



PICKERINGTON

ESTABLISHED 1815

City of
Pickerington, Ohio

**Comprehensive Annual
Financial Report
For The Year Ended December 31, 2008**

City of Pickerington, Ohio

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

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Financial Report
For The Year Ended December 31, 2008**

Introductory Section

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June 19, 2009

To the Honorable Mayor O'Brien and Members of City Council,
And Citizens of the City of Pickerington:

The Comprehensive Annual Financial Report (CAFR) of the City of Pickerington, Ohio (the City), for the year ended December 31, 2008 is submitted herewith. State law requires that every general-purpose local government publish within six months of the close of each year a complete set of audited financial statements. This report is published to fulfill that requirement for the year ended December 31, 2008. This report is prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards.

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).

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

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

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

The concept of reasonable assurance recognizes that:

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

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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.

Wilson, Shannon and Snow, Inc. have issued an unqualified opinion on the City of Pickerington's financial statements for the year ended December 31, 2008. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of the City

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

The growth and prosperity since 1965 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 2008 was 14,476. The unincorporated Violet Township estimated population (excluding Pickerington, Columbus, Canal Winchester and Reynoldsburg) was 19,500. As a result of reaching an official population of over 5,000 persons, Pickerington was certified as a city by the Ohio Secretary of State in 1991. Pickerington was the second city incorporated in Fairfield County and is second in size only to Lancaster.

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 four jointly governed organizations and two insurance purchasing pools. These organizations are the Fairfield-Hocking Major Crimes Unit, the Fairfield County Regional Planning Commission, the Mid-Ohio Regional Planning Commission (MORPC), the Fairfield County Combined General Health District, the Central Ohio Risk Management Association Inc. (CORMA), and the Ohio Municipal League Workers' 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 each biennium and the remaining four are elected at large for a four-year term the following biennium. Council appoints the Law Director, Finance Director, City Engineer, 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 appoints all department heads and hires all employees not appointed by Council.

The Director of Finance 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.

In 2006, the law firm of Schottenstein, Zox and Dunn were hired as Law Director for a period of two years. The only outside counsel utilized was for one annexation case which went to the Supreme Court of the State of Ohio.

The City Engineer, W. E. Stilson Consulting Group, a private company, is hired by City Council. In addition other engineering firms have been hired for various capital improvement projects. The City also has given authority to the City Manager to employ a staff engineer to handle day to day engineering issues and also assist with bidding and reviewing small contracts. In 2007, the Construction Inspection Engineers formerly supervised by the Building Department were reclassified as Engineering Inspectors and are now under the supervision of the Engineering Department.

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, of which the City is a part. 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 were 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 at the object level. The legal level of budgetary control is the level passed by Council which is at the object level for all funds. Any budgetary modifications at this level may only be made by ordinance of the City Council. The Finance Director is given the authority to further allocate fund appropriations within all funds. The City Council may pass supplemental appropriations at any time by ordinance. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. The general fund 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 70.

Economic Condition and Outlook

Commercial growth has sustained a rapid pace in the City. Over the past few years, several projects were completed and many new ones have begun. During 2008, over \$4,518,000 was invested in new construction with an approximate \$24,730,015 in projects under construction or anticipated to be constructed in 2009. More than 37,840 square feet of commercial buildings were completed in 2008 with another 223,149 square feet of commercial property in the process of construction or near completion.

The following commercial development projects were completed during 2008:

- Lifestyle Family Fitness Center located on the northwest corner of State Route 256 and Stonecreek Drive South completed an approximate 26,500 square foot expansion facility with an estimated value of \$3,250,000. The developer of the Lifestyle Family Fitness Center, Equity, Inc., also received approval for the development of two out lots and a 40,000 square foot office development just south of Kohl's. The City and Equity Inc. executed a Tax Increment Financing agreement to extend Stonecreek Drive for this development, which will provide access to approximately 100 acres of vacant land. The construction was completed by the end of 2008.

- An approximate 7,590 square foot office building with an estimated value of \$643,000 was constructed on lot 6 of the Creek Bend Business Park, which will be occupied by a dentist office and sleep disorder practice.
- Sonic Drive-In, a 1,550 square foot building with an estimated value of \$450,000 on an out lot just east of Lifestyle Family Fitness was constructed.

The following commercial development projects are currently under construction during 2009:

- Primrose School, an 11,600 square foot daycare facility with an estimated value of \$850,000, located at the terminus of Clint Drive on Lots 8 and 9 of the Creek Bend Business Park was constructed.
- Holiday Retirement Corporation has commenced construction on a 67,287 square foot 86-suite assisted living facility on State Route 256 south of Courtland Lane with an estimated value of \$5,260,015. This project is slated for fall 2009 completion.
- Violet Township began construction of an approximate 11,600 square foot service building located at the southeast corner of Center Street and Stemen Road with an estimated value of \$2,400,000.
- Rule (3), began construction of a 25,575 square foot bowling alley and entertainment center with outdoor volleyball courts, restaurant, and bar facilities will be located on Windmill Drive. Completion is schedule for fall of 2009.
- Construction commenced in 2007 on Sycamore Creek Elementary School which is an 84,400 square foot building located in the Villages of Sycamore Creek subdivision with an estimated value of \$10,500,000. The school will open in the fall of 2009.
- Walgreens broke ground at the northwest corner of State Route 256 and Refugee Road for their 14,490 square foot drug store with an estimated value of \$1,150,000

The following commercial developments have been approved or reviewed during 2009:

- An approximate 50,000 square foot retail center named “Diley Towne Center” for the northwest corner of State Route 256 and the newly realigned Diley Road. The developer is currently seeking tenants before beginning construction.
- Ashton Crossing, an approximate 13 acre commercial subdivision with up to eight lots designated for retail and office uses, located at the terminus of Freedom Way with exposure to I-70.
- Shops and Offices at Stonecreek, a 12.89 acre site targeted for office and retail uses, lots located north and south of the newly extending Stonecreek Drive West just west of State Route 256.
- The Luse Office Park, a 41,800 square foot office park with up to nine buildings on approximately 5.1 acres is located on State Route 256 just north of Courtright Drive behind the Pickerington Medical Complex.
- Zane Commercial Subdivision located on Hill Road North just south of Old State Route 256, received final plat approval for seven lots on 11.628 acres.

The Planning and Zoning Commissions gave approval for the preliminary development plans to several future projects: Hunters Run Plaza Phase V, a 34,840 square foot retail development located on the southwest corner of State Route 204 and Freedom Way; The Shoppes at Yarmouth, a 38,100 square foot retail development located on the northeast corner of State Route 204 and Freedom Way; Anchor State Route 204 Business Park, an approximate 28,700 square foot retail development located on the northwest corner of State Route 204 and Freedom Way and Mayflower Village, an approximate 47 acre various use development comprising of office, retail and townhouses located on Hill Road North just north of the railroad tracks.

The annexation of 316 acres on Busey/Amanda Northern Road has been settled and the case is no longer in Court. The City failed to pass an Ordinance accepting this annexation.

The annexation of 387 acres on Busey Road has been resolved. The Fairfield County Court disapproved the Pickerington annexation appeals and the property is being annexed to Canal Winchester.

The City has also continued to maintain a strong presence in the Central Ohio region through its participation in the Route 33 Growth Alliance, the Mid-Ohio Regional Planning Commission, and the Mid-Ohio Development Exchange to fund a marketing strategy for the area.

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.

Once again, the City was a contributor to the Olde Pickerington Village Business Association in 2008. The Old Pickerington Village Business Association promotes the downtown, highlighting local businesses through monthly themed events. The City's contribution to these events, which promotes tourism to the community, is funded through revenues generated from the three percent hotel/motel tax that the City collects. The City sponsored the Fourth of July festivities and co-sponsored the Pickerington Violet Festival, another venue to showcase the community held in late July, which brings an estimated 20,000 visitors into the community.

Impact Fees for Park, Police, Municipal Government and Streets were established by Council and implemented in late 2005. These fees increase each year based on the CPI. This new source of revenue is assisting the City in keeping pace with the growing community by providing funding for capital improvements. To date over \$2,058,004 has been collected from December 2005 to December 2008. Impact Fees are being used to pay debt on the Police Station, the City's twenty percent share of the Diley Road Improvement Project, the municipal building expansion, and major park improvements. In 2008, the Park Impact Fees permitted the City to acquire parkland with an aquatic recreation center. This is the City's first municipal pool. Purchasing the land with Impact Fees has allowed the City to invest the revenues generated by the pool into improvements for the facility with a future goal of adding several water park features.

Major Initiatives

For the Year:

Planning and Zoning / Development Department

The Planning and Zoning, Engineering and Service Departments prepared engineering standards that would facilitate the development process. These departments along with the Building Department continue to revise and streamline the development review process to create a user-friendly process for developers, residents, and staff. In addition, the City retained a consultant to prepare the Diley Road Corridor Plan to determine the appropriate land uses after the road project is completed. This plan was completed and adopted by Council in the spring of 2009. The redevelopment of the properties at the Northwest corner of Refugee Road and State Route 256 is underway with departmental staff continuing to provide support for this effort. Zoning text amendments included Non-Residential Design Standards to replace the Commercial Design Guidelines and revisions to the conditional use requirements for outdoor facilities. The contract with the Fairfield County Auditor GIS Department was extended. The Planning & Zoning Department collaborated in maintaining and updating the City's Zoning Map and various other maps. The County's Accuglobe Data Explorer Computer Program provides current digital mapping and property files of the City.

The City's Code Enforcement Officer, added to the department in 2007, has provided stricter compliance resulting in a cleaner community in order to attract new businesses as well as a quicker response to citizen complaints. New programs have been implemented for litter pick-up volunteer groups. A future endeavor is to work with the Fairfield County United Way to assist residents in cleaning up and repairing their properties, which due to handicaps or lack of funding would not otherwise be accomplished.

A committee was established to review and update all City engineering standards to further aid the development process. In addition, zoning certificates of approval has been transferred from the Building Department to the Planning and Zoning Department. The Development Department continued in the joint fund-raising and marketing efforts with the newly reorganized Fairfield 33 Alliance to enhance the development opportunities in the State Route 33 corridor. In addition, City Council adopted a Joint Economic Development Agreement (JEDD) template with Violet Township, and Canal Winchester. A JEDD allows the municipalities and the township to work together to develop township land for commercial and industrial purposes while imposing an income tax on the subject property(s).

The Planning and Zoning Department estimated commercial expansion during 2008 at \$30,963,270 while residential housing including condos added another \$10,223,839 to the City's real estate evaluation.

Police Department

With the area growing rapidly, during 2008 the Police Department's staff hired one patrol officer, three auxiliary officers and two public safety dispatchers to fill vacant positions. The police staff which includes the chief, two commanders, twenty patrol officers, three detectives, and ten auxiliaries is dedicated to protecting and serving the City's residents. The Mounted Patrol Unit that was created in June 2007 with the donation of a registered American Quarter Horse and registered Palomino called Prince donated by Mrs. Sheri Beckman was used for security and investigative purposes, parades, festivals and community relations.

During 2008, over 1,100 students participated in the Dare Program, which was partially funded from a State Grant in the amount of \$42,883. The Dare Program benefited from a donation of a 2007 Honda Civic by Honda East and the net receipts from the golf outing of nearly \$9,000. In the area of training, five self-defense classes for women with nearly 150 individuals were conducted in basic defensive tactics.

During 2008, all City personnel continued to be trained in NIMS (National Incident Management System) in the event of a man made or natural disaster of any scale. The Police Department participated in a Fundamental Hazardous Material Exercise with the Fairfield County EMA. The primary goal for this exercise was to determine the ability of local public safety services in handling a potentially dangerous situation.

Streets Department

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 several construction projects. The City crews maintain 59.62 miles of existing streets that lie within its borders.

The Diley Road widening project was started in 2008. The project consists of reconstruction and widening of 2.95 miles of Diley Road to five (5) lanes with curb, gutter, storm sewer, multi-use path and sidewalks, limited street lighting, and traffic signals at Long Road and Wright Road/W. Columbus Street. The replacement of a small bridge, an at-grade crossing of Norfolk Southern railroad tracks, and the relocation and upgrade of water and sanitary sewer lines is included in this \$22 million plus project. The City has received 80 percent funding through a federal government grant administered through the Mid Ohio Regional Planning Commission for the construction and land right-of-way purchases. The Diley Road widening project's scheduled completion date is the fall of 2009.

Utilities Department

The Water Plant realized a four percent increase in water distribution over 2007, with the average daily plant production of 1.413 MGD, with the highest production in one day of 2.3 MGD. The City installed a \$400,000 clear well during 2008. The wastewater lift station was upgraded at the water plant by replacing submersible pumps and up-sizing the discharge line from a six-inch line to an eight inch line.

The wastewater plant construction commenced in October of 2008. This expansion will increase plant capacity from 1.6 MGD to 3.2 MGD. In addition 7,660 feet of 14-inch force main was installed and two 40 hp pumps with capacity of 1,200 GPM were installed at the D-Line Lift Station replacing two smaller pumps.

During 2008, 900 feet of ditches were improved and 15 catch basins were repaired with 1,475 feet of storm water pipe installed.

Parks and Recreation Department

During 2008, service workers planted 267 trees, removed 58 trees and pruned 396 trees around the City. Due to the City staff planting all the trees a cost savings of 30-40 percent was realized over an independent contractor's costs.

The City's Parks System has five parks within its corporation limits totaling more than 160 acres of passive and active parkland. The City's largest and most-used park, Sycamore Park provides tennis courts, softball diamonds, picnic shelters, horseshoe courts, fishing, sledding, and jogging/walking trails.

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.

With the combined efforts of the Building Regulations Department Administrator's supervision and City crews, new playground equipment and play area was constructed in Victory Park. A stone base with rubber safety mats and artificial turf was installed for the Evos play unit for ages five to twelve years, a tot play unit for ages two to five years, and an escalator climber and eight swings. The City's cost to install the 5,200 square foot playground was under \$70,000 due to the talents and effort of City employees, and an \$18,500 Ohio Department of Natural Resources NatureWorks grant. The cost to contract the entire project had been estimated at \$130,000. Park benches, trash cans and landscaping will be added in the spring of 2009. The Disc Golf Course Project parking lot was paved.

The City of Pickerington purchased The Swim Club, an aquatic recreation center, with non-tax revenue on March 14, 2008 for \$655,000. A \$310,000 down payment and the first of three annual \$115,000 installment payments were financed through the Parks Impact Fee Fund. The Department sold 672 season passes and honored 40 preseason passes sold by the previous owners as per the purchase agreement. Taking advantage of a 25 percent discount, City residents purchased 282 season passes (42 percent of passes sold and a 15 percent increase from the previous year). Revenue from passes, swim lessons, concessions and rentals totaled \$268,511. The City netted a \$49,112 surplus after paying operating expenses and reinvested \$80,287 on new equipment and major facility improvements such as pool pumps and filter replacements, robotic pool vacuum, concession equipment, sound system, pool heater, painting and parking lot repair.

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, Fishing Derby, Old Pickerington Village Arts Festival, Friday Night Flicks, Summer Concert series, Little Tots Trick or Treat, Haunted Village, Breakfast with Santa and Teen & Tween Swim Nights. For some events in 2008, the Parks and Recreation Department partnered with various community organizations to encourage larger participation. The Department received donations from Giant Eagle and Fairfield Federal Savings & Loan which covered the costs of the Summer Concert Series and the Friday Night Flicks. The Department coordinates a diverse, year-round recreation program from preschool activities to youth and adult programs including co-ed sports leagues. The Recreation Assistant coordinated the design and implementation of computer software for activity registration classes, pool passes and facility rentals.

Building and Regulations Department

The Division of Building and Regulations has one full-time inspector and two part time contract inspectors. The Department issued 241 building permits that consisted of 50 single-family residential units, valued at \$10,223,839, eight new commercial units, one multifamily, 104 commercial permits for expansions or renovations valued at \$30,963,270, and 78 miscellaneous permits for decks, room additions and garages, valued at \$2,492,387. During 2008, total permit fees collected amounted to \$1,114,386.

The Building and Regulations Department has enhanced its records management system by utilizing Franklin Systems software, which can be utilized in the future for code enforcement purposes. In the previous year through a collaboration of the City's finance software company, CMI and Franklin Systems, an interface between the two systems was achieved that continues to prove to be a cost savings in allowing for posting of all receipts from the building department to the accounting system, thus eliminating duplication of work and streamlining the posting process.

Land and Buildings Department

A new 125 kW generator was installed at City Hall allowing for continued services during power outages. The computer server that is utilized by the Finance, Tax, Utility, Personnel and Court Departments was upgraded to double the capacity. The City's telephone service vendor was changed to AT&T from Time Warner generating a savings of \$3,600 per year.

A new 4,368 square foot cold storage building was built at the Service Complex providing a protective storage for equipment, vehicles and signs, which will increase the useful life of the City's equipment.

Finance Department

The Finance Department continued to receive a positive return from income tax and personal property tax due to the growth in the area. In 2008 income tax revenue increased 12 percent over 2007 which equated to \$514,936. \$99,784 of this increase was due to income tax generated from subcontractors working on several commercial projects including a new school and Diley Road. Delinquency collections increased by \$60,440 due to concentrated efforts for compliance and using Mayor's Court to prosecute cases. To ease the preparation of City tax returns, residents were able access the "Tax Tool" on the City's website to view their estimated payments and to calculate and prepare their City tax returns.

