>General Government</u>	<u>Security of Persons and Property</u>	<u>Transportation</u>	<u>Leisure Time Activities</u>	<u>Public Health Services</u>	<u>Community Environment</u>
2005	\$2,246,436	\$3,135,374	\$487,891	\$763,549	\$116,159	\$1,305,830
2004	1,974,974	2,826,306	554,026	716,456	103,208	1,210,341
2003	2,190,882	2,431,526	538,020	741,676	105,265	1,058,511
2002	2,248,217	2,245,129	506,550	668,724	100,010	870,283
2001	2,169,733	1,992,201	518,741	620,556	63,614	668,092
2000	1,725,815	1,860,968	582,601	444,796	54,469	609,935
1999	1,335,564	1,526,887	483,285	329,484	52,851	229,749
1998	1,286,863	1,472,005	375,081	329,952	53,088	171,363
1997	1,174,040	1,454,688	284,995	289,011	39,204	144,318
1996	1,138,611	1,434,545	306,839	264,645	53,687	127,479

(1) Modified accrual basis. Includes general, special revenue, debt service and capital projects funds.

Source: City financial records



<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Total</u>
\$2,735,449	\$2,635,280	\$13,425,968
3,750,293	2,705,856	13,841,460
3,522,136	501,864	11,089,880
5,533,888	310,301	12,483,102
2,854,710	195,351	9,082,998
1,620,192	51,983	6,950,759
856,122	30,781	4,844,723
1,704,941	20,711	5,414,004
524,726	31,764	3,942,746
517,342	56,871	3,900,019

**City of Pickerington, Ohio**  
**General Governmental Revenues by Source (1)**  
**Last Ten Years**

Year	Property and Other Taxes	Permissive Motor Vehicle Registration Fees (2)	Income Taxes	Charges for Services (3)	Fines, Forfeitures Licenses and Permits (4)	Impact Fees (5)
2005	\$1,892,648	\$146,739	\$3,607,752	\$551,183	\$784,871	\$24,290
2004	1,709,145	128,803	3,336,898	505,128	731,873	0
2003	1,717,578	0	3,105,152	905,011	1,743,833	0
2002	1,574,611	0	3,041,993	918,555	1,187,009	0
2001	1,375,192	0	2,782,304	826,987	773,027	0
2000	798,049	0	2,445,555	529,084	590,881	0
1999	756,156	0	2,236,481	190,518	523,678	0
1998	985,318	0	2,020,704	153,124	469,730	0
1997	633,766	0	1,828,099	180,604	353,365	0
1996	666,224	0	1,543,361	178,635	350,846	0

(1) Modified accrual basis. Includes general, special revenue, debt service and capital projects funds.

(2) Prior to 2004 permissive motor vehicle registration fees revenue was combined with property and other taxes revenue.

(3) During 2004, engineer inspection services provided by the City were double booked.

(4) Due to the relocation of the building department during 2003, the issuance of building permits was delayed.

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

(6) Represents payment in lieu of taxes for various tax increment financing agreements.

Source: City financial records

Interest	Payment in Lieu of Taxes (6)	Rent	Inter- governmental	Contributions and Donations	Other	Total
\$230,845	\$441,371	\$1,200	\$1,272,596	\$12,394	\$187,516	\$9,153,405
117,419	348,359	7,437	1,165,891	7,256	238,551	8,296,760
111,334	190,976	10,710	1,015,244	5,216	131,519	8,936,573
191,799	152,982	11,275	1,051,570	4,892	93,474	8,228,160
405,286	122,120	6,790	1,255,515	115,016	53,186	7,715,423
252,287	90,578	0	1,421,664	0	39,626	6,167,724
258,399	42,363	0	968,467	0	358,011	5,334,073
220,138	0	0	1,072,547	0	163,631	5,085,192
114,075	0	0	931,638	0	353,822	4,395,369
64,269	0	0	1,037,888	0	38,481	3,879,704