Working with an outside consultant as a financial advisor has 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, 2006, 2007 and 2008. The overall rating of the City was upgraded to "A-1" status in 2007 and was reaffirmed in 2008. This note rating brought a significantly low rate of 2.25 percent on the City's \$8,865,000 bond anticipation notes issued in February 2008 with an interest savings of at least \$10,000.

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

The City Council authorized an issue to be placed on the ballot in November of 2008 for voters to approve an Opt-Out Natural Gas Aggregation Program pursuant to Section 4929.26 of the Ohio Revised Code. Passage of the issue was successful and the program will be instituted in 2009.

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 State Route 256 and State Route 33 will open a corridor to promote more development of office and retail uses along the northern and southern portions of Diley Road. This project is being completed in phases, with the first, second, and third phases completed as of December 31, 2006.

The final phase started in 2007 and is being partially financed with an approximately \$14,000,000 federal highway grant. Of the \$14,000,000 in federal highway grant money, the City is only responsible for administering and determining compliance with how the federal grant money is spent in accordance with OMB Circular A-133 for the original phase of the project, which included the purchase of land, right of ways, easements, and the relocation of homeowners as necessary to begin construction. The City disbursed a significant portion of federal highway grant money in 2006, 2007, and 2008. The Ohio Department of Transportation is responsible for the actual construction of Diley Road which includes the requirements that money expended is in accordance with OMB Circular A-133. Once the project is completed the City is expected to assume responsibility of maintaining the related infrastructure. The final phase of the project is estimated to be complete by December 31, 2009.

There are some major capital improvements occurring in the utilities area. The City's 3.2 MGD Wastewater Treatment Plant expansion is underway and should be completed in 2010. This project assures capacity will be available to service customers that will expand our commercial tax base and assure we continue meeting OEPA requirements into the future.

URS Corporation is currently working on the design for the future one million gallon water tower. A stormwater outfall system is being replaced and water lines upgraded in the old downtown area which will relieve several flooding issues during heavy rains for downtown residents. The project is being funded through an Ohio Public Works grant of \$1,161,743 which includes \$387,765 as a 20 year non-interest loan and \$773,978 grant award. The City has borrowed an additional \$389,317 in a bond anticipation notes to cover the remainder of the \$1,551,060 project.

The City has completed the two projects that were identified in the Growth Management Strategy and Assessment Plan adopted in 2005. In February of 2008, City Council adopted Nonresidential Design Guidelines to maintain and enhance a quality community image and promote orderly and sustainable growth. In addition, the City has completed a plan for the Diley Road corridor to capture economic development opportunities that the new five lane road should yield. Furthermore, in the past few years the City has adopted impact fees, residential design standards and a Parks and Recreation Facilities Master Plan per the Growth Management Plan and Assessment Plan.

The City is facing the same residential development slow down that has affected the Central Ohio area and most parts of the country. However, there has been a slight improvement compared to May of 2008 when 21 new home permits were issued. Through mid May of 2009, 30 new home permits were issued. In total 50 new home permits were issued during 2008. As of December 2008, there were 1,022 vacant platted lots for single family homes and 390 condo units available to be built in the City. It is estimated that there are 1,200 acres of vacant residential land and 375 acres of vacant commercial land available for development. Despite the slow down in residential development, commercial enterprise area development is proceeding at a fast pace.

Commercial development activity is vibrant despite the current lull in the national economy. Below are developments that have completed construction, developments that are under construction, and developments that have been approved or are in the process of being reviewed by the Planning and Zoning Commission with anticipated construction in the near future:

Developments That Have Completed Construction in 2008

Development	Square Feet	Estimated Value
Sonic	1,550	\$450,000
Lifestyle Fitness	26,500	3,250,000
Office Building	7,590	643,000
Orthopedic Laser Technology	2,200	175,000
	<u>37,840</u>	<u>\$4,518,000</u>

Developments That Are Under Construction in 2009

Development	Square Feet	Estimated Value
Moo Moo's Car Wash	2,985	\$500,000
Sycamore Creek Elementary School	84,400	10,500,000
Petland	5,212	600,000
Violet Township Service Building	11,600	2,400,000
Walgreens	14,490	1,150,000
Primrose School	11,600	850,000
Rule 3 Entertainment Center (Bowling facility)	25,575	3,470,000
Pickerington Assisted Living Facility	67,287	5,260,015
	<u>223,149</u>	<u>\$24,730,015</u>

**Developments Approved or Being Reviewed by the Planning and Zoning Commission
with Anticipated Construction in the Near Future**

Development	Square Feet	Estimated Value
Offices at Stonecreek (5 buildings)	40,000	\$4,000,000
Windmill Square Office Buildings (2 buildings)	16,532	1,700,000
Luse Office Buildings (9 buildings)	41,800	1,350,000
Urban Active/ Hill Road Plaza Redevelopment	69,313	8,320,000
Diley Towne Center	50,308	6,040,000
Violet Township Service Building	11,595	2,500,000
Anchor State Route 204 Business Park	28,700	3,444,000
Shoppes of Yarmouth	38,100	4,572,000
Hunters Run Phase V	34,840	4,100,000
	<u>331,188</u>	<u>\$36,026,000</u>

In addition, staff is currently reviewing plans to convert the old Sky Bank building into a Key Bank branch and to change the diner at Stonecreek Drive North into a Japanese steakhouse. In addition, a proposed paintball course is being proposed near the Hampton Inn. In order to develop the Luse property, which has a development plan slated for nine buildings, the developer is currently constructing a roadway between Courtright Road and Diley Road and is also extending the City's water and sewer lines. The roadway, Commerce Drive, is currently under construction linking property on State Route 256 to the Old State Route 256. Eventually as development occurs in the area, this roadway will be continued to the new Diley Road.

While commercial development in the City of Pickerington continues to outpace activity in other area cities, the main concern is the rising cost of providing critical City services to our citizens. The cost of fuel, road salt, vehicles and other supplies and materials is increasing faster than revenues. This fact, coupled with State-mandated collective bargaining which adds to the labor and health care costs, has lead City Council to undertake a comprehensive review of all aspects of the General Fund budget. Two subcommittees of the Finance Committee of Council were formed in the spring of 2008 to focus both on expenses and income sources. These committees reviewed and evaluated various areas for cost savings and enhancing revenues.

The Finance Committee recommended the increase to 2 percent for income tax to be presented to voters in the fall of 2008, if passed the income tax credit would have increased as well to 1.5 percent for taxes paid to another City. This measure failed and is currently under discussion for placing some type of tax measure on the ballot in December 2009 in the form of either an income or property tax. The Committee has currently authorized a public opinion survey to determine what type of increase in revenues the City should seek or what services should be eliminated or decreased. Most of the new revenue would be used to maintain our current level of police services, restore a modest level of funding for street repaving, and to reduce the existing debt. In turn, consideration is being given to contracting for some City services to reduce cost and trim expenses. Currently there is a freeze on filling non-essential positions. The City's goal in order to remain competitive in the future is to continue to focus on the development process and to complete all projects in a timely manner. It should be noted that the main reason that the City's tax rate has not increased for over thirty years from the original one percent is because the City has been successful as a community in adding to our commercial tax base.

The citizen task force committee, a Utility Fees Review Committee, created in 2006 recommended a 13 percent increase in water rates and a 19 percent increase in sewer rates for 5 years in order to allow the two systems to be self-sufficient. 2008 was the third year of the increase in water and sewer rates. The committee will continue to meet in the future to evaluate the costs of operation and the utility rate structure of the stormwater utility.

The Utility Fees Review Committee, along with the existing Planning and Zoning Commission, Board of Zoning Appeals, Parks Board, Tax Appeals and Tree Commission, and appointed citizens, will give residents a chance for input and involvement in the various aspects of city government.

In 2007, the City and Canal Winchester utilities met to work out a method of billing City residents who are on the City water system but use the Canal Winchester sewer system. As a result of these negotiations, the City will bill for both water and sewer and pay Canal Winchester for the sewer charges. In turn, the City will receive a one time \$21,000 fee and be able to keep all penalties and any collections of revenue from the difference between the City's sewer rates and Canal Winchester's sewer rates. This has generated additional revenues to the sewer fund of \$83,471.

In April of 2006, the City hired a full time staff engineer to assist the consulting firm of W.E. Stilson who was the contracted City Engineer. With the City's growth, the hiring of a full time City Engineer had been evaluated for cost savings. In June of 2009, the City will replace the contracted engineering firm with the City Engineer position becoming a full time in house employee. This employee will be appointed by City Council, but will be supervised by the City Manager.

Long-term Financial Planning

The City's Debt Policy, adopted in 2005, has provided a tool for the City to better manage the issuance of debt, to secure support services for debt issuance, and to further set guidelines for selecting professional service vendors on a competitive basis. The first phase of this planning was accomplished in the spring of 2006 with the consolidation of the City's outstanding bond anticipation notes issued for a common maturity date. The City advertises its note sales over the internet through I-Deal which offers a more wide range market. In 2008, the City maintained the MG1 note issue rating, the highest rate for bond anticipation notes. The City continues to maintain an A-1 overall credit rating. The immediate goal will be converting the utility system bond anticipation note issues into long-term revenue bonds, which should be feasible in early 2010. Depending on the interest rates, possibly the Police Station lease may be converted into a fixed rate bond issue or the larger of several street related note issues will be refinanced as a bond issue instead of bond anticipation notes at their time of renewal. This will allow for additional debt capacity for street improvement projects. The City's share of the Diley Road expansion project is being funded through a 3 percent interest loan with the State Infrastructure Bank. This is amortized over 10 years with a 4 million dollar balloon payment at the 10th year. At that time, the City would bond the remaining balance over a 20-25 year period.

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, bankers' acceptance notes, pools managed by the State of Ohio and securities issued by governmental agencies, including Federal Home Loan Mortgage Association, and Federal Farm Credits. The yields on the portfolio at December 31, 2008 ranged from 2.81 percent to 3.51 percent with the average for the entire portfolio including interest earned on the City's checking account being 2.21 percent, which represents a 54 percent decrease in average investment rates over 2007.

Investment earnings have decreased dramatically; \$459,335 was earned on investments, which was a 37 percent decrease over 2007 due to the economic decline overall and bank crisis. The City's investments were partly shielded from the effect of the rapid downward spiral of the financial markets through the City's investment policy to invest in one to two year term securities. In accordance with the City of Pickerington's investment policy, the portfolio continues to be diversified utilizing investments in bankers' acceptances, certificates of deposit and various federal agencies. In addition maturities have been selected to maintain a laddered portfolio structure. 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 and 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, with a general aggregate up to \$2,000,000 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, Parks Director and Administrative Clerk, Utility Billing Department personnel and Mayor's Court Clerk.

For the third year, the City contracted with Medical Mutual of Ohio for medical and prescription drug coverage. Employees had two plans from which to select, offering them cost savings for their share of the insurance cost. One of two plans was a high deductible with a Health Savings Plan with a \$1,500 deductible for single and \$3,000 for family. The City funds the employee accounts at \$1,400 for a single and \$2,800 for a family, 63 percent of the employees eligible for insurance opted for this plan. The premium savings for the Health Savings Plan combined with the employees opting out of the insurance program because of the \$3,000 incentive for not subscribing to the City's health care insurance, saved the City nearly \$150,000 in 2008 and \$200,000 in 2009. In addition to the medical insurance, the City contracts privately with Delta Dental for dental insurance, Vision Service Plan for vision insurance, and Jefferson Pilot for life insurance.

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 Police and Firemen's Disability and Pension fund (PFDPF). The City provides post retirement health care benefits through the City's pension contributions to OPERS and Police and Firemen's Disability and Pension Fund of Ohio (PFDPF).

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 Finance Director received the Mary Taylor, CPA Auditor of State's Award "Making Your Tax Dollars Count" for outstanding commitment to the highest standards of financial reporting for the years 2005 and 2006 because of the filing of the Comprehensive Annual Financial Report (CAFR) and having no audit citations.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (CAFR) to the City of Pickerington for its comprehensive annual financial report for the year ended December 31, 2007. This was the fourth year that the City had filed a CAFR and received this reward for each of the four years. 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 fifteenth Tree City USA Award for the year ended December 31, 2008. 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



Tim Hansley
City Manager

**City of Pickerington, Ohio
List of City Officials
December 31, 2008**

City Council

Mayor	Mitch O'Brien
President Pro Tempore	Cristie Hammond
Vice President Pro Tempore	Jeffrey Fix
Council Member	Michael Sabatino
Council Member	Tricia Sanders
Council Member	Brian Sauer
Council Member	Keith Smith
Council Member	Brian Wisniewski

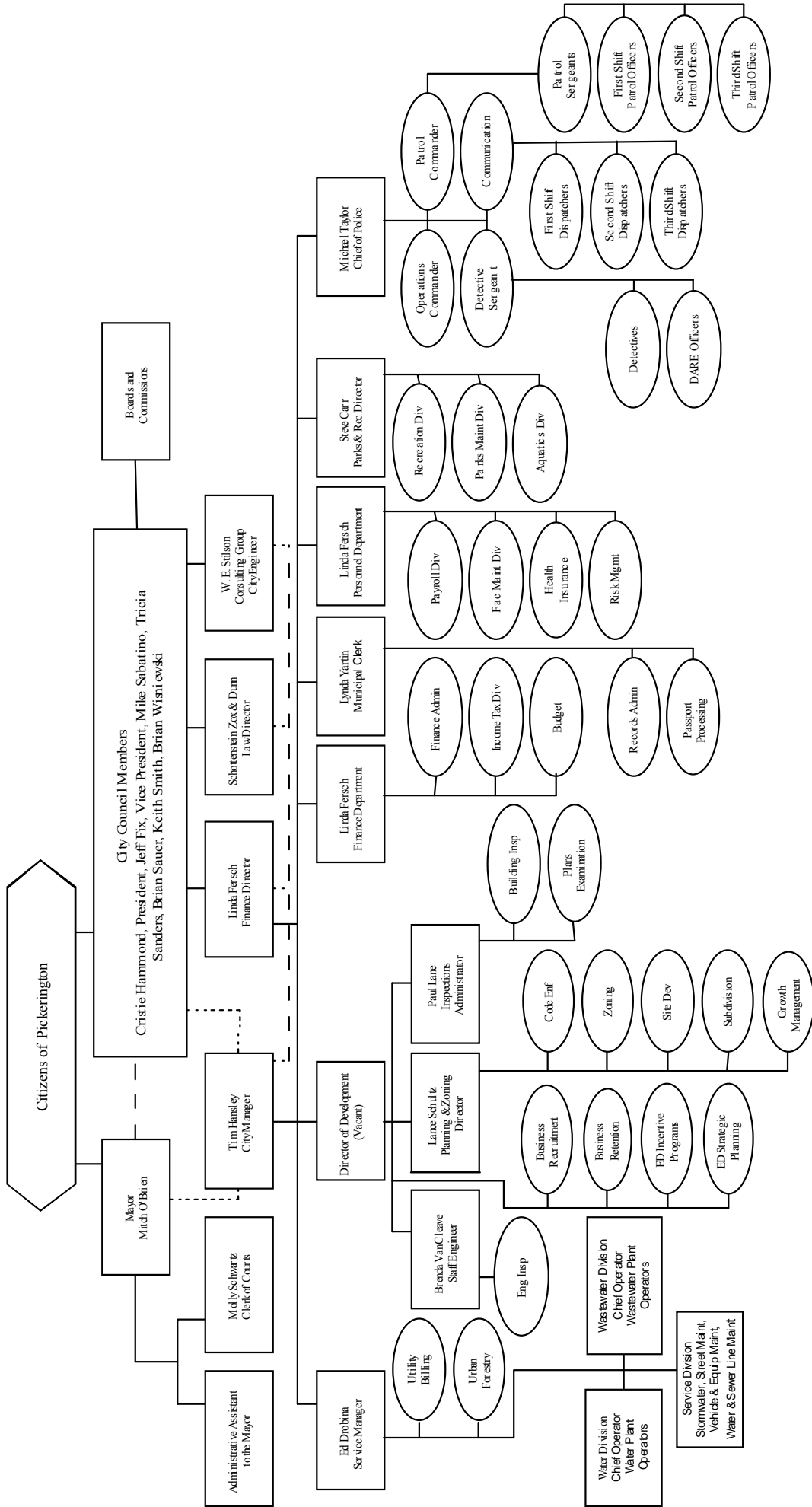
Appointed Officials

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

Executive Staff

Deputy Finance Director	Christopher Schornack
Income Tax Administrator	Janice Eichner
Mayor's Court Clerk	Molly Schwartz
Municipal Clerk	Lynda Yartin
Parks and Recreation Director	Stephen Carr
Personnel Director	Linda Fersch
Planning and Zoning Director	Lance Schultz
Police Chief	Michael Taylor
Service Manager	Edward Drobin

City of Pickerington Organizational Chart



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, 2007

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.



A handwritten signature in black ink, appearing to read "M. L. R.", is positioned above the title "President".

President

A handwritten signature in black ink, reading "Jeffrey R. Emer", is positioned above the title "Executive Director".

Executive Director

Financial Section



INDEPENDENT AUDITORS' 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, 2008, 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, 2008, 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.