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

Year	Total Tax Levy	Current Collections(2)	Delinquent Collections	Total Collections	Percent of Total Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percent of Accumulated Delinquent Taxes to Total Tax Levy
2005	\$1,955,905	\$1,877,786	\$57,748	\$1,935,534	98.96%	\$99,101	5.07%
2004	1,733,271	1,708,689	32,977	1,741,666	100.48	50,817	2.93
2003	1,621,759	1,573,532	35,440	1,608,972	99.21	46,080	2.84
2002	1,372,739	1,323,768	34,506	1,358,274	98.95	41,784	3.04
2001	1,210,588	1,161,218	18,946	1,180,164	97.49	62,371	5.15
2000	742,888	700,256	20,768	721,024	97.06	24,708	3.33
1999	673,947	654,598	13,053	667,651	99.07	29,110	4.32
1998	621,924	608,817	8,242	617,059	99.22	20,765	3.34
1997	594,544	555,953	6,838	562,791	94.66	17,404	2.93
1996	604,674	598,816	8,488	607,304	100.43	12,635	2.09

Source: Fairfield County, Ohio; County Auditor

(1) Does not include state reimbursements of homestead and rollback exemptions.

(2) Includes penalties which are not included in the total tax levy.

**City of Pickerington, Ohio**  
Property Tax Levies and Collections  
Personal Property Tax  
Last Ten Years

Year	Total Tax Levy	Current Collections	Delinquent Collections	Total Collections	Percent of Total Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percent of Accumulated Delinquent Taxes to Total Tax Levy
2005	\$50,242	\$39,951	\$218	\$40,169	79.95%	\$9,226	18.36%
2004	50,707	40,855	86	40,941	80.74	8,631	17.02
2003	50,722	39,820	712	40,532	79.91	3,627	7.15
2002	47,808	43,622	195	43,817	91.65	3,479	7.28
2001	46,718	43,652	54	43,706	93.55	3,251	6.96
2000	40,493	38,899	7,782	46,681	115.28	1,478	3.65
1999	37,031	32,873	123	32,996	89.10	3,191	8.62
1998	28,863	27,382	957	28,339	98.18	1,481	5.13
1997	29,327	27,810	473	28,283	96.44	2,873	9.80
1996	25,258	20,535	73	20,608	81.59	1,593	6.31

Source: Fairfield County, Ohio; County Auditor

**City of Pickerington, Ohio**  
 Assessed Valuation and Estimated  
 True Values of Taxable Property  
 Last Ten Years

Year	Real Property		Public Utility Real		Tangible Personal (1)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2005	\$341,774,430	\$976,498,371	\$10,160	\$10,160	\$7,998,246	\$31,992,984
2004	259,238,020	740,680,057	10,190	10,190	9,608,219	38,432,876
2003	232,203,350	663,438,143	9,290	9,290	9,926,063	39,704,252
2002	211,965,990	605,617,114	10,590	10,590	9,411,102	37,644,408
2001	169,250,550	483,573,000	3,474	3,474	9,984,978	39,939,912
2000	160,131,600	457,518,857	3,559	3,559	9,025,307	36,101,228
1999	148,856,150	425,303,286	7,160	7,160	8,966,527	35,866,108
1998	130,296,600	372,276,000	7,210	7,210	8,479,540	33,918,160
1997	124,554,130	355,868,943	5,640	5,640	7,276,745	29,106,980
1996	120,289,340	343,683,829	5,490	5,490	6,283,365	25,133,460

Source: Fairfield County, Ohio; County Auditor

(1) Includes Public Utility Tangible Personal.

Totals		
Assessed Value	Estimated Actual Value	Ratio
\$349,782,836	\$1,008,501,515	34.68%
268,856,429	779,123,123	34.51%
242,138,703	703,151,685	34.44%
221,387,682	643,272,112	34.42%
179,239,002	523,516,386	34.24%
169,160,466	493,623,644	34.27%
157,829,837	461,176,554	34.22%
138,783,350	406,201,370	34.17%
131,836,515	384,981,563	34.24%
126,578,195	368,822,779	34.32%

**City of Pickerington, Ohio**  
Property Tax Rates - Direct and Overlapping Governments  
(Per \$1,000 of Assessed Valuation)  
Last Ten Years

<u>Year</u>	<u>City of Pickerington General Fund (1)</u>	<u>City of Pickerington Police Fund (1)</u>	<u>Total City of Pickerington</u>	<u>Pickerington Local Schools (2)</u>	<u>Fairfield County (2)</u>	<u>Violet Township (2)</u>	<u>East Joint Vocational School (2)</u>	<u>Total</u>
2005	\$2.30	\$5.50	\$7.80	\$77.05	\$7.55	\$12.15	\$2.00	\$106.55
2004	2.30	5.50	7.80	78.00	7.05	12.15	2.00	107.00
2003	2.30	5.50	7.80	70.10	7.05	12.15	2.00	99.10
2002	2.30	5.50	7.80	70.10	7.05	12.15	2.00	99.10
2001	2.30	5.50	7.80	70.30	7.05	8.30	2.00	95.45
2000	2.30	5.50	7.80	66.36	7.05	9.80	2.00	93.01
1999	2.30	5.50	7.80	66.36	7.05	8.55	2.00	91.76
1998	2.30	5.50	7.80	66.36	7.05	8.55	1.20	90.96
1997	2.30	5.50	7.80	68.96	7.05	8.55	1.20	93.56
1996	2.30	5.50	7.80	65.00	7.05	9.80	1.20	90.85

Source: (1) & (2) Fairfield County, Ohio; County Auditor



**City of Pickerington, Ohio**  
 Computation of Legal Debt Margin  
 December 31, 2005

**Overall Debt Limitation**

10 1/2% of Assessed Valuation		\$36,727,198
General Obligation Bonds Payable	\$6,550,000	
Notes Payable	12,321,744	
Loans Payable	2,547,880	
Issue Two Notes Payable from Enterprise Fund Revenues	44,111	
OWDA Loans Payable from Enterprise Fund Revenues	886,446	
	22,350,181	
Gross Indebtedness Outstanding		
Less: Debt Exempt from Limitation		
Notes Payable from Enterprise Fund Revenues	5,532,244	
General Obligation Bonds Payable from Enterprise Fund Revenues	5,045,000	
Issue Two Notes Payable from Enterprise Fund Revenues	44,111	
OWDA Loans Payable from Enterprise Fund Revenues	886,446	
Amount Available in the Debt Service Fund for General Obligations	59,008	
	11,566,809	
Total		
Net Debt within 10 1/2% Limitation		10,783,372
Legal Debt Margin within 10 1/2% Limitation		\$25,943,826

**Unvoted Debt Limitation**

5 1/2% of Assessed Valuation		\$19,238,056
Gross Indebtedness Outstanding	\$22,350,181	
Less: Debt Exempt from Limitation	(11,566,809)	
	10,783,372	
Net Debt within 5 1/2% Limitation		10,783,372
Legal Debt Margin within 5 1/2% Limitation		\$8,454,684

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

**City of Pickerington, Ohio**  
Ratio of General Obligation Bonded Debt to Assessed Value and  
Net General Obligation Bonded Debt Per Capita  
Last Ten Years

Year	Population	Assessed Value	General Obligation Bonded Debt (1)	Debt Service Monies Available	Net General Obligation Bonded Debt	Ratio of General Obligation Bonded Debt to Assessed Value	Net Bonded General Obligation Debt Per Capita
2005	13,066	\$349,782,836	\$1,505,000	\$59,008	\$1,445,992	0.43%	\$110.67
2004 (2)	12,159	268,856,429	1,550,000	71,926	1,478,074	0.58%	121.56
2003	11,259	242,138,703	0	0	0	0.00%	0.00
2002	10,452	221,387,682	0	0	0	0.00%	0.00
2001	10,171	179,239,002	0	0	0	0.00%	0.00
2000	9,792	169,160,466	0	0	0	0.00%	0.00
1999	8,035	157,829,837	0	0	0	0.00%	0.00
1998	7,895	138,783,350	0	0	0	0.00%	0.00
1997	7,744	131,836,515	0	0	0	0.00%	0.00
1996	7,536	126,578,195	0	0	0	0.00%	0.00

(1) Includes only general obligation bonds payable from property taxes.

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

Source: Population estimates from Mid Ohio Regional Planning Commission

**City of Pickerington, Ohio**  
 Ratio of Annual Debt Service Expenditures for  
 General Obligation Bonded Debt to Total General Governmental Expenditures  
 Last Ten Years

Year	Principal	Interest	Total	Total Governmental Expenditures	Ratio of Annual Debt Service to Total Governmental Fund Expenditures
2005	\$45,000	\$77,500	\$122,500	\$13,425,968	0.91%
2004 (2)	0	35,736	35,736	13,841,460	0.26%
2003	0	0	0	11,089,880	0.00%
2002	0	0	0	12,483,102	0.00%
2001	0	0	0	9,082,998	0.00%
2000	0	0	0	6,950,759	0.00%
1999	0	0	0	4,844,723	0.00%
1998	0	0	0	5,414,004	0.00%
1997	0	0	0	3,942,746	0.00%
1996	0	0	0	3,900,019	0.00%

(1) Includes only general obligation bonds payable from property taxes.