As disclosed in Note 3, the City implemented GASB Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations" and GASB Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments". In addition, the City restated net assets to account for payments in lieu of taxes receivable and also amounts due in more than one year.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2009, 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.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS
Ten West Locust Street
Newark, Ohio 43055
(740) 345-6611
1-800-523-6611
FAX (740) 345-5635

City of Pickerington
Fairfield County
Independent Auditors' Report

Management's Discussion & 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.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
June 19, 2009

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2008
Unaudited

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, 2008. 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 2008 are as follows:

- The City's total net assets increased by \$9,675,024, from the total net assets at the beginning of the year 2008.
- At the end of the current year, the City's governmental activities reported total net assets of \$46,216,973, an increase of \$8,199,767 from the prior year.
- At the end of the current year, unreserved fund balance for the General Fund was \$2,840,208, which represents a 34 percent increase from the prior year, and represents 84 percent of total General Fund expenditures.

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.

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 2008?" 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.

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2008
Unaudited

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, Stormwater, and Aquatic Recreation Center Funds.

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

Reporting the City's Most Significant Funds

Fund Financial Statements

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

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

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

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2008
Unaudited

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 76 through 122 of this report.

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

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

The 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 2008 compared to 2007.

Table 1
Net Assets

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2008	Restated 2007	2008	2007	2008	2007
Assets						
Current and Other Assets	\$12,048,863	\$12,554,016	\$5,441,032	\$6,873,468	\$17,489,895	\$19,427,484
Capital Assets, Net	56,607,734	45,558,867	45,011,238	42,998,631	101,618,972	88,557,498
<i>Total Assets</i>	<u>68,656,597</u>	<u>58,112,883</u>	<u>50,452,270</u>	<u>49,872,099</u>	<u>119,108,867</u>	<u>107,984,982</u>
Liabilities						
Current and Other Liabilities	7,130,509	6,524,196	1,238,864	1,194,251	8,369,373	7,718,447
Long-term Liabilities	15,309,115	13,571,481	9,379,996	10,319,695	24,689,111	23,891,176
<i>Total Liabilities</i>	<u>22,439,624</u>	<u>20,095,677</u>	<u>10,618,860</u>	<u>11,513,946</u>	<u>33,058,484</u>	<u>31,609,623</u>
Net Assets						
Invested in Capital Assets, Net of Related Debt	39,459,496	29,131,270	34,996,281	32,707,886	74,455,777	61,839,156
Restricted	4,193,430	6,884,145	0	0	4,193,430	6,884,145
Unrestricted	2,564,047	2,001,791	4,837,129	5,650,267	7,401,176	7,652,058
<i>Total Net Assets</i>	<u>\$46,216,973</u>	<u>\$38,017,206</u>	<u>\$39,833,410</u>	<u>\$38,358,153</u>	<u>\$86,050,383</u>	<u>\$76,375,359</u>

City of Pickerington, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2008
Unaudited

Total assets increased \$11,123,885. The majority of the increase is due to an increase in capital assets in the amount of \$13,061,474. During 2008, the City received and expensed \$1,855,822 and \$8,027,990 in State Infrastructure Bank loan proceeds and Ohio Department of Transportation federal grant monies for the Diley Road Widening and Realignment Project. In addition, the City received \$2 million in capital contributions from Equity, Inc. for Stonecreek Drive. The increase was offset by a decrease in current and other assets due to a decrease in cash and cash equivalents and cash and cash equivalents with escrow agents in the amounts of \$1,540,872 and \$560,529, respectively. During 2008, the City made principal payments on the outstanding governmental activities and business-type bond anticipation notes in the amounts of \$200,000 and \$612,500.

Total governmental activities long-term liabilities increased \$1,737,634. During 2008, the City drew down \$1,855,822 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. The City entered into a lease purchase agreement in the amount of \$655,000 to purchase an Aquatic Recreation Center. The City issued \$270,000 in street improvement bond anticipation notes for the Diley Road Project Widening and Realignment Project.

Total governmental activities current liabilities increased \$606,313. The majority of the increase is due to an increase in accounts payable in the amount of \$963,372. During 2008, the City entered into a new tax increment financing agreement with Equity, Inc. The City will distribute in its entirety the projected amount of payment in lieu of taxes collected by the County to the developer.

The increase in governmental activities total liabilities is offset by a decrease in general obligation bonds and revenue anticipation notes. During 2008, the City made principal payments in the amount of \$50,000 on outstanding general obligation street improvement bonds. The City retired \$3,256,750 in revenue anticipation notes and issued \$2,936,000, resulting in a decrease of \$320,750 in revenue anticipation notes.

Total business-type activities liabilities decreased \$895,086. This decrease is primarily due to a decrease in long-term liabilities in the amount of \$939,699. During 2008, the City made principal payments in the amount of \$345,000 on outstanding general obligation bonds. The City retired \$5,762,500 in business-type bond anticipation notes and issued \$5,150,000 in business-type bond anticipation notes, resulting in a decrease of \$612,500 in bond anticipation notes. This decrease in long-term liabilities is offset by a slight increase in outstanding OWDA loans. During 2008, the City drew down \$245,749 in OWDA loans for the Wastewater Treatment Plant Project.

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Table 2 shows the changes in net assets for 2008, compared to the changes in net assets for 2007.

Table 2
Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues						
Program Revenues						
Charges for Services	\$1,080,527	\$1,192,731	\$4,350,153	\$3,668,318	\$5,430,680	\$4,861,049
Operating Grants and Contributions	1,010,832	851,458	0	0	1,010,832	851,458
Capital Grants and Contributions	10,165,310	542,128	1,122,758	1,158,165	11,288,068	1,700,293
<i>Total Program Revenues</i>	<u>12,256,669</u>	<u>2,586,317</u>	<u>5,472,911</u>	<u>4,826,483</u>	<u>17,729,580</u>	<u>7,412,800</u>
General Revenue						
Property and Other Taxes	2,379,545	2,280,741	0	0	2,379,545	2,280,741
Income Taxes	4,671,505	4,156,569	0	0	4,671,505	4,156,569
Franchise Taxes	43,081	34,616	0	0	43,081	34,616
Grants and Entitlements	960,300	551,593	0	0	960,300	551,593
Investment Earnings	336,461	455,624	122,874	268,569	459,335	724,193
Payment in Lieu of Taxes	277,332	652,684	0	0	277,332	652,684
Impact Fees	485,964	625,041	0	0	485,964	625,041
Miscellaneous	285,098	137,500	73,928	28,546	359,026	166,046
<i>Total General Revenues</i>	<u>9,439,286</u>	<u>8,894,368</u>	<u>196,802</u>	<u>297,115</u>	<u>9,636,088</u>	<u>9,191,483</u>
<i>Total Revenues</i>	<u>21,695,955</u>	<u>11,480,685</u>	<u>5,669,713</u>	<u>5,123,598</u>	<u>27,365,668</u>	<u>16,604,283</u>
Program Expenses						
General Government	2,436,997	2,358,695	0	0	2,436,997	2,358,695
Security of Persons and Property	4,009,308	3,829,576	0	0	4,009,308	3,829,576
Transportation	3,936,695	3,469,100	0	0	3,936,695	3,469,100
Leisure Time Activities	816,074	845,507	0	0	816,074	845,507
Public Health Services	139,550	122,046	0	0	139,550	122,046
Community Environment	775,088	1,276,233	0	0	775,088	1,276,233
Interest and Fiscal Charges	577,476	589,252	0	0	577,476	589,252
Water	0	0	1,993,851	1,992,516	1,993,851	1,992,516
Sewer	0	0	2,358,467	2,059,272	2,358,467	2,059,272
Stormwater	0	0	427,739	429,984	427,739	429,984
Aquatic Recreation	0	0	219,399	0	219,399	0
<i>Total Program Expenses</i>	<u>12,691,188</u>	<u>12,490,409</u>	<u>4,999,456</u>	<u>4,481,772</u>	<u>17,690,644</u>	<u>16,972,181</u>
Increase before transfers	9,004,767	(1,009,724)	670,257	641,826	9,675,024	(367,898)
Transfers	(805,000)	0	805,000	0	0	0
<i>Change in Net Assets</i>	<u>8,199,767</u>	<u>(1,009,724)</u>	<u>1,475,257</u>	<u>641,826</u>	<u>9,675,024</u>	<u>(367,898)</u>
Net Assets Beginning of Year - Restated (See Note 3)	38,017,206	39,026,930	38,358,153	37,716,327	76,375,359	76,743,257
<i>Net Assets End of Year</i>	<u>\$46,216,973</u>	<u>\$38,017,206</u>	<u>\$39,833,410</u>	<u>\$38,358,153</u>	<u>\$86,050,383</u>	<u>\$76,375,359</u>

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Governmental Activities

Grants and contributions accounted for 52 percent of total governmental revenues. Of the 52 percent, operating grants and contributions accounted for 5 percent of total governmental revenues while capital grants and contributions accounted for 47 percent. Capital grants and contributions consist of \$8,027,990 in federal funds from the Ohio Department of Transportation for the Diley Road Improvement Project and \$2 million in capital contributions from Equity, Inc. for Stonecreek Drive.

Tax revenue provided 33 percent of total governmental revenues. Of the 33 percent, 22 percent of total governmental revenues was generated from income taxes and 11 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 84 percent of the City's total governmental revenues.

The City received \$1,080,527, or 5 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 \$4,009,308, or 32 percent, of total program expenses. Transportation services utilized \$3,936,695, or 31 percent, of total program expenses.

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

Table 3
Governmental Activities

	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2008	2008	2007	2007
General Government	\$2,436,997	\$2,417,700	\$2,358,695	\$2,326,347
Security of Persons and Property	4,009,308	3,530,526	3,829,576	3,393,246
Transportation	3,936,695	(7,122,266)	3,469,100	2,027,463
Leisure Time Activities	816,074	589,664	845,507	639,214
Public Health Services	139,550	139,550	122,046	122,046
Community Environment	775,088	301,869	1,276,233	806,524
Interest and Fiscal Charges	577,476	577,476	589,252	589,252
Totals	\$12,691,188	\$434,519	\$12,490,409	\$9,904,092

Business-Type Activities

The City's business-type activities are for water, sewer, stormwater, and aquatic recreation services. During 2008, program revenues exceeded expenses by \$473,455.

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The minimum water rate is \$2.72 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 \$4.18 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 \$18.23 per month up to 3,000 gallons of water. A sewer fee of \$6.08 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 2008, unreserved fund balance was \$2,840,208, while total fund balance was \$2,877,065. 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 84 percent of total General Fund expenditures, while total fund balance represents 85 percent of General Fund expenditures.

The fund balance of the City's General Fund increased by \$668,964 during the current year. The key factor in this increase was an increase in intergovernmental revenue in the amount of \$539,844. The increase in intergovernmental revenue is due to an increase in estate/inheritance tax in the amount of \$569,319. In addition, income tax revenue increased \$493,185. The increase in intergovernmental revenue and income tax revenue was offset by a decrease in interest revenue in the amount of \$131,245 due to a decrease in the rate of return on investments.

Other Major Governmental Funds

Police Fund

The fund balance of the Police Fund at December 31, 2008 is \$168,847, an increase of \$12,495 from the prior year. The increase in fund balance is primarily due to an increase in intergovernmental revenues in the amount of \$88,670. During 2008, the City received the 2007-2008 and 2008-2009 DARE grant state monies in the amount of \$63,597.

Tax Increment Financing Agreement Windmill/ Diley Construction Fund

The fund balance of the Tax Increment Financing Agreement Windmill/ Diley Construction Fund at December 31, 2008 is (\$2,093,223), an increase of \$84,503 from the prior year. The increase in fund balance is primarily due to an increase in payment in lieu of taxes in the amount of \$97,315.

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Diley Road Improvement Fund

The fund balance of the Diley Road Improvement Fund at December 31, 2008 is (\$168,349), a decrease of \$291,662 from the prior year. During 2008, the City issued \$270,000 in street improvement bond anticipation notes for the Diley Road Widening and Realignment Project.

Tax Increment Financing Agreement Cover Construction Fund

The fund balance of the Tax Increment Financing Agreement Cover Construction Fund at December 31, 2008 is (\$905,958), a decrease of \$901,267 from the prior year. The decrease was primarily due to an increase in accounts payable in the amount of \$764,472. During 2008, the City entered into a new tax increment financing agreement, the Equity Tax Increment Financing Agreement, with Equity Inc. This agreement removed a portion of the original exempted Cover property out of the Cover Tax Increment Financing Agreement and set up a separate tax increment financing agreement between the City, Equity Inc., and Pickerington Local School District. The agreement requires that the City is to annually distribute Cover payment in lieu of taxes revenue less \$56,045 plus fifty percent of the debt issued by the City for the remainder of the Cover Tax Increment Financing Agreement. In addition, at the end of the Cover Tax Increment Financing Agreement the City will distribute \$50,000 to the Pickerington Local School District. The Cover Tax Increment Financing Agreement will be complete in tax year 2012.

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 \$164,557, the Sewer Fund's net assets increased \$178,135, and the Stormwater Fund's net assets increased \$111,370. The increases can be primarily attributed to an increase in water and sewer rates. During 2008, water rates increased 13 percent from \$2.41 per 1,000 gallons to \$2.72 per 1,000 gallons and sewer rates increased 19 percent from \$15.32 under 3,000 gallons to \$18.23 under 3,000 gallons.

Budgetary Highlights

General Fund

The City made numerous revisions to the original appropriations approved by City Council. Overall, these changes resulted in an increase in appropriations from the original budget in the amount of \$576,279. During 2008, original appropriations were increased for the following functions: general government by \$151,011; \$9,000 for the budget imaging system contract, \$6,392 for an increase in the worker's compensation premium, \$12,427 increase for prosecutor services and election expenses, \$10,000 increase in expenses for the income tax levy, \$25,000 for an increase in contracted site construction inspections, and \$95,000 for income tax refunds. Security for persons and property increased by \$6,500 for street light costs.

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Actual expenditures were less than the final budgeted expenditures by \$1,071,865; general government actual expenditures were \$480,852 less than budgeted and community environment actual expenditures were \$582,064 less than budgeted. These differences are due to the following factors: a decrease in actual legal services in the amount of \$105,880 due to less annexation during 2008 and a decrease in the monthly retainer from \$20,000 to \$15,000; a decrease in engineer services in the amount of \$52,333 due to the City renegotiating the monthly retainer at a lower monthly rate in addition to the City using fewer engineering services outside of the retainer; a decrease in actual council expenditures in the amount of \$30,592 due to the City budgeting for council members to take the City's health insurance; a decrease in actual finance department expenditures in the amount of \$30,376 due to a part-time income tax clerk resigning and not being replaced in addition to the City budgeting for health insurance based upon the health insurance plan with the higher premium rather than the City's optional health spending account plan; a decrease in building inspection services in the amount of \$380,485; a decrease in personal services expenditures within the development department in the amount of \$63,707 due to the director of development resigning and not being replaced; a decrease in contractual services within the planning and zoning department due to a decrease in property maintenance and nuisance abatement services and a decrease in architectural plan review.

The City's actual revenues were greater than the final budgeted revenues by \$37,362. This increase is primarily due to an increase in cable franchise fees, which resulted in an increase of \$66,899 in other revenue compared to the budgeted amount of \$70,390.

At December 31, 2008, the fund balance on a budgetary basis is \$1,439,794 better than initially projected in the original budget.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2008, the City had \$101,618,972 invested in capital assets, net of accumulated depreciation. Table 4 shows fiscal year 2008 balances compared to 2007.

Table 4
Capital Assets at December 31, 2008 with comparative as of December 31, 2007
(Net of Depreciation)

	<u>Government Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	2008	2007	2008	2007	2008	2007
Land	\$6,234,961	\$5,348,969	\$1,416,217	\$840,867	\$7,651,178	\$6,189,836
Construction in Progress	11,327,807	1,980,159	1,449,245	1,079,468	12,777,052	3,059,627
Land Improvements	936,974	784,647	171,685	17,866	1,108,659	802,513
Buildings	3,795,302	3,830,329	9,485,890	8,273,937	13,281,192	12,104,266
Equipment	564,341	526,059	2,134,096	2,338,570	2,698,437	2,864,629
Infrastructure	33,493,582	32,826,957	30,283,550	30,351,679	63,777,132	63,178,636
Vehicles	254,767	261,747	70,555	96,244	325,322	357,991
Totals	\$56,607,734	\$45,558,867	\$45,011,238	\$42,998,631	\$101,618,972	\$88,557,498

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

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The total increase in the City's capital assets, net of accumulated depreciation, for the current year was \$13,061,474. During 2008, the City received and expensed \$1,855,822 and \$8,027,990 in State Infrastructure Bank loan proceeds and Ohio Department of Transportation federal grant monies for the Diley Road Widening and Realignment Project. These expenses will be presented as non-depreciable capital assets on the government-wide financial statements until the project is complete.

Debt

As of December 31, 2008 and December 31, 2007, the City had total long-term debt of \$23,890,784 and \$23,213,866, respectively, as follows:

Table 5
Outstanding Debt
As of December 31, 2008, with comparative for December 31, 2007

	Governmental Activities		Business-Type Activities		Totals	
	Restated		2008	2007	2008	2007
	2008	2007				
General Obligation Bonds	\$1,369,768	\$1,420,665	\$3,846,876	\$4,167,522	\$5,216,644	\$5,588,187
Bond Anticipation Notes	3,475,000	3,445,000	4,325,000	5,150,000	7,800,000	8,595,000
Long-Term Loans	6,070,951	4,459,206	0	0	6,070,951	4,459,206
Issue Two Notes	0	0	6,299	18,903	6,299	18,903
OWDA Loans	0	0	974,369	783,965	974,369	783,965
Capital Leases	3,746,958	3,683,568	75,563	85,037	3,822,521	3,768,605
Totals	\$14,662,677	\$13,008,439	\$9,228,107	\$10,205,427	\$23,890,784	\$23,213,866

During 2008, the City issued long-term bond anticipation notes in the amount of \$7,800,000 and repaid \$8,595,000 in long-term bond anticipation, incurred \$1,855,822 in long-term loans and \$245,749 in OWDA loans, and paid down \$244,077 in long-term loans, \$55,345 in OWDA loans, and \$395,000 in general obligation bonds. Issue Two Notes decreased \$12,604. Capital lease balances increased \$53,916.

The City's overall legal debt margin was \$30,270,734 at December 31, 2008. For additional information on debt, see Note 16 to the basic financial statements.

Current Finance Related Activities

- 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.

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- 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 generated approximately \$117,000 in revenues to the General Fund in 2008.
- Monies are collected from developers for turn-lanes, traffic lights, sewer fair share, detention pond maintenance, and tree planting in subdivisions.
- Right-of-way fees were instituted in 2002 as a charge for the utility companies who use the City right-of-way for their service lines.
- Capacity fee charges for water, sewer, and stormwater increase an automatic 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, 2008

	Governmental Activities	Business - Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$4,930,059	\$4,808,740	\$9,738,799
Accounts Receivable	77,295	491,571	568,866
Permissive Motor Vehicle Registration Fees Receivable	8,210	0	8,210
Accrued Interest Receivable	51,575	16,762	68,337
Intergovernmental Receivable	870,233	0	870,233
Income Taxes Receivable	713,770	0	713,770
Materials and Supplies Inventory	41,782	23,243	65,025
Prepaid Items	116,899	62,566	179,465
Property Taxes Receivable	2,365,017	0	2,365,017
Hotel and Motel Taxes Receivable	7,057	0	7,057
Payments in Lieu of Taxes Receivable	2,846,295	0	2,846,295
Deferred Charges	20,671	38,150	58,821
Non-Depreciable Capital Assets	17,562,768	2,865,462	20,428,230
Depreciable Capital Assets, Net	39,044,966	42,145,776	81,190,742
<i>Total Assets</i>	<u>68,656,597</u>	<u>50,452,270</u>	<u>119,108,867</u>
Liabilities			
Matured Compensated Absences Payable	11,822	0	11,822
Accrued Wages and Benefits	186,588	46,344	232,932
Intergovernmental Payable	172,437	25,472	197,909
Accounts Payable	1,238,806	72,718	1,311,524
Contracts Payable	15,652	128,713	144,365
Retainage Payable	1,612	0	1,612
Accrued Interest Payable	140,592	129,217	269,809
Deferred Revenue	2,187,000	0	2,187,000
Notes Payable	3,176,000	825,000	4,001,000
Customer Deposits Payable	0	11,400	11,400
Long-Term Liabilities:			
Due Within One Year	1,035,003	517,388	1,552,391
Due In More Than One Year	14,274,112	8,862,608	23,136,720
<i>Total Liabilities</i>	<u>22,439,624</u>	<u>10,618,860</u>	<u>33,058,484</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	39,459,496	34,996,281	74,455,777
Restricted for:			
Capital Projects	3,255,095	0	3,255,095
Security of Persons and Property	18,540	0	18,540
Transportation Services	628,181	0	628,181
Other Purposes	291,614	0	291,614
Unrestricted	2,564,047	4,837,129	7,401,176
<i>Total Net Assets</i>	<u>\$46,216,973</u>	<u>\$39,833,410</u>	<u>\$86,050,383</u>

See accompanying notes to the basic financial statements

City of Pickerington, Ohio
Statement of Activities
For the Year Ended December 31, 2008

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$2,436,997	\$12,153	\$7,144	\$0
Security of Persons and Property	4,009,308	227,099	251,683	0
Transportation	3,936,695	199,872	730,654	10,128,435
Leisure Time Activities	816,074	168,184	21,351	36,875
Public Health Services	139,550	0	0	0
Community Environment	775,088	473,219	0	0
Interest and Fiscal Charges	577,476	0	0	0
<i>Total Governmental Activities</i>	<u>12,691,188</u>	<u>1,080,527</u>	<u>1,010,832</u>	<u>10,165,310</u>
Business-Type Activities:				
Water	1,993,851	1,636,814	0	447,058
Sewer	2,358,467	2,238,365	0	209,471
Stormwater	427,739	206,463	0	177,259
Aquatic Recreation Center	219,399	268,511	0	288,970
<i>Total Business-Type Activities</i>	<u>4,999,456</u>	<u>4,350,153</u>	<u>0</u>	<u>1,122,758</u>
<i>Total</i>	<u>\$17,690,644</u>	<u>\$5,430,680</u>	<u>\$1,010,832</u>	<u>\$11,288,068</u>

General Revenues

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

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year - Restated (See Note 3)

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
(\$2,417,700)	\$0	(\$2,417,700)
(3,530,526)	0	(3,530,526)
7,122,266	0	7,122,266
(589,664)	0	(589,664)
(139,550)	0	(139,550)
(301,869)	0	(301,869)
(577,476)	0	(577,476)
(434,519)	0	(434,519)
0	90,021	90,021
0	89,369	89,369
0	(44,017)	(44,017)
0	338,082	338,082
0	473,455	473,455
(434,519)	473,455	38,936
979,584	0	979,584
1,399,961	0	1,399,961
4,671,505	0	4,671,505
43,081	0	43,081
960,300	0	960,300
336,461	122,874	459,335
277,332	0	277,332
485,964	0	485,964
285,098	73,928	359,026
9,439,286	196,802	9,636,088
(805,000)	805,000	0
8,634,286	1,001,802	9,636,088
8,199,767	1,475,257	9,675,024
38,017,206	38,358,153	76,375,359
\$46,216,973	\$39,833,410	\$86,050,383

City of Pickerington, Ohio
 Balance Sheet
 Governmental Funds
 December 31, 2008

	General	Police	Tax Increment Financing Agreement Windmill/ Diley Construction	Diley Road Improvement	Tax Increment Financing Agreement Cover Construction	Other Governmental Funds	Total Governmental Funds
Assets							
Equity in Pooled Cash and Cash Equivalents	\$2,282,464	\$331,975	\$26,904	\$87,394	\$104,187	\$2,093,560	\$4,926,484
Receivables:							
Permissive Motor Vehicle Registration Fees	0	0	0	0	0	8,210	8,210
Property Taxes	897,646	1,467,371	0	0	0	0	2,365,017
Income Taxes	713,770	0	0	0	0	0	713,770
Hotel and Motel Taxes	7,057	0	0	0	0	0	7,057
Payments in Lieu of Taxes	0	0	1,187,647	0	788,898	869,750	2,846,295
Accounts	69,970	497	0	6,000	0	828	77,295
Accrued Interest	51,575	0	0	0	0	0	51,575
Intergovernmental	227,698	104,678	0	193,200	0	344,443	870,019
Interfund	230,000	0	0	0	0	0	230,000
Materials and Supplies Inventory	6,333	6,468	0	0	0	28,981	41,782
Prepaid Items	34,564	33,299	0	0	0	49,036	116,899
Restricted Assets:							
Equity in Pooled Cash and Cash Equivalents	3,575	0	0	0	0	0	3,575
Total Assets	\$4,524,652	\$1,944,288	\$1,214,551	\$286,594	\$893,085	\$3,394,808	\$12,257,978
Liabilities and Fund Balances							
Liabilities							
Matured Compensated Absences Payable	\$0	\$11,822	\$0	\$0	\$0	\$0	\$11,822
Accounts Payable	123,806	18,465	0	23,022	783,468	290,045	1,238,806
Contracts Payable	0	0	0	0	0	15,652	15,652
Accrued Wages and Benefits	51,345	113,463	0	0	0	21,780	186,588
Retainage Payable	0	0	0	0	0	1,612	1,612
Intergovernmental Payable	36,523	66,300	0	8,721	50,000	10,893	172,437
Accrued Interest Payable	472	0	20,127	0	1,677	15,484	37,760
Interfund Payable	0	0	0	230,000	0	0	230,000
Notes Payable	25,000	0	2,100,000	0	175,000	876,000	3,176,000
Deferred Revenue	1,410,441	1,565,391	1,187,647	193,200	788,898	1,121,558	6,267,135
Total Liabilities	1,647,587	1,775,441	3,307,774	454,943	1,799,043	2,353,024	11,337,812
Fund Balances							
Reserved for Encumbrances	33,282	47,371	0	5,494	47,520	176,891	310,558
Reserved for Unclaimed Monies	3,575	0	0	0	0	0	3,575
Unreserved (Deficit):							
Undesignated, Reported in:							
General Fund	2,840,208	0	0	0	0	0	2,840,208
Special Revenue Funds	0	121,476	0	0	0	724,544	846,020
Debt Service Funds	0	0	0	0	0	64,721	64,721
Capital Projects Funds	0	0	(2,093,223)	(173,843)	(953,478)	75,628	(3,144,916)
Total Fund Balances (Deficits)	2,877,065	168,847	(2,093,223)	(168,349)	(905,958)	1,041,784	920,166
Total Liabilities and Fund Balances	\$4,524,652	\$1,944,288	\$1,214,551	\$286,594	\$893,085	\$3,394,808	\$12,257,978

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, 2008

Total Governmental Fund Balances		\$920,166
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds.		56,607,734
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Property and Other Local Taxes	178,017	
Income Taxes	287,042	
Payment in Lieu of Taxes	2,846,295	
Intergovernmental	736,048	
Interest	31,905	
Reimbursements	828	
Total	4,080,135	4,080,135
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.		214
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.		20,671
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	(1,369,768)	
Compensated Absences	(646,438)	
Accrued Interest Payable	(102,832)	
Long-Term Loan Payable	(6,070,951)	
Long-Term Notes Payable	(3,475,000)	
Capital Leases	(3,746,958)	
Total	(15,411,947)	<u><u>(15,411,947)</u></u>
Net Assets of Governmental Activities		\$46,216,973

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, 2008

			Tax Increment Financing Agreement Windmill/ Diley		Tax Increment Financing Agreement Cover		Other Governmental Funds		Total Governmental Funds	
	General	Police	Construction	Diley Road Improvement	Construction					
Revenues										
Property Taxes	\$854,215	\$1,385,769	\$0	\$0	\$0	\$0	\$0	\$0	\$2,239,984	
Hotel and Motel Taxes	116,672	0	0	0	0	0	0	0	116,672	
Permissive Motor Vehicle Registration Fees	0	0	0	0	0	0	187,372	0	187,372	
Municipal Income Taxes	4,604,900	0	0	0	0	0	0	0	4,604,900	
Charges for Services	137,951	106,086	0	0	0	0	155,097	0	399,134	
Licenses and Permits	345,858	0	0	0	0	0	21,982	0	367,840	
Impact Fees	0	0	0	0	0	0	485,964	0	485,964	
Fines and Forfeitures	119,886	0	0	0	0	0	10,035	0	129,921	
Intergovernmental	1,010,453	245,040	0	8,027,990	0	0	715,956	0	9,999,439	
Interest	180,956	0	7,906	807	46,636	0	96,959	0	333,264	
Payments in Lieu of Taxes	0	0	221,481	0	157,780	0	119,928	0	499,189	
Rent	0	0	0	0	0	0	3,605	0	3,605	
Contributions and Donations	7,144	6,295	0	0	0	0	46,351	0	59,790	
Other	149,129	130,268	0	543	0	0	47,411	0	327,351	
<i>Total Revenues</i>	<u>7,527,164</u>	<u>1,873,458</u>	<u>229,387</u>	<u>8,029,340</u>	<u>204,416</u>	<u>0</u>	<u>1,890,660</u>	<u>0</u>	<u>19,754,425</u>	
Expenditures										
Current:										
General Government	2,344,376	0	0	0	0	0	4,464	0	2,348,840	
Security of Persons and Property	80,162	3,868,190	0	0	0	0	7,429	0	3,955,781	
Transportation	0	0	0	0	0	0	714,092	0	714,092	
Leisure Time Activities	43,380	0	0	0	0	0	736,915	0	780,295	
Public Health Services	139,550	0	0	0	0	0	0	0	139,550	
Community Environment	751,771	0	0	0	0	0	0	0	751,771	
Capital Outlay	0	0	59,890	10,580,410	1,097,556	0	1,302,644	0	13,040,500	
Debt Service:										
Current Refunding Principal Retirement	0	0	0	0	0	0	240,000	0	240,000	
Principal Retirement	8,530	2,080	0	0	0	0	875,077	0	885,687	
Interest and Fiscal Charges	2,535	693	84,994	0	8,127	0	532,368	0	628,717	
<i>Total Expenditures</i>	<u>3,370,304</u>	<u>3,870,963</u>	<u>144,884</u>	<u>10,580,410</u>	<u>1,105,683</u>	<u>0</u>	<u>4,412,989</u>	<u>0</u>	<u>23,485,233</u>	
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,156,860</u>	<u>(1,997,505)</u>	<u>84,503</u>	<u>(2,551,070)</u>	<u>(901,267)</u>	<u>0</u>	<u>(2,522,329)</u>	<u>0</u>	<u>(3,730,808)</u>	
Other Financing Sources (Uses):										
Inception of a Capital Lease	0	0	0	0	0	0	655,000	0	655,000	
Notes Issued	0	0	0	270,000	0	0	3,205,000	0	3,475,000	
Loans Issued	0	0	0	1,855,822	0	0	0	0	1,855,822	
Current Refunding Bond Anticipation Note	0	0	0	0	0	0	(3,205,000)	0	(3,205,000)	
Transfers In	0	2,010,000	0	133,586	0	0	1,752,276	0	3,895,862	
Transfers Out	(3,487,896)	0	0	0	0	0	(557,966)	0	(4,045,862)	
<i>Total Other Financing Sources (Uses)</i>	<u>(3,487,896)</u>	<u>2,010,000</u>	<u>0</u>	<u>2,259,408</u>	<u>0</u>	<u>0</u>	<u>1,849,310</u>	<u>0</u>	<u>2,630,822</u>	
<i>Net Change in Fund Balances</i>	<u>668,964</u>	<u>12,495</u>	<u>84,503</u>	<u>(291,662)</u>	<u>(901,267)</u>	<u>0</u>	<u>(673,019)</u>	<u>0</u>	<u>(1,099,986)</u>	
Fund Balances (Deficits) at Beginning of Year	<u>2,208,101</u>	<u>156,352</u>	<u>(2,177,726)</u>	<u>123,313</u>	<u>(4,691)</u>	<u>0</u>	<u>1,714,803</u>	<u>0</u>	<u>2,020,152</u>	
<i>Fund Balances (Deficits) End of Year</i>	<u>\$2,877,065</u>	<u>\$168,847</u>	<u>(\$2,093,223)</u>	<u>(\$168,349)</u>	<u>(\$905,958)</u>	<u>0</u>	<u>\$1,041,784</u>	<u>0</u>	<u>\$920,166</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, 2008

Net Change in Fund Balances - Total Governmental Funds (\$1,099,986)

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 period.

Capital Asset Additions	11,571,083	
Capital Contributions from Developers	2,000,000	
Transferred Assets	(655,000)	
Depreciation Expense	<u>(1,839,894)</u>	11,076,189

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

Loss on Disposal of Capital Assets		(27,322)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Property Taxes	22,889	
Income Taxes	66,605	
Payment in Lieu of Taxes	(221,857)	
Intergovernmental	77,213	
Charges for Services	(7,345)	
Reimbursements	828	
Interest	<u>3,197</u>	(58,470)

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	50,000	
Long-Term Loans	244,077	
Long-Term Bond Anticipation Notes	3,445,000	
Capital Leases	<u>591,610</u>	4,330,687

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	51,600	
Amortization of Issuance Costs	(1,256)	
Amortization on Premium of General Obligation Bonds	<u>897</u>	51,241

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	(3,475,000)	
Long-Term Loan	<u>(1,855,822)</u>	(5,330,822)

Some capital assets were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net assets the lease obligation is reported as a liability. (655,000)

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		(83,396)
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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.