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

Source: City of Pickerington, Ohio; City Finance Director

**City of Pickerington, Ohio**  
 Computation of Direct and Overlapping  
 General Obligation Bonded Debt  
 December 31, 2005

Jurisdiction	Net Debt Outstanding (1)	Percentage Applicable to City of Pickerington	Amount Applicable to the City of Pickerington
<b><u>Direct Debt</u></b>			
City of Pickerington	\$1,505,000	100%	\$1,505,000
Total Direct Debt	<u>1,505,000</u>		<u>1,505,000</u>
<b><u>Overlapping Debt</u></b>			
Pickerington Local School District	114,754,219	34.96	40,118,075
Fairfield County	12,580,000	12.00	1,509,600
Violet Township	80,000	39.82	31,856
Total Overlapping Debt	<u>127,414,219</u>		<u>41,659,531</u>
Total Direct and Overlapping Debt	<u>\$128,919,219</u>		<u>\$43,164,531</u>

(1) Amount includes only general obligation bonds payable from property taxes.

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

**City of Pickerington, Ohio**  
 Assessed Real Property Values, New Construction and Bank Deposits  
 Last Ten Years

Year	New Construction			(1) Bank Deposits (in 1000s)
	Agricultural/ Residential (1)	Commercial Industrial (1)	Total New Construction	
2005	\$61,581,960	\$9,259,707	\$70,841,667	\$436,563
2004	46,679,273	6,420,973	53,100,246	399,752
2003	94,319,317	24,957,741	119,277,058	387,312
2002	60,282,046	22,080,711	82,362,757	370,588
2001	47,479,292	10,052,880	57,532,172	329,912
2000	30,313,943	13,637,550	43,951,493	286,562
1999	26,878,970	4,747,967	31,626,937	247,807
1998	14,460,209	18,663,075	33,123,284	190,113
1997	15,721,884	10,232,830	25,954,714	172,771
1996	12,161,948	2,657,650	14,819,598	163,183

Year	Real Property Values			
	Agricultural/ Residential	Commercial/ Industrial	Public Utility	Total
2005	\$274,074,910	\$67,699,520	\$10,160	\$341,784,590
2004	202,205,656	57,032,364	10,190	259,248,210
2003	181,118,613	51,084,737	9,290	232,212,640
2002	165,333,472	46,632,518	10,590	211,976,580
2001	132,015,429	37,235,121	3,474	169,254,024
2000	124,902,648	35,228,952	3,559	160,135,159
1999	116,107,797	32,748,353	7,160	148,863,310
1998	101,631,348	28,665,252	7,210	130,303,810
1997	97,152,221	27,401,909	5,640	124,559,770
1996	93,825,685	26,463,655	5,490	120,294,830

Sources: City Financial Records  
 Fairfield County Auditor's Office, Federal Reserve Bank of Cleveland

(1) Bank deposits data includes banks headquartered in Fairfield County

**City of Pickerington, Ohio**  
 Ten Largest Employers  
 December 31, 2005

Employer	Nature of Business	Number of Employees
Pickerington Local School District	School System	1,060
Kroger Company	Supermarket	320
Kohl's Department Stores	Retail	318
Cracker Barrel Restaurant	Restaurant	259
Kindred Nursing Center	Health Care Facility	145
American Motorcycle Association	Museum and Organization	106
City of Pickerington	Government	97
R.G. Barry Corporation	Manufacturing	96
Mt. Carmel Health Care Providers	Medical Practice	60
Pediatric Associates	Medical Practice	49