(3,354)

Change in Net Assets of Governmental Activities

\$8,199,767

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, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Taxes	\$955,400	\$911,700	\$970,885	\$59,185
Municipal Income Taxes	4,306,310	4,471,113	4,487,640	16,527
Charges for Services	126,500	185,813	124,078	(61,735)
Licenses and Permits	314,900	356,392	361,078	4,686
Fines and Forfeitures	135,000	135,000	118,444	(16,556)
Intergovernmental	598,839	1,069,224	1,049,775	(19,449)
Interest	200,000	200,500	189,661	(10,839)
Contributions and Donations	8,500	8,500	7,144	(1,356)
Other	70,540	70,390	137,289	66,899
<i>Total Revenues</i>	<u>6,715,989</u>	<u>7,408,632</u>	<u>7,445,994</u>	<u>37,362</u>
Expenditures				
Current:				
General Government	2,795,629	2,946,640	2,465,788	480,852
Security of Persons and Property	76,050	82,550	80,162	2,388
Leisure Time Activities	43,500	44,209	43,380	829
Public Health Services	146,410	147,160	141,428	5,732
Community Environment	1,381,006	1,383,314	801,250	582,064
<i>Total Expenditures</i>	<u>4,442,595</u>	<u>4,603,873</u>	<u>3,532,008</u>	<u>1,071,865</u>
<i>Excess of Revenues Over Expenditures</i>	<u>2,273,394</u>	<u>2,804,759</u>	<u>3,913,986</u>	<u>1,109,227</u>
Other Financing Source (Uses)				
Advances In	0	0	830,529	830,529
Advances Out	0	0	(500,000)	(500,000)
Transfers Out	(3,072,933)	(3,487,934)	(3,487,896)	38
<i>Total Other Financing Source (Uses)</i>	<u>(3,072,933)</u>	<u>(3,487,934)</u>	<u>(3,157,367)</u>	<u>330,567</u>
<i>Net Change in Fund Balance</i>	(799,539)	(683,175)	756,619	1,439,794
Fund Balance at Beginning of Year	1,229,923	1,229,923	1,229,923	0
Prior Year Encumbrances Appropriated	190,685	190,685	190,685	0
<i>Fund Balance at End of Year</i>	<u>\$621,069</u>	<u>\$737,433</u>	<u>\$2,177,227</u>	<u>\$1,439,794</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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$1,348,000	\$1,366,510	\$1,385,769	\$19,259
Charges for Services	89,052	94,819	106,086	11,267
Intergovernmental	214,600	234,322	238,382	4,060
Contributions and Donations	300	300	6,295	5,995
Other	61,810	61,810	129,907	68,097
<i>Total Revenues</i>	<u>1,713,762</u>	<u>1,757,761</u>	<u>1,866,439</u>	<u>108,678</u>
Expenditures				
Current:				
Security of Persons and Property	<u>3,971,050</u>	<u>4,044,602</u>	<u>3,905,722</u>	<u>138,880</u>
<i>Excess of Revenues Under Expenditures</i>	(2,257,288)	(2,286,841)	(2,039,283)	247,558
Other Financing Source				
Transfers In	<u>2,010,000</u>	<u>2,010,000</u>	<u>2,010,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(247,288)	(276,841)	(29,283)	247,558
Fund Balance at Beginning of Year	248,749	248,749	248,749	0
Prior Year Encumbrances Appropriated	<u>46,845</u>	<u>46,845</u>	<u>46,845</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$48,306</u>	<u>\$18,753</u>	<u>\$266,311</u>	<u>\$247,558</u>

See accompanying notes to the basic financial statements

City of Pickerington, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2008

	Business - Type Activities - Enterprise Funds					Governmental Activities- Internal Service Fund
	Water	Sewer	Stormwater	Nonmajor Aquatic Recreation Center	Totals	
Assets:						
Current Assets:						
Equity in Pooled Cash and Cash Equivalents	\$1,947,226	\$2,280,629	\$515,151	\$54,334	\$4,797,340	\$0
Accounts Receivable	205,368	237,153	21,845	27,205	491,571	0
Accrued Interest Receivable	15,705	1,057	0	0	16,762	0
Materials and Supplies Inventory	21,499	1,744	0	0	23,243	0
Prepaid Items	30,847	28,913	0	2,806	62,566	0
Intergovernmental Receivable	0	0	0	0	0	214
<i>Total Current Assets</i>	<u>2,220,645</u>	<u>2,549,496</u>	<u>536,996</u>	<u>84,345</u>	<u>5,391,482</u>	<u>214</u>
Noncurrent Assets:						
Deferred Charges	13,993	24,157	0	0	38,150	0
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	5,700	5,700	0	0	11,400	0
Non-Depreciable Capital Assets	626,098	1,655,411	8,603	575,350	2,865,462	0
Depreciable Capital Assets, net	17,571,044	17,039,106	7,172,983	362,643	42,145,776	0
<i>Total Noncurrent Assets</i>	<u>18,216,835</u>	<u>18,724,374</u>	<u>7,181,586</u>	<u>937,993</u>	<u>45,060,788</u>	<u>0</u>
<i>Total Assets</i>	<u>20,437,480</u>	<u>21,273,870</u>	<u>7,718,582</u>	<u>1,022,338</u>	<u>50,452,270</u>	<u>214</u>
Liabilities:						
Current Liabilities:						
Accrued Wages and Benefits	\$20,587	\$19,778	\$5,979	\$0	\$46,344	\$0
Intergovernmental Payable	8,917	13,275	2,693	587	25,472	0
Accounts Payable	23,002	48,556	604	556	72,718	0
Contracts Payable	0	125,043	3,670	0	128,713	0
Accrued Interest Payable	50,852	78,124	241	0	129,217	0
Notes Payable	400,000	425,000	0	0	825,000	0
Current Portion of:						
Issue II Payable	6,299	0	0	0	6,299	0
Compensated Absences Payable	31,001	18,515	4,853	0	54,369	0
General Obligation Bonds Payable	105,000	260,000	0	0	365,000	0
Capital Leases Payable	4,479	4,479	24,482	0	33,440	0
OWDA Loans Payable	0	58,280	0	0	58,280	0
<i>Total Current Liabilities</i>	<u>650,137</u>	<u>1,051,050</u>	<u>42,522</u>	<u>1,143</u>	<u>1,744,852</u>	<u>0</u>
Noncurrent Liabilities Payable from Restricted Assets:						
Customer Deposits Payable	5,700	5,700	0	0	11,400	0
Long-Term Liabilities (Net of Current Portion):						
Compensated Absences Payable	64,415	22,856	10,249	0	97,520	0
Notes Payable	2,200,000	2,125,000	0	0	4,325,000	0
General Obligation Bonds Payable	502,781	2,979,095	0	0	3,481,876	0
Capital Leases Payable	21,061	21,062	0	0	42,123	0
OWDA Loans Payable	0	916,089	0	0	916,089	0
<i>Total Long-Term Liabilities</i>	<u>2,793,957</u>	<u>6,069,802</u>	<u>10,249</u>	<u>0</u>	<u>8,874,008</u>	<u>0</u>
<i>Total Liabilities</i>	<u>3,444,094</u>	<u>7,120,852</u>	<u>52,771</u>	<u>1,143</u>	<u>10,618,860</u>	<u>0</u>
Net Assets:						
Invested in Capital Assets, Net of Related Debt Unrestricted	14,971,515	11,929,669	7,157,104	937,993	34,996,281	0
	2,021,871	2,223,349	508,707	83,202	4,837,129	214
<i>Total Net Assets</i>	<u>\$16,993,386</u>	<u>\$14,153,018</u>	<u>\$7,665,811</u>	<u>\$1,021,195</u>	<u>\$39,833,410</u>	<u>\$214</u>

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, 2008

	Business - Type Activities - Enterprise Funds				Total	Governmental Activities- Internal Service Fund
	Water	Sewer	Stormwater	Nonmajor Aquatic Recreation Center		
Operating Revenues						
Charges for Services	\$1,636,814	\$2,238,365	\$206,463	\$268,511	\$4,350,153	\$139,299
<i>Total Operating Revenues</i>	<u>1,636,814</u>	<u>2,238,365</u>	<u>206,463</u>	<u>268,511</u>	<u>4,350,153</u>	<u>139,299</u>
Operating Expenses						
Personal Services	612,393	592,309	200,763	68,365	1,473,830	0
Contractual Services	431,020	943,260	80,865	92,386	1,547,531	0
Materials and Supplies	306,567	36,243	12,042	52,671	407,523	142,653
Depreciation	516,088	477,690	132,404	5,977	1,132,159	0
<i>Total Operating Expenses</i>	<u>1,866,068</u>	<u>2,049,502</u>	<u>426,074</u>	<u>219,399</u>	<u>4,561,043</u>	<u>142,653</u>
<i>Operating Income (Loss)</i>	<u>(229,254)</u>	<u>188,863</u>	<u>(219,611)</u>	<u>49,112</u>	<u>(210,890)</u>	<u>(3,354)</u>
Non-Operating Revenues (Expenses)						
Interest	66,576	54,019	2,279	0	122,874	0
Interest and Fiscal Charges	(113,467)	(284,294)	(1,665)	0	(399,426)	0
Loss on Disposal of Capital Assets	(14,316)	(24,671)	0	0	(38,987)	0
Other Non-Operating Revenues	7,960	34,747	3,108	28,113	73,928	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(53,247)</u>	<u>(220,199)</u>	<u>3,722</u>	<u>28,113</u>	<u>(241,611)</u>	<u>0</u>
<i>Operating Income (Loss)</i>						
<i>Before Contributions and Transfers</i>	(282,501)	(31,336)	(215,889)	77,225	(452,501)	(3,354)
Capital Contributions from Others	0	0	0	288,970	288,970	0
Capital Contributions from Customers	447,058	209,471	177,259	0	833,788	0
Capital Contributions from Other Funds	0	0	0	655,000	655,000	0
Transfers In	0	0	150,000	0	150,000	0
<i>Change in Net Assets</i>	<u>164,557</u>	<u>178,135</u>	<u>111,370</u>	<u>1,021,195</u>	<u>1,475,257</u>	<u>(3,354)</u>
Net Assets Beginning of Year	<u>16,828,829</u>	<u>13,974,883</u>	<u>7,554,441</u>	<u>0</u>	<u>38,358,153</u>	<u>3,568</u>
<i>Net Assets End of Year</i>	<u><u>\$16,993,386</u></u>	<u><u>\$14,153,018</u></u>	<u><u>\$7,665,811</u></u>	<u><u>\$1,021,195</u></u>	<u><u>\$39,833,410</u></u>	<u><u>\$214</u></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, 2008

	Business - Type Activities - Enterprise Funds					Governmental Activities- Internal Service Fund
	Water	Sewer	Stormwater	Nonmajor Aquatic Recreation Center	Total	
Increase (Decrease) in Cash and Cash Equivalents						
Cash Flows from Operating Activities						
Cash Received from Customers	\$1,604,683	\$2,177,407	\$201,852	\$268,511	\$4,252,453	\$0
Cash Received from Transactions with Other Funds	0	0	0	0	0	139,085
Cash Payments for Employee Services and Benefits	(585,695)	(584,122)	(191,220)	(67,778)	(1,428,815)	0
Cash Payments for Goods and Services	(833,099)	(883,183)	(105,970)	(147,307)	(1,969,559)	(155,017)
Utility Deposits Received	1,700	1,700	0	0	3,400	0
Utility Deposits Returned	(725)	(725)	0	0	(1,450)	0
Other Non-Operating Revenues	7,960	11,020	5,193	908	25,081	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>194,824</u>	<u>722,097</u>	<u>(90,145)</u>	<u>54,334</u>	<u>881,110</u>	<u>(15,932)</u>
Cash Flows from Noncapital Financing Activities						
Transfers In	0	0	150,000	0	150,000	0
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>0</u>	<u>0</u>	<u>150,000</u>	<u>0</u>	<u>150,000</u>	<u>0</u>
Cash Flows from Investing Activities						
Interest on Investments	68,863	57,814	2,279	0	128,956	0
<i>Net Cash Provided by Investing Activities</i>	<u>68,863</u>	<u>57,814</u>	<u>2,279</u>	<u>0</u>	<u>128,956</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities						
Acquisition of Capital Assets	(815,889)	(1,316,477)	(128,476)	0	(2,260,842)	0
Proceeds from the Sale of Notes	2,600,000	2,550,000	0	0	5,150,000	0
Proceeds of OWDA Loans	0	245,749	0	0	245,749	0
Tap-In Fees	458,494	209,471	177,259	0	845,224	0
Principal Paid on General Obligation Refunding Bonds	(95,000)	(160,000)	0	0	(255,000)	0
Principal Paid on General Obligation Bonds	0	(90,000)	0	0	(90,000)	0
Principal Paid on Notes	(3,087,500)	(2,675,000)	0	0	(5,762,500)	0
Principal Paid on Issue Two Notes	(12,604)	0	0	0	(12,604)	0
Principal Paid on OWDA Loans	0	(55,345)	0	0	(55,345)	0
Principal Paid on Capital Leases	(4,843)	(4,845)	(23,552)	0	(33,240)	0
Interest Paid on General Obligation Refunding Bonds	(24,307)	(46,270)	0	0	(70,577)	0
Interest Paid on General Obligation Bonds	0	(106,943)	0	0	(106,943)	0
Interest Paid on Notes	(140,334)	(111,063)	0	0	(251,397)	0
Interest Paid on OWDA Loans	0	(38,201)	0	0	(38,201)	0
Interest Paid on Capital Leases	(1,682)	(1,683)	(1,897)	0	(5,262)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(1,123,665)</u>	<u>(1,600,607)</u>	<u>23,334</u>	<u>0</u>	<u>(2,700,938)</u>	<u>0</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(859,978)	(820,696)	85,468	54,334	(1,540,872)	(15,932)
Cash and Cash Equivalents Beginning of Year	2,812,904	3,107,025	429,683	0	6,349,612	15,932
<i>Cash and Cash Equivalents End of Year</i>	<u>\$1,952,926</u>	<u>\$2,286,329</u>	<u>\$515,151</u>	<u>\$54,334</u>	<u>\$4,808,740</u>	<u>\$0</u>

(continued)

City of Pickerington, Ohio
Statement of Cash Flows
Proprietary Funds (Continued)
For the Year Ended December 31, 2008

	Business - Type Activities - Enterprise Funds					Governmental Activities- Internal Service Fund
	Water	Sewer	Stormwater	Nonmajor Aquatic Recreation Center	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities						
Operating Income (Loss)	(\$229,254)	\$188,863	(\$219,611)	\$49,112	(\$210,890)	(\$3,354)
Adjustments:						
Other Non-Operating Revenues	7,960	11,020	5,193	908	25,081	0
Depreciation	516,088	477,690	132,404	5,977	1,132,159	0
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	(32,131)	(60,958)	(4,611)	0	(97,700)	0
Increase in Intergovernmental Receivable	0	0	0	0	0	(214)
(Increase) Decrease in Prepaid Items	11,717	29,585	0	(2,806)	38,496	0
(Increase) Decrease in Materials and Supplies Inventory	(14,307)	273	0	0	(14,034)	0
Increase (Decrease) in Accounts Payable	(15,055)	8,677	(10,362)	556	(16,184)	(12,364)
Increase in Accrued Wages and Benefits Payable	3,117	2,460	670	0	6,247	0
Increase in Contracts Payable	0	61,667	275	0	61,942	0
Increase in Compensated Absences Payable	23,333	5,658	8,630	0	37,621	0
Decrease in Due to Other Funds	(3,000)	(3,000)	(3,000)	0	(9,000)	0
Increase in Customer Deposits Payable	975	975	0	0	1,950	0
Increase (Decrease) in Intergovernmental Payable	(74,619)	(813)	267	587	(74,578)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$194,824	\$722,097	(\$90,145)	\$54,334	\$881,110	(\$15,932)

Noncash Capital Financing Activities

During 2008, the water and sewer enterprise funds entered into capital leases in the amounts of \$28,623 and \$28,623 for a mailing machine.

Capital leases payable were forgiven by Neopost in the water and sewer enterprise funds in the amounts of \$16,742 and \$16,738.

Capital contributions from other funds increased by \$655,000 in the Aquatic Recreation Fund due to capital assets that were transferred from governmental activities.

Capital contributions from others increased by \$288,970 in the Aquatic Recreation Fund due to a donation from the seller of the Aquatic Recreation Center.

See accompanying notes to the basic financial statements

City of Pickerington, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2008

Assets	
Cash and Cash Equivalents in Segregated Accounts	<u>\$1,095</u>
<i>Total Assets</i>	<u><u>\$1,095</u></u>
Liabilities	
Undistributed Monies	<u>\$1,095</u>
<i>Total Liabilities</i>	<u><u>\$1,095</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, 2008

NOTE 1 - REPORTING ENTITY

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

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

Reporting Entity

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

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. 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 four jointly governed organizations and two insurance purchasing pools. These organizations are the Fairfield-Hocking Major Crimes Unit, the Fairfield County Regional Planning Commission, the Mid-Ohio Regional Planning Commission (MORPC), the Fairfield County Combined General Health District, the Central Ohio Risk Management Association Inc. (CORMA), 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, 2008

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 enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. 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, 2008

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.

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.

Diley Road Improvement Fund – This fund is used to account for loan proceeds from the State Infrastructure Bank for road construction and expenditures for the Diley Road widening project.

Tax Increment Financing Agreement Cover Construction Fund – This fund is used to account for revenues and expenditures associated with the roadway by Picktown Beverage for the company of Kohls to begin business within the City.

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.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

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

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 fuel purchased for City vehicles.

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.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

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.

The non-exchange transactions, in which the City receives value without directly giving equal value in return, includes income taxes, property taxes, impact fees, 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 impact fees are recognized in the year in which resources are required to be used or when use is first permitted. 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, 2008, but which were levied to finance year 2009 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, the Tax Increment Financing Agreement Cycle Way Construction Capital Projects Fund, and the Tax Increment Financing Agreement Equity Construction Capital Projects Fund were not budgeted because the City did not anticipate any financial activity within these funds. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

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

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

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

F. Cash and Cash Equivalents

Cash balances of the City's funds are maintained in a pool to improve cash management. 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 2008, investments were limited to Federal Home Loan Bank Treasury and Discount Notes, Federal Home Loan Mortgage Association Treasury Notes, Federal Farm Credit Bank Treasury Notes, Federal Home Loan Bank 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 2008. 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, 2008.

Provisions of the Ohio Revised Code restrict investment procedures. During 2008, interest was distributed to the general fund, certain special revenue funds, capital projects funds, debt service funds, and enterprise funds according to City ordinances. Interest revenue credited to the general fund during 2008 amounted to \$180,956, which includes \$112,394 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.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

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.

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, 2008 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

Restricted cash and cash equivalents in the General fund represent the amount of unclaimed monies not available for appropriation. Restricted cash and cash equivalents in the Water and Sewer enterprise funds represent resources set aside by the City for the repayment of water and sewer deposits.

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. Interest costs incurred during the construction of capital assets utilized by the enterprise fund are also capitalized.

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Building	50 years	50 -60 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 does not include infrastructure (roads) acquired prior to December 31, 1980.

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 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.

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

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.

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.

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 contributions of capital assets from governmental activities, 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. Internal Activity

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

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

S. Interfund Balances

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

T. Estimates

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

U. 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.

V. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City that are either unusual in nature or infrequent in occurrence. Neither type of item occurred during 2008.

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET ASSETS

A. Changes in Accounting Principles

For 2008, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 49, “Accounting and Financial Reporting for Pollution Remediation Obligations” and GASB Statement No. 52, “Land and Other Real Estate Held as Investments by Endowments”.

GASB Statement No. 49 addresses the accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligation to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 52 establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value, and other information that they currently present for other investments reported at fair value. The implementation of this statement did not result in any changes to the financial statements.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

B. Restatement of Net Assets

During 2008, the City determined that revenue related to the City's payment in lieu of taxes receivable should have been accounted for as an exchange transaction. In addition, capitalized interest and State Infrastructure Bank Loan proceeds in the amounts of \$232,113 and \$618,571 on the State Infrastructure Bank Loan were misstated at December 31, 2007 due to incorrect preliminary amortization schedules provided by the Ohio Department of Transportation. The adjustments had the following effect on net assets as previously reported at December 31, 2007.

	<u>Governmental Activities</u>
Governmental Activities Net Assets as Previously Reported	\$35,207,352
Payment in Lieu of Taxes Receivable	2,423,396
Due in More Than One Year (State Infrastructure Bank Loan)	386,458
Adjusted Governmental Activities Net Assets, December 31, 2007	\$38,017,206

NOTE 4 – ACCOUNTABILITY

Major/Nonmajor Funds	Deficit Fund Balances
<u>Major Funds:</u>	
Tax Increment Financing Agreement Windmill/ Diley Construction	\$2,093,223
Diley Road Improvement	168,349
Tax Increment Financing Agreement Cover Construction	905,958
<u>Nonmajor Funds:</u>	
Tax Increment Financing Agreement Old Town Construction	374,556
Tax Increment Financing Agreement Cycle Way Construction	292,779
Municipal Building	72,805
Tax Increment Financing Agreement Equity Construction	277,332

These deficits are the result of the recognition of payables in accordance with generally accepted accounting principles and the issuance of short-term debt to finance projects in these funds. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur. Once the debt is retired or bonds are issued, the deficits will be eliminated.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

The Statements of Revenues, Expenditures, and Changes in Fund Balance - 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.

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 Police Special Revenue Fund		
	General	Police
GAAP Basis	\$668,964	\$12,495
Net Adjustment for Revenue Accruals	(78,059)	(7,019)
Net Adjustment for Expenditure Accruals	(94,329)	30,905
Beginning of Year:		
Unreported Cash	9,174	0
GASB 31 Adjustment	29,326	0
End of Year:		
Unreported Cash	(10,616)	0
GASB 31 Adjustment	(30,995)	0
Advances In	830,529	0
Advances Out	(500,000)	0
Encumbrances	(67,375)	(65,664)
Budget Basis	\$756,619	(\$29,283)

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

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 bills, bonds, notes, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
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, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio); and,
8. Securities lending agreements in which the City lends securities and the eligible institution agrees to simultaneously exchange similar securities or cash, equal value for equal value;

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

9. Up to twenty-five percent of the City's average portfolio may be in either of the following:
 - a. commercial paper notes in entities incorporated under the laws of Ohio or any other State that have assets exceeding five hundred million dollars rated at the time of purchase, which are rated in the highest qualification established by two nationally recognized standard rating services, which do not exceed ten percent of the value of the outstanding commercial paper of the issuing corporation and which mature within 270 days after purchase;
 - b. bankers acceptances eligible for purchase by the federal reserve system and which mature within 180 days after purchase.
10. Fifteen percent of the City's average portfolio may be in notes issued by U.S. corporations or by depository institutions that are doing business under authority granted by the U.S. provided that the notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase and the notes mature within two years from the date of purchase.
11. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service consisting exclusively of obligations guaranteed by the United States, securities issued by a federal government agency or instrumentality, and/or highly rated commercial paper.
12. One percent of the City's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government.

Repurchase agreements, investments in derivatives, and investments in stripped principal or interest obligations that are not issued or guaranteed by the United States, are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Other than corporate notes, commercial paper, and bankers' acceptances, an investment must mature within five years from the date of settlement unless matched to a specific obligation or debt of the City. Investments must be purchased with the expectation that they will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash on Hand

At year end, the City had \$11,540 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, \$3,636,122 of the City's bank balance of \$4,925,396 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.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

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.

Investments: Investments are reported at fair value. As of December 31, 2008, the City had the following investments.

	Fair Value	Maturity
Federal Home Loan Bank - Treasury Note	\$307,407	9/28/2009
Federal Farm Credit Bank - Treasury Note	408,000	7/1/2010
Federal Home Loan Bank - Discount Note	350,000	1/29/2009
Federal Home Loan Mortgage Association - Treasury Note	276,205	4/1/2010
Federal Home Loan Mortgage Association - Treasury Note	352,954	5/14/2010
Federal Farm Credit Bank - Treasury Note	236,039	3/22/2010
Federal Home Loan Bank - Bond	453,798	5/6/2009
STAR Ohio	3,463,649	Average 54.7 Days
Total	\$5,848,052	

Interest Rate Risk

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

Credit Risk

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

The Federal Home Loan Bank Treasury Notes, the Federal Home Loan Mortgage Association Treasury Notes, the Federal Home Loan Bank Bond, and the Federal Farm Credit Bank Treasury Notes carry a rating of Aaa by Moody's. The Federal Home Loan Bank Discount Notes carry a rating of A1 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
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For the Year Ended December 31, 2008

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, 5% is invested in Federal Home Loan Bank Treasury Notes, 11% is invested in Federal Farm Credit Bank Treasury Notes, 6% is invested in Federal Home Loan Bank Discount Notes, 11% is invested in Federal Home Loan Mortgage Association Treasury Notes, and 8% is invested in Federal Home Loan Bank Bonds.

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 2008 for real and public utility property taxes represents collections of 2007 taxes. Property tax payments received during 2008 for tangible personal property (other than public utility property) is for 2008 taxes.

2008 real property taxes are levied after October 1, 2008, on assessed value as of January 1, 2008, the lien date. Assessed values are established by State law at 35 percent of the appraised value. 2008 real property taxes are collected in and intended to finance 2009.

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. 2008 public utility property taxes became a lien December 31, 2007, are levied after October 1, 2008, and are collected in 2009 with real property taxes.

2008 tangible personal property taxes are levied after October 1, 2008, on the value as of December 31, 2007. Collections are made in 2008. Tangible personal property assessments for machinery and equipment were 25 percent of true value and 23 percent of true value of inventory. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2008 is 6.25 percent and zero for 2009.

The full tax rate for all City operations for the year ended December 31, 2008, was \$7.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2008 property tax receipts were based are as follows:

	<u>2008</u>
Real Property/ Public Utility Real	\$417,527,690
Public Utility Personal	1,798,370
General Business Personal	<u>2,416,455</u>
Total Assessed Value	<u><u>\$421,742,515</u></u>

City of Pickerington, Ohio
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For the Year Ended December 31, 2008

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 2008, 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, 2008 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 2008 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 2008, the proceeds were receipted into the General Fund.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 9 - RECEIVABLES

Receivables at December 31, 2008 consisted primarily of taxes, payment in lieu of taxes, intergovernmental receivables arising from grants, entitlements and shared revenues, interest on investments, and utility accounts. All receivables except property taxes and payment in lieu of taxes are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of intergovernmental receivables follows:

<u>Governmental Activities</u>	
Homestead and Rollback	\$148,500
Local Government Subsidies	170,180
Estate Taxes	4,268
Gasoline Tax	260,934
Motor Vehicle License Tax	44,683
Ohio Department of Transportation Grant	193,200
Natureworks Grant	24,597
FEMA Grant	14,194
Miscellaneous Reimbursements	<u>9,677</u>
Total Governmental Activities	<u><u>\$870,233</u></u>

Payment in Lieu of Taxes

The City entered into Tax Increment Financing Agreements starting 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. Since 1997, the City has entered into five additional Tax Increment Financing Agreements with various developers for the purpose of constructing several retail and commercial centers. To encourage these improvements, the property owners were granted an exemption from paying real property taxes on the new construction; however, the property owner is required to make payments in lieu of taxes. Payment in lieu of taxes are made to Fairfield County and distributed to the City in an amount equal to the real property taxes that otherwise would have been due in that current year. These payments are being used to finance public improvements and will continue over ten to thirty years.

The City notified Pickerington Local School District and Eastland Joint Vocational School District of each tax increment financing agreement as required by Section 5709.40 of the Ohio Revised Code. Providing there are sufficient funds in each tax increment financing fund after all public improvements are paid in full the Pickerington Local School District shall receive payment in the sum of \$50,000-\$100,000 for each tax increment financing agreement for the replacement of technology for all schools of the School District, which is a specific public improvement benefitting the School District.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 10 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2008, was as follows:

	Balance December 31, 2007	Additions	Reductions	Transfers	Balance December 31, 2008
Governmental Activities:					
Non-Depreciable Capital Assets:					
Land	\$5,348,969	\$1,461,342	\$0	(\$575,350)	\$6,234,961
Construction in Progress	1,980,159	9,347,648	0	0	11,327,807
Total Non Depreciable Capital Assets	<u>7,329,128</u>	<u>10,808,990</u>	<u>0</u>	<u>(575,350)</u>	<u>17,562,768</u>
Depreciable Capital Assets:					
Land Improvements	1,493,670	307,585	0	(79,650)	1,721,605
Buildings	4,837,666	61,841	0	0	4,899,507
Equipment	1,191,720	142,244	0	0	1,333,964
Infrastructure	45,178,447	2,167,628	0	0	47,346,075
Vehicles	868,596	82,795	(39,742)	0	911,649
Total Depreciable Capital Assets	<u>53,570,099</u>	<u>2,762,093</u>	<u>(39,742)</u>	<u>(79,650)</u>	<u>56,212,800</u>
Accumulated Depreciation:					
Land Improvements	(709,023)	(75,608)	0	0	(784,631)
Buildings	(1,007,337)	(96,868)	0	0	(1,104,205)
Equipment	(665,661)	(103,962)	0	0	(769,623)
Infrastructure	(12,351,490)	(1,501,003)	0	0	(13,852,493)
Vehicles	(606,849)	(62,453)	12,420	0	(656,882)
Total Accumulated Depreciation	<u>(15,340,360)</u>	<u>(1,839,894)*</u>	<u>12,420</u>	<u>0</u>	<u>(17,167,834)</u>
Total Depreciable Capital Assets, Net	<u>38,229,739</u>	<u>922,199</u>	<u>(27,322)</u>	<u>(79,650)</u>	<u>39,044,966</u>
Governmental Capital Assets, Net	<u>\$45,558,867</u>	<u>\$11,731,189</u>	<u>(\$27,322)</u>	<u>(\$655,000)</u>	<u>\$56,607,734</u>

During 2008, developers contributed \$2 million in infrastructure. This amount is reflected within Capital Grants and Contributions on the Statement of Activities.

*Depreciation expense was charged to governmental activities as follows:

Governmental Activities:	
General Government	\$83,166
Security of Persons and Property	167,278
Transportation	1,538,324
Leisure Time Activities	51,126
Total Depreciation Expense	<u>\$1,839,894</u>

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

	Balance December 31, 2007	Additions	Reductions	Transfers	Balance December 31, 2008
<u>Business - Type Activities:</u>					
Non-Depreciable Capital Assets:					
Land	\$840,867	\$0	\$0	\$575,350	\$1,416,217
Construction in Progress	1,079,468	369,777	0	0	1,449,245
Total Non Depreciable Capital Assets	<u>1,920,335</u>	<u>369,777</u>	<u>0</u>	<u>575,350</u>	<u>2,865,462</u>
Depreciable Capital Assets:					
Land Improvements	35,124	79,915	0	79,650	194,689
Buildings	11,762,971	1,457,250	0	0	13,220,221
Equipment	4,633,191	145,038	(85,499)	0	4,692,730
Infrastructure	35,089,641	476,773	0	0	35,566,414
Vehicles	320,559	0	0	0	320,559
Total Depreciable Capital Assets	<u>51,841,486</u>	<u>2,158,976</u>	<u>(85,499)</u>	<u>79,650</u>	<u>53,994,613</u>
Accumulated Depreciation:					
Land Improvements	(17,258)	(5,746)	0	0	(23,004)
Buildings	(3,489,034)	(245,297)	0	0	(3,734,331)
Equipment	(2,294,621)	(310,525)	46,512	0	(2,558,634)
Infrastructure	(4,737,962)	(544,902)	0	0	(5,282,864)
Vehicles	(224,315)	(25,689)	0	0	(250,004)
Total Accumulated Depreciation	<u>(10,763,190)</u>	<u>(1,132,159)</u>	<u>46,512</u>	<u>0</u>	<u>(11,848,837)</u>
Total Depreciable Capital Assets, Net	<u>41,078,296</u>	<u>1,026,817</u>	<u>(38,987)</u>	<u>79,650</u>	<u>42,145,776</u>
Business - Type Activities Capital Assets, Net	<u>\$42,998,631</u>	<u>\$1,396,594</u>	<u>(\$38,987)</u>	<u>\$655,000</u>	<u>\$45,011,238</u>

During 2008, the lessor of the Aquatic Recreation Center contributed \$288,970 in land improvements and buildings. This amount is reflected within Capital Grants and Contributions on the Statement of Activities.

NOTE 11 - DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description – The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional 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 percent 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.

City of Pickerington, Ohio
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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 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2008, members in state and local classifications contributed 10.0 percent of covered payroll and public safety and law enforcement members contributed 10.1 percent.

The City's contribution rate for 2008 was 14.0 percent of covered payroll. 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, 2008, 2007, and 2006 were \$228,600, \$246,669 and \$262,580 respectively; 83.13 percent has been contributed for 2008 and 100 percent for 2007 and 2006. Contributions to the member-directed plan for 2008 were \$28,520 made by the City and \$20,372 made by the plan members.

B. Ohio Police and Fire Pension Fund

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. 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.

Funding Policy – The City has no firefighters. Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations. The City's contribution was 19.5 percent for police officers. Contribution rates are established by State statute. For 2008, a portion of the City's contribution equal to 6.75 percent of covered payroll was allocated to fund the post-employment health care plan. The City's pension contributions to OP&F were \$238,269 for the year ended December 31, 2008, \$225,135 for the year ended December 31, 2007, and \$185,713 for the year ended December 31, 2006. The full amount has been contributed for 2007 and 2006. 95.21 percent has been contributed for 2008.

NOTE 12 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System

Plan Description – OPERS maintains a cost sharing multiple employer defined benefit post-employment health care plan for qualifying members of both the traditional and combined pension plans. Members of the member directed plan do not qualify for ancillary benefits, including post-employment health care. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

City of Pickerington, Ohio
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To qualify for post-employment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

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

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2008, state and local employers contributed at a rate of 14 percent of covered payroll. Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. For 2008, the amount of the employer contributions which was allocated to fund post-employment health care was 7.0 percent of covered payroll.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2008, 2007, and 2006 were \$228,600, \$167,672 and \$128,436 respectively; 83.13 percent has been contributed for 2008 and 100 percent for 2007 and 2006.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

B. Ohio Police and Fire Pension Fund

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

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

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

City of Pickerington, Ohio
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OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding policy – OP&F's post-employment health care plan was established and is administered as an Internal Revenue Code 401(h) account within the defined benefit pension plan, under the authority granted by the Ohio Revised code to the OP&F Board of Trustees. The Ohio Revised Code sets the contribution rates for participating employers and for plan members to the OP&F. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50 percent and 24 percent of covered payroll for police and fire employers, respectively.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2008, the employer contribution allocated to the healthcare plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police were \$126,143 for the year ended December 31, 2008, \$119,189 for the year ended December 31, 2007, and \$122,492 for the year ended December 31, 2006. The full amount has been contributed for 2007 and 2006. 95.21 percent has been contributed for police for 2008.

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.

Sick leave is earned at the rate of four and six tenths hours per eighty hours of service and can be accumulated without limit. In the case of death or retirement all employees, except Policemen, who have ten years of service, are paid fifty percent of their accumulated sick leave up to a maximum payment equal to seventy-five days. In the case of death or retirement all Policemen with ten or more years of service, are paid fifty percent of their accumulated sick leave up to a maximum of forty-five days.