Source: City Income Tax Records

**City of Pickerington, Ohio**  
Principal Property Taxpayers  
December 31, 2005

<u>Real Property</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
ANYI Apartments LLC	\$7,568,750	2.16%
NOCA Apartments One LTD	5,436,030	1.55%
South Central Power Company	4,429,320	1.27%
Regency Apartments One LTD	4,369,290	1.25%
Dominion Homes Inc.	4,347,360	1.24%
AERC Turnberry Inc.	4,025,000	1.15%
NOCA Retail Development LMTD	3,607,000	1.03%
M/I Homes of Central Ohio	3,510,690	1.00%
Brooksedge at Tussing Inc.	3,465,000	0.99%
Lakes Edge Partnership	3,325,000	0.95%
<u>Personal Property</u>		
Kroger Co.	702,020	0.20%
Barnes & Noble Booksellers	440,330	0.13%
Bed, Bath & Beyond, Inc.	403,020	0.12%
Discount Drug Mart, Inc.	311,900	0.09%
Pickerington Apartments	255,090	0.07%
Hook Superx, Inc.	245,660	0.07%
Culligan Dealer Corp.	200,070	0.06%
Marcus Cinema of Ohio LLC	182,710	0.05%
Sears Roebuck & Co.	181,280	0.05%
Orthopedic Laser Tech Inc.	148,990	0.04%
Total Assessed Value	<u>\$47,154,510</u>	<u>13.48%</u>

Source: Fairfield County, Ohio; County Auditor

**City of Pickerington, Ohio**

Demographic Statistics

December 31, 2005

<u>Year</u>	<u>Population (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Fairfield County (3)</u>
2005	13,066	9,714	4.70%
2004	12,159	9,280	4.60%
2003	11,259	8,917	4.50%
2002	10,452	8,363	4.20%
2001	10,171	7,924	3.00%
2000	9,792	7,598	2.30%
1999	8,035	7,208	3.00%
1998	7,895	6,985	3.00%
1997	7,744	6,659	3.20%
1996	7,536	6,548	3.60%
Median Age			35
Average household size			3
Total households			9,634
% of housing units owner-occupied			87%
% of housing units renter-occupied			11%
% of housing units vacant			2%

Source (1): Mid Ohio Regional Planning Commission

Source (2): Office of the Treasurer, Pickerington Local School District

Source (3): Ohio Bureau of Employment Services



**City of Pickerington, Ohio**

Miscellaneous Statistics

December 31, 2005

**City Employees:**

Number of Full-Time	83
Number of Part-Time	3
Number of Seasonal/ Temporary	16

**Education:**

Number of Teachers	656
Number of Students	9,714

**Recreation and Culture:**

Number of Parks	7
Number of Libraries	1
Number of Tennis Courts	5
Number of Baseball and Softball Diamonds	4

**Public Transportation:**

Public Transit	
Buses (Ridership limited to seniors and handicapped)	2

(continued)

**City of Pickerington, Ohio**

Miscellaneous Statistics

December 31, 2005

Date of Incorporation	1881
Effective Date of Charter	November 4, 1980
Form of Government	Mayor-Council-Manager
Area	11 Square Miles
Miles of City Streets	57.29
Number of Street Lights	365
Number of Traffic Lights	18

**Municipal Utilities:**

Miles of Sanitary Sewers	45.55
Miles of Storm Sewers	37.67
Miles of Water Distribution	57.42
Number of Residential Consumers	4,602
Number of Commercial Consumers	102
Average Monthly Consumption (per household)	
Sewer	7,125 gallons
Water	7,366 gallons
Minimum Rate	
Sewer	0-3,000 gallons \$12.87 - over 3,000 \$4.29/ thousand
Water	0-12,000 gallons \$2.13 - over 12,000 \$3.27/thousand
	Flat fee charge \$4.50
Stormwater	\$1.50/residence

**Fire Protection:**

Violet Township

Number of Stations	3
Number of Firefighters and Officers (FT)	39
Number of Firefighters (PT)	22
Number of Firefighters (Volunteer)	14
Number of Certified EMT - Basic	11
Number of Certified EMT - Intermediate	3
Number of Certified EMT - Paramedics	53
Number of Nurses	2

**Police Protection:**

Pickerington City Police

Number of Stations	1
Number of Sworn Officers Including Administration	23
Number of Sworn Auxiliary Officers	
3 Active and 3 Inactive	6
Number of Cruisers Marked	8
Number of Unmarked Cruisers	5
Number of Dare Cars	2
Number of Motorcycles	1

Source: City Finance Department



**Auditor of State  
Betty Montgomery**

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Facsimile 614-466-4490

**CITY OF PICKERINGTON**

**FAIRFIELD COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 25, 2006**