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

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

B. Insurance Options

The City provides health and major medical insurance for all eligible employees through Medical Mutual. The City also provides prescription drug insurance to its employees through the same insurance carrier. 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 2008, the City contracted with CORMA for the following insurance coverages:

Coverage	Limit of Insurance	Deductible
Property Insurance	\$200,000,000	\$25,000
Boiler and Machinery	50,000,000	10,000
Excess Liability		
Aggregate Limit	20,000,000	25,000
Each Claim Limit	10,000,000	25,000
Commercial General Liability:		
General Aggregate Limit	2,000,000	n/a
Completed Operations Aggregate Limit	2,000,000	n/a
Commercial Auto Coverage:		
Liability	1,000,000	
Comprehensive	Cash Value	25,000
Collision	Cash Value	25,000
Professional Liability Coverage		
Public Officials Errors & Omissions		
Per Occurance	1,000,000	100,000
Aggregate	2,000,000	100,000
Public Officials Employment Practices		
Per Occurance	1,000,000	100,000
Aggregate	2,000,000	100,000
Public Officials Employee Benefits Administration		
Per Occurance	1,000,000	100,000
Aggregate	2,000,000	100,000
Law Enforcement Liability		
Per Occurance	1,000,000	100,000
Aggregate	2,000,000	100,000
Commercial Crime Policy		
Public Employee Dishonesty	1,000,000	25,000
Forgery Alterations	500,000	25,000
Money & Securities on premises	100,000	25,000
Money & Securities in transit	100,000	25,000
Computer Fraud	500,000	25,000
Supplemental Coverage Declarations		
Electronic Data Processing Equipment	8,200,000	25,000
New Constructed or Acquired Property	1,000,000	25,000
Extra Expense	2,000,000	10,000

City of Pickerington, Ohio
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Settlements have not exceeded coverage in any of the last four years. There has not been a significant reduction in coverage from the prior year.

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

The City participates in the Ohio Municipal League workers' compensation group rating 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.

NOTE 15 - CAPITAL LEASES - LESSEE DISCLOSURE

The City has outstanding capital leases for copiers, a mailing machine, a street sweeper, an aquatic recreation center and a police station facility. During 2008, the City entered into two new capital leases for a mailing machine and an aquatic recreation center. 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.

A police facility, an aquatic recreation center, and equipment acquired by lease has been capitalized in the government-wide statements governmental activities in the amount of \$4,354,348 and business-type activities in the amount of \$851,150, which is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability for all capitalized assets, except the aquatic recreation center, was recorded in the government-wide statements for governmental activities and business-type activities; respectively. The aquatic recreation center capital lease payments are reflected as debt service expenditures in the Park Impact Fee Capital Projects Fund while the asset is capitalized in the government-wide statements business-type activities. Governmental activities capitalized leased assets are reflected net of accumulated depreciation in the amount of \$3,753,909. Business-type capitalized leases assets are reflected net of accumulated depreciation in the amount of \$804,857.

City of Pickerington, Ohio
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The following is a schedule of capital assets acquired through capital leases at December 31, 2008 for governmental and business-type activities:

Capitalized Leased Assets	Present Value of Future Minimum Lease Payments	Less Accumulated Depreciation 12/31/2008	Net of Accumulated Depreciation
<u>Governmental Activities:</u>			
Building	\$4,300,000	(\$576,038)	\$3,723,962
Equipment	54,348	(24,401)	29,947
Total Governmental Activities	<u>4,354,348</u>	<u>(600,439)</u>	<u>3,753,909</u>
<u>Business-Type Activities:</u>			
Land	575,350	0	575,350
Land Improvements	79,650	(1,985)	77,665
Equipment	196,150	(44,308)	151,842
Total Business-Type Activities	<u>851,150</u>	<u>(46,293)</u>	<u>804,857</u>
Total	<u>\$5,205,498</u>	<u>(\$646,732)</u>	<u>\$4,558,766</u>

Principal payments toward governmental activities capital leases during 2008 totaled \$591,610, \$374,000 for capitalized land, \$51,000 for capitalized land improvements, \$156,000 for capitalized buildings and \$10,610 for capitalized equipment. Principal payments toward business-type activities capital leases during 2008 totaled \$66,720 which was comprised of \$33,240 for capitalized equipment. The City traded-in assets of the business-type activities obtained through a capital lease within the current year. The principal amount of \$33,480 was forgiven for business-type activities by the leasing company since the City reentered into a new lease.

The following is a schedule of the future minimum lease payments at December 31, 2008 for governmental and business-type activities:

Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2009	\$291,979	\$179,069	\$33,440	\$3,973
2010	303,524	169,554	10,445	2,606
2011	191,674	159,708	11,197	1,855
2012	200,781	149,969	12,003	1,049
2013	209,000	139,866	8,478	223
2014-2018	1,251,000	526,867	0	0
2019-2023	<u>1,299,000</u>	<u>169,421</u>	<u>0</u>	<u>0</u>
Total	<u>\$3,746,958</u>	<u>\$1,494,454</u>	<u>\$75,563</u>	<u>\$9,706</u>

City of Pickerington, Ohio
Notes to the Basic Financial Statements
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NOTE 16 - LONG-TERM OBLIGATIONS

Changes in the City's long-term obligations during 2008 consist of the following:

	Restated Outstanding 12/31/2007	Additions	Reductions	Outstanding 12/31/2008	Amounts Due Within One Year
<u>Governmental Activities:</u>					
<u>General Obligation Bonds:</u>					
Street Improvement					
2004 - \$1,550,000					
Serial Bonds - 5.00%	\$1,405,000	\$0	\$50,000	\$1,355,000	\$55,000
Bond Premium	15,665	0	897	14,768	0
Total General Obligation Bonds	<u>1,420,665</u>	<u>0</u>	<u>50,897</u>	<u>1,369,768</u>	<u>55,000</u>
<u>Long-Term Bond Anticipation Notes:</u>					
<u>2007 - \$8,632,500 Various Purpose - 4.375%</u>					
Courtright Road Realignment/ Downtown					
Streetscape/ Diley Road Improvement - \$2,120,000	2,070,000	0	2,070,000	0	0
Land Acquisition - \$225,000	200,000	0	200,000	0	0
Municipal Building Improvement - \$330,000	255,000	0	255,000	0	0
Police Facility - \$290,000	265,000	0	265,000	0	0
Center Street Property - \$420,000	395,000	0	395,000	0	0
Traffic Control Devices - \$260,000	260,000	0	260,000	0	0
<u>2008 - \$8,865,000 Various Purpose - 2.25%</u>					
Courtright Road Realignment/ Downtown					
Streetscape/ Diley Road Improvement - \$2,170,000	0	2,000,000	0	2,000,000	0
Land Acquisition - \$250,000	0	175,000	0	175,000	0
Municipal Building Improvement - \$385,000	0	180,000	0	180,000	0
Police Facility - \$315,000	0	240,000	0	240,000	0
Center Street Property - \$490,000	0	375,000	0	375,000	0
Traffic Control Devices - \$260,000	0	235,000	0	235,000	0
Street Improvement - \$270,000	0	270,000	0	270,000	0
Total Long-Term Bond Anticipation Notes	<u>3,445,000</u>	<u>3,475,000</u>	<u>3,445,000</u>	<u>3,475,000</u>	<u>0</u>
<u>Long-Term Loans:</u>					
Diley Road Improvement					
State Infrastructure Bank Loan - 2005					
\$7,737,113 - 3.00%	4,459,206	1,855,822	244,077	6,070,951	445,324
Total Long-Term Loans	<u>4,459,206</u>	<u>1,855,822</u>	<u>244,077</u>	<u>6,070,951</u>	<u>445,324</u>
Compensated Absences	563,042	364,929	281,533	646,438	242,700
Capital Leases Payable	3,683,568	655,000	591,610	3,746,958	291,979
Total Governmental Activities	<u>\$13,571,481</u>	<u>\$6,350,751</u>	<u>\$4,613,117</u>	<u>\$15,309,115</u>	<u>\$1,035,003</u>

(continued)

City of Pickerington, Ohio
Notes to the Basic Financial Statements
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	Outstanding 12/31/2007	Additions	Reductions	Outstanding 12/31/2008	Amounts Due Within One Year
<u>Business-Type Activities:</u>					
<u>General Obligation Bonds:</u>					
Water System Improvement Various Purpose					
Utility General Obligation Refunding Bonds					
2003 - \$1,210,000					
Serial Bonds - 1.50 - 3.625%	\$755,000	\$0	\$95,000	\$660,000	\$105,000
Bond Premium	4,602	0	588	4,014	0
Deferred Amount on Refunding	(64,463)	0	(8,230)	(56,233)	0
Wastewater Treatment Plant Various Purpose					
Utility General Obligation Refunding Bonds					
2003 - \$2,165,000					
Serial Bonds - 1.50 - 3.625%	1,415,000	0	160,000	1,255,000	165,000
Bond Premium	6,037	0	683	5,354	0
Deferred Amount on Refunding	(153,654)	0	(17,395)	(136,259)	0
Sanitary Sewer Improvement Bonds					
1999 - \$2,850,000					
Serial Bonds - 4.85%	2,205,000	0	90,000	2,115,000	95,000
Total General Obligation Bonds	4,167,522	0	320,646	3,846,876	365,000
<u>Long-Term Bond Anticipation Notes:</u>					
2007 - Wastewater Plant Engineering					
\$775,000 - 4.15%	700,000	0	700,000	0	0
<u>2007 - \$8,632,500 Various Purpose - 4.375%</u>					
Water Plant - \$2,700,000	2,600,000	0	2,600,000	0	0
Sewer D-Line II, III, & IV and Sewer Plant Engineer - \$1,900,000	1,850,000	0	1,850,000	0	0
<u>2008 - \$8,865,000 Various Purpose - 2.25%</u>					
Water Plant - \$2,600,000	0	2,200,000	0	2,200,000	0
Sewer D-Line II, III, & IV and Sewer Plant Engineer - \$1,850,000	0	1,500,000	0	1,500,000	0
Wastewater Plant Engineering - \$700,000	0	625,000	0	625,000	0
Total Long-Term Bond Anticipation Notes	5,150,000	4,325,000	5,150,000	4,325,000	0
<u>OWDA Loans:</u>					
1973 - OWDA Loan \$440,864 - 6.25%	137,315	0	21,643	115,672	22,996
2001 - OWDA Loan \$819,398 - 4.64%	646,650	0	33,702	612,948	35,284
2008 - OWDA Loan \$245,749 - 3.30%	0	245,749	0	245,749	0
Total OWDA	783,965	245,749	55,345	974,369	58,280
1994 - Issue Two Notes \$189,057 - 0.00%	18,903	0	12,604	6,299	6,299
Compensated Absences Payable	114,268	39,923	2,302	151,889	54,369
Capital Leases Payable	85,037	57,246	66,720	75,563	33,440
Total Business-Type Activities	\$10,319,695	\$4,667,918	\$5,607,617	\$9,379,996	\$517,388

City of Pickerington, Ohio
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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, 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><u>\$190,000</u></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
2009	\$55,000	\$67,750	\$122,750
2010	60,000	65,000	125,000
2011	65,000	62,000	127,000
2012	65,000	58,750	123,750
2013	70,000	55,500	125,500
2014-2018	400,000	222,500	622,500
2019-2023	520,000	110,750	630,750
2024	120,000	6,000	126,000
Total	\$1,355,000	\$648,250	\$2,003,250

Long-Term Bond Anticipation Notes

The various purpose bond anticipation notes issued on February 29, 2008 for \$8,865,000 mature on February 27, 2009. The various purpose bond anticipation notes issued include \$3,715,000 in governmental bond anticipation notes and \$5,150,000 in business-type bond anticipation notes. Governmental bond anticipation notes in the amount of \$3,475,000 represent the long-term portion that was refinanced prior to the issuance of the financial statements. The remaining \$240,000 in governmental bond anticipation notes are reported as short-term notes payable in Note 17. The business-type portion of this bond anticipation note is addressed below in the business-type activity section of this note.

The various purpose long-term governmental bond anticipation notes include the following: \$2,000,000 street improvement bond anticipation notes issued for the purpose of paying part of the costs of constructing street improvements in the City, including improvements to Diley Road, the Courtright Road realignment, and streets, sidewalks, curbs and gutters, and other street improvements in the downtown area; \$175,000 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; \$180,000 municipal building 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; \$240,000 police facility bond anticipation notes were issued for the

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purpose of paying part of the costs of acquiring, constructing, equipping and furnishing a police building; \$375,000 Center Street property bond anticipation notes were issued for the purpose of paying part of the costs of acquiring real property for purposes of the City; \$235,000 traffic control bond anticipation notes were issued for the purpose of paying part of the cost of acquiring and installing traffic control devices and related street improvements; and \$270,000 street improvement bond anticipation notes were issued for the purpose of paying part of the costs of constructing improvements to Diley Road. The long-term portion governmental bond anticipation notes were refinanced on February 4, 2009. See Note 23.

Long-Term Loans

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 2008, the City drew down \$1,855,822 in loan proceeds. Once the terms of the loan are finalized the Ohio Department of Transportation will provide an amortization schedule of future principal and interest requirements.

Compensated Absences Payable

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

Capital Leases Payable

The City has outstanding capital leases for copiers, an aquatic recreation center, and a police facility. These leases will be repaid through the General Fund, the Police Special Revenue Fund, the Police Impact Fee Capital Projects Fund, and the Park Impact Fee Capital Projects Fund.

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 the 1994 water system improvement general obligation bonds in the amount of \$1,095,000 and 1995 wastewater treatment plant improvement general obligation bonds in the amount of \$1,910,000. 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 2008 is \$25,625.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Various purpose general obligation refunding serial bonds maturing on and after December 1, 2009 are subject to mandatory redemption at the redemption price of 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 Sewer and Water enterprise funds outstanding at December 31, 2008 were:

Year	Sewer General Obligation Bonds		Water General Obligation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$260,000	\$144,848	\$105,000	\$21,933	\$365,000	\$166,781
2010	270,000	135,703	100,000	19,045	370,000	154,748
2011	280,000	125,753	110,000	16,045	390,000	141,798
2012	290,000	114,467	110,000	12,195	400,000	126,662
2013	305,000	102,833	115,000	8,345	420,000	111,178
2014-2018	1,075,000	340,650	120,000	4,320	1,195,000	344,970
2019-2023	890,000	133,859	0	0	890,000	133,859
Total	<u>\$3,370,000</u>	<u>\$1,098,113</u>	<u>\$660,000</u>	<u>\$81,883</u>	<u>\$4,030,000</u>	<u>\$1,179,996</u>

Long-Term Bond Anticipation Notes

The various purpose bond anticipation notes issued on February 29, 2008 for \$8,865,000 mature on February 27, 2009. The various purpose bond anticipation notes issued include \$5,150,000 in business-type bond anticipation notes and \$3,715,000 in governmental bond anticipation notes. Business-type bond anticipation notes in the amount of \$4,325,000 represent the long-term portion that was refinanced prior to the issuance of the financial statements. The remaining \$825,000 in business-type bond anticipation notes are reported as short-term notes payable and are presented in the short-term obligations Note 17.

The various purpose long-term business-type bond anticipation notes include the following: the \$2,200,000 water system bond anticipation notes were issued for the purpose of water system improvements; the \$1,500,000 bond anticipation notes were issued for the purpose of paying construction costs related to the D-Line Sewer Project and engineering costs related to the Sycamore Creek E-Line Sewer Project; and \$625,000 were issued for the purpose of paying part of the costs of engineering and design services for proposed improvements to the City's sewage treatment plant. The long-term portion business-type bond anticipation notes were refinanced on February 4, 2009. See Note 23.

OWDA Loans

During 2008, the City received additional OWDA loan proceeds associated with the Wastewater Treatment Plant in the amount of \$245,749. Amortization schedules for the Wastewater Treatment Plant loan will not be available until the entire amount of the loan has been drawn down or the project is complete.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay \$1,506,011 in sewer system OWDA Loans issued in 1973, 2001 and 2008. Proceeds from these loans provided financing for various sewer projects. The loans are payable solely from sewer customer net revenues and are payable through 2021. Annual principal and interest payments on the loans are expected to require less than 8.07 percent of net revenues. The total principal and interest remaining to be paid on the loans is \$959,177. Principal and interest paid for the current year and total customer net revenues were \$93,546 and \$755,319, respectively.

Issue Two

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$189,057 in water system Issue Two notes borrowed from the Ohio Public Works Commission in 1994. Proceeds from these notes provided for the improvement of filters to the water plant. The notes were issued interest free. The notes are payable solely from water customer net revenues and are payable through 2009. Annual principal payments on the loans are expected to require less than 28.67 percent of net revenues. The total principal remaining to be paid on the notes is \$6,299. Principal paid for the current year and total customer net revenues were \$12,604 and \$361,370, respectively.

Principal and interest requirements to retire the City's OWDA loans and Issue Two notes outstanding at December 31, 2008 were:

Year	OWDA		Issue Two
	Principal	Interest	Principal
2009	\$58,280	\$35,266	\$6,299
2010	61,373	32,172	0
2011	64,634	28,911	0
2012	68,072	25,473	0
2013	57,087	21,346	0
2014-2018	243,729	72,871	0
2019-2021	175,445	14,518	0
Total	\$728,620	\$230,557	\$6,299

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 mailing machine and a street sweeper. These leases will be repaid from the Water, Sewer, and Stormwater Enterprise Funds.

As of December 31, 2008, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$30,270,734.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 17 – SHORT-TERM OBLIGATIONS

A summary of the short-term note transactions for the year ended December 31, 2008, follows:

<u>Governmental Activities:</u>	Outstanding 12/31/2007	Issued	Retired	Outstanding 12/31/2008
<u>Revenue Anticipation Notes:</u>				
TIF Cover - 2008 - \$175,000 - 2.99%	\$218,750	\$175,000	\$218,750	\$175,000
TIF Hill Road and TIF Old Town - 2008 - \$371,000 - 2.99%	393,000	371,000	393,000	371,000
TIF Cycle Way - 2008 - \$290,000 - 2.99%	445,000	290,000	445,000	290,000
TIF Windmill/ Diley Road 2008 - \$2,100,000 - 2.99%	2,200,000	2,100,000	2,200,000	2,100,000
Total Revenue Anticipation Notes	3,256,750	2,936,000	3,256,750	2,936,000
<u>Bond Anticipation Notes:</u>				
<u>2007 - \$8,632,500 Various Purpose - 4.375%</u>				
Courtright Road Realignment/ Downtown				
Streetscape/ Diley Road Improvement - \$2,120,000	50,000	0	50,000	0
Land Acquisition - \$225,000	25,000	0	25,000	0
Municipal Building Improvement - \$330,000	75,000	0	75,000	0
Police Facility - \$290,000	25,000	0	25,000	0
Center Street Property - \$420,000	25,000	0	25,000	0
<u>2008 - \$8,865,000 Various Purpose - 2.25%</u>				
Courtright Road Realignment/ Downtown				
Streetscape/ Diley Road Improvement - \$2,070,000	0	70,000	0	70,000
Land Acquisition - \$200,000	0	25,000	0	25,000
Municipal Building Improvement - \$255,000	0	75,000	0	75,000
Police Facility - \$265,000	0	25,000	0	25,000
Center Street Property - \$395,000	0	20,000	0	20,000
Traffic Control Devices - \$260,000	0	25,000	0	25,000
Total Bond Anticipation Notes	200,000	240,000	200,000	240,000
Total Governmental Activities	3,456,750	3,176,000	3,456,750	3,176,000
<u>Business - Type Activities:</u>				
<u>Bond Anticipation Notes:</u>				
<u>2007 - \$8,632,500 Various Purpose - 4.375%</u>				
Water Plant - \$2,700,000	100,000	0	100,000	0
Water Plant Tower - \$387,500	387,500	0	387,500	0
Sewer D-Line II, III, & IV and Sewer Plant Engineer - \$1,900,000	50,000	0	50,000	0
<u>2008 - \$8,865,000 Various Purpose - 2.25%</u>				
Water Plant - \$2,600,000	0	400,000	0	400,000
Sewer D-Line II, III, & IV and Sewer Plant Engineer - \$1,850,000	0	350,000	0	350,000
Wastewater Plant Engineering - \$700,000	0	75,000	0	75,000
2007 - Wastewater Plant Engineering - \$775,000 - 4.15%	75,000	0	75,000	0
Total Bond Anticipation Notes	612,500	825,000	612,500	825,000
Total Business-Type Activities	612,500	825,000	612,500	825,000
Total All Types	\$4,069,250	\$4,001,000	\$4,069,250	\$4,001,000

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Governmental Activities:

Revenue Anticipation Notes

The TIF Cover revenue anticipation notes issued on September 5, 2008, for \$175,000 will mature on September 4, 2009. These revenue anticipation notes retired the \$218,750 TIF Cover revenue anticipation notes issued on September 7, 2007. 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 TIF Hill Road and TIF Old Town revenue anticipation notes issued on September 5, 2008, for \$371,000 will mature on September 4, 2009. These revenue anticipation notes retired the \$393,000 TIF 256/204, TIF Hill Road, TIF Old Town revenue anticipation notes issued on September 7, 2007. 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 TIF Cycle Way revenue anticipation notes issued on September 5, 2008, for \$290,000 will mature on September 4, 2009. These revenue anticipation notes retired the \$445,000 TIF Cycle Way revenue anticipation notes issued on September 7, 2007. These notes were issued for the purpose of constructing street improvements in the Cycle Way area.

The TIF Windmill/ Diley Road revenue anticipation notes issued on September 5, 2008, for \$2,100,000 will mature on September 4, 2009. These revenue anticipation notes retired the \$2,200,000 TIF Windmill/ Diley revenue anticipation notes issued on September 7, 2007. These notes were issued for the purpose of street improvements in the Windmill/ Diley Road areas including constructing turn lane improvements for State Route 256 to establish an exit point for the realignment of Diley Road.

The City is utilizing tax increment financing revenues as repayment for these revenue anticipation notes. The revenue anticipation notes are backed by the full faith and credit of the City.

Bond Anticipation Notes

The various purpose bond anticipation notes issued on February 29, 2008 for \$8,865,000 mature on February 27, 2009. The various purpose bond anticipation notes issued include \$3,715,000 in governmental bond anticipation notes and \$5,150,000 in business-type bond anticipation notes. On February 4, 2009 the City refinanced the governmental bond anticipation notes and rolled \$3,475,000 into notes maturing on February 4, 2010 and they are presented in the long-term obligation Note 16. The remaining \$240,000 governmental bond anticipation notes are considered short-term notes payable as of December 31, 2008.

Business-Type Activities:

Bond Anticipation Notes

The various purpose bond anticipation notes issued on February 29, 2008 for \$8,865,000 mature on February 27, 2009. As mentioned above \$5,150,000 represents the business-type portion of the outstanding bond anticipation notes. On February 4, 2009 the City refinanced the business-type bond anticipation notes and rolled \$4,325,000 into notes maturing on February 4, 2010 and they are presented in the long-term obligation Note 16. The remaining \$825,000 business-type bond anticipation notes are considered short-term notes payable as of December 31, 2008.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

NOTE 18 - SIGNIFICANT CONTRACTUAL OBLIGATIONS

As of December 31, 2008 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, 2008	Amount Remaining on Contracts
Storage Facility	Street Fund/ Municipal Facilities Impact Fee/ Water Fund/ Sewer Fund/ and Stormwater Fund	\$199,941	\$150,935	\$49,006
State Route 256 Culvert Design	Street Construction	8,670	0	8,670
Traffic Light Equipment	Street Construction	166,567	44,519	122,048
State Route 256 Lighting	TIF Cover Construction	129,500	81,980	47,520
Wastewater Plant Construction	Water Pollution Control	12,434	12,434	0
Wastewater Project Management	Sewer Repair and Replacement	33,920	23,806	10,114
Wastewater Infil Study and Repair	Sewer Repair and Replacement	144,859	139,592	5,267
		<u>\$695,891</u>	<u>\$453,266</u>	<u>\$242,625</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 made no contributions to the Fairfield Hocking Major Crimes Unit during 2008.

B. Fairfield County Regional Planning Commission

The City is a participant in the Fairfield County Regional Planning Commission, a statutorily created political subdivision of the State. Fairfield County, its municipalities, and its townships jointly govern the Commission. All of the County Commissioners are members of the 48-member board, and the County appoints seven of the members of the board. Each member's control over the operation of the Commission is limited to its representation of the board. The Commission makes studies, maps, plans, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the County. The City contributed \$1,947 to the Commission during 2008.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

C. Mid-Ohio Regional Planning Commission (MORPC)

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

The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/ sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members. The City contributed \$6,442 in membership dues to the Mid-Ohio Regional Planning Commission during 2008.

D. 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 2008, the City contracted for health services in the amount of \$81,308 from 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.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

B. 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, 2008 to December 31, 2008 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

Interfund transfers during 2008, consisted of the following:

	Transfer to				Totals
	Major Funds			Other Nonmajor Governmental	
	Police	Diley Road Improvement	Stormwater		
<u>Transfer from</u> Major Fund:					
General Fund	\$2,010,000	\$133,586	\$150,000	\$1,194,310	\$3,487,896
Other Nonmajor Governmental	0	0	0	557,966	557,966
Totals	\$2,010,000	\$133,586	\$150,000	\$1,752,276	\$4,045,862

The transfer from/to were used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to spend them; to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments come due, to use unrestricted revenue collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. During 2008, the City transferred \$150,000 from the General Fund to the Stormwater Enterprise Fund for the purpose of repairing Meadows culvert which received extensive damage from flooding. All transfers are considered allowable in accordance with Ohio Revised Code Sections 5705.14, 5705.15, and 5705.16.

City of Pickerington, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Interfund balances at December 31, 2008, consist of the following individual interfund receivables and payables:

	<u>Interfund Receivable</u>
	Major Fund
	General
<u>Interfund Payable</u>	
Major Funds:	
Diley Road Improvement	\$230,000
Totals	\$230,000

A short-term interfund loan was advanced from the General Fund to the Diley Road Improvement Capital Projects Fund for the Diley Road Improvement Project.

NOTE 23 - SUBSEQUENT EVENTS

On February 4, 2009, the City issued various purpose bond anticipation notes in the amount of \$8,339,000, with an interest rate of 2.0 percent which will mature on February 4, 2010. Of this various purpose issue the City made a principal payment in the amount of \$70,000 on the \$2,070,000 street improvement bond anticipation notes dated February 29, 2008, and rolled the remaining balance of \$2,000,000. The City made a principal payment in the amount of \$25,000 on the \$265,000 police facility bond anticipation notes dated February 29, 2008, and rolled the remaining balance of \$240,000. The City made a principal payment in the amount of \$25,000 on the land acquisition bond anticipation notes dated February 29, 2008, and rolled the remaining balance of \$175,000. The City made a principal payment in the amount of \$75,000 on the municipal building improvements bond anticipation notes dated February 29, 2008, and rolled the remaining balance of \$180,000. The City made a principal payment in the amount of \$20,000 on the Center Street property bond anticipation notes dated February 29, 2008, and rolled the remaining balance of \$375,000. The City made a principal payment in the amount of \$25,000 on the traffic control devices bond anticipation notes dated February 29, 2008, and rolled the remaining balance of \$235,000. The \$270,000 street improvement bond anticipation notes for the Diley Road project dated February 29, 2008 rolled over into bond anticipation notes in the amount of \$270,000. The City made a principal payment in the amount of \$400,000 on the water plant bond anticipation notes dated February 29, 2008, and rolled the remaining balance of \$2,200,000. The City made a principal payment in the amount of \$350,000 on the sewer D-Line and sewer plant engineer bond anticipation notes dated February 29, 2008, and rolled the remaining balance of \$1,500,000. The City made a principal payment in the amount of \$75,000 on the wastewater plant engineering bond anticipation notes dated February 29, 2008, and rolled the remaining balance of \$625,000. In addition, the City issued an additional \$539,000 in storm drainage improvement bond anticipation notes.

During 2009, the City drew down an additional \$1,397,683 in State Infrastructure Bank loan proceeds and federal grant monies from the Ohio Department of Transportation for the purpose of financing the Diley Road widening and realignment project.

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**Combining Statements
and
Individual Fund Schedules**

GENERAL FUND

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, 2008

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Property and Other Taxes	\$955,400	\$911,700	\$970,885	\$59,185
Municipal Income Taxes	4,306,310	4,471,113	4,487,640	16,527
Charges for Services	126,500	185,813	124,078	(61,735)
Licenses and Permits	314,900	356,392	361,078	4,686
Fines and Forfeitures	135,000	135,000	118,444	(16,556)
Intergovernmental	598,839	1,069,224	1,049,775	(19,449)
Interest	200,000	200,500	189,661	(10,839)
Contributions and Donations	8,500	8,500	7,144	(1,356)
Other	70,540	70,390	137,289	66,899
<i>Total Revenues</i>	<u>6,715,989</u>	<u>7,408,632</u>	<u>7,445,994</u>	<u>37,362</u>
Expenditures				
Current:				
General Government				
Council				
Personal Services	146,807	146,807	116,215	30,592
Contractual Services	22,835	22,835	13,247	9,588
Materials and Supplies	1,000	1,000	966	34
Total Council	<u>170,642</u>	<u>170,642</u>	<u>130,428</u>	<u>40,214</u>
Mayor				
Personal Services	35,875	35,875	24,073	11,802
Contractual Services	2,938	2,938	1,861	1,077
Materials and Supplies	7,067	7,067	3,804	3,263
Total Mayor	<u>45,880</u>	<u>45,880</u>	<u>29,738</u>	<u>16,142</u>
City Manager				
Personal Services	107,175	107,175	87,323	19,852
Contractual Services	6,679	6,679	1,566	5,113
Materials and Supplies	1,100	1,100	945	155
Total City Manager	<u>114,954</u>	<u>114,954</u>	<u>89,834</u>	<u>25,120</u>
Receptionist				
Personal Services	120,600	120,600	115,502	5,098
Materials and Supplies	23	24	0	24
Total Receptionist	<u>120,623</u>	<u>120,624</u>	<u>115,502</u>	<u>5,122</u>
Facilities Operations Administration				
Personal Services	57,700	57,700	56,104	1,596
Contractual Services	1,155	1,155	63	1,092
Materials and Supplies	4,500	4,500	613	3,887
Total Facilities Operations Administration	<u>63,355</u>	<u>63,355</u>	<u>56,780</u>	<u>6,575</u>
Personnel Department				
Personal Services	14,625	14,625	11,649	2,976
Contractual Services	36,646	36,646	14,915	21,731
Materials and Supplies	3,616	3,616	1,735	1,881
Total Personnel Department	<u>54,887</u>	<u>54,887</u>	<u>28,299</u>	<u>26,588</u>

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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Public Information				
Contractual Services	\$15,500	\$25,500	\$16,950	\$8,550
Materials and Supplies	300	300	0	300
Total Public Information	<u>15,800</u>	<u>25,800</u>	<u>16,950</u>	<u>8,850</u>
Land and Buildings				
Personal Services	2,000	2,000	0	2,000
Contractual Services	281,831	288,332	240,865	47,467
Materials and Supplies	81,468	79,468	63,290	16,178
Capital Outlay	43,361	43,361	40,547	2,814
Total Land and Buildings	<u>408,660</u>	<u>413,161</u>	<u>344,702</u>	<u>68,459</u>
Engineer				
Personal Services	215,750	215,750	184,588	31,162
Contractual Services	129,364	154,364	102,031	52,333
Materials and Supplies	11,500	11,500	3,200	8,300
Total Engineer	<u>356,614</u>	<u>381,614</u>	<u>289,819</u>	<u>91,795</u>
Law Director				
Contractual Services	403,517	403,517	297,637	105,880
Mayor's Court Clerk				
Personal Services	72,611	72,611	70,278	2,333
Contractual Services	32,973	32,973	30,096	2,877
Materials and Supplies	5,000	5,000	3,888	1,112
Total Mayor's Court Clerk	<u>110,584</u>	<u>110,584</u>	<u>104,262</u>	<u>6,322</u>
Administrative Assistant				
Personal Services	48,260	48,260	46,918	1,342
Materials and Supplies	820	820	763	57
Total Administrative Assistant	<u>49,080</u>	<u>49,080</u>	<u>47,681</u>	<u>1,399</u>
Finance Director				
Personal Services	392,545	392,545	362,169	30,376
Contractual Services	227,993	322,993	308,056	14,937
Materials and Supplies	25,525	25,525	14,409	11,116
Total Finance Director	<u>646,063</u>	<u>741,063</u>	<u>684,634</u>	<u>56,429</u>
Municipal Clerk				
Personal Services	89,685	91,875	82,890	8,985
Contractual Services	1,770	1,770	548	1,222
Materials and Supplies	3,000	3,000	1,470	1,530
Total Municipal Clerk	<u>94,455</u>	<u>96,645</u>	<u>84,908</u>	<u>11,737</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, 2008

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Miscellaneous				
Personal Services	\$9,000	\$15,392	\$15,392	\$0
Contractual Services	71,140	74,452	64,644	9,808
Total Miscellaneous	80,140	89,844	80,036	9,808
Other General Government				
Auditor and Treasurer Fees	39,000	43,615	43,615	0
Miscellaneous Dues	21,375	21,375	20,963	412
Total Other General Government	60,375	64,990	64,578	412
Total General Government	2,795,629	2,946,640	2,465,788	480,852
Security of Persons and Property				
Street Lighting				
Contractual Services	75,800	82,300	80,162	2,138
Materials and Supplies	250	250	0	250
Total Security of Persons and Property	76,050	82,550	80,162	2,388
Leisure Time Activities				
Contractual Services	43,500	44,209	43,380	829
Total Leisure Time Activities	43,500	44,209	43,380	829
Public Health Services				
Contractual Services	124,410	125,160	123,872	1,288
Materials and Supplies	22,000	22,000	17,556	4,444
Total Public Health Services	146,410	147,160	141,428	5,732
Community Environment				
Development Department				
Personal Services	113,985	113,985	50,278	63,707
Contractual Services	32,413	32,413	312	32,101
Materials and Supplies	4,500	4,500	0	4,500
Total Development Department	150,898	150,898	50,590	100,308
Building Inspection				
Personal Services	236,300	236,300	222,748	13,552
Contractual Services	595,255	593,753	213,268	380,485
Materials and Supplies	21,000	22,500	4,529	17,971
Total Building Inspection	852,555	852,553	440,545	412,008

(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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Planning and Zoning				
Personal Services	\$230,615	\$232,925	\$216,106	\$16,819
Contractual Services	132,060	132,060	88,548	43,512
Materials and Supplies	14,878	14,878	5,461	9,417
Total Planning and Zoning	<u>377,553</u>	<u>379,863</u>	<u>310,115</u>	<u>69,748</u>
<i>Total Community Environment</i>	<u>1,381,006</u>	<u>1,383,314</u>	<u>801,250</u>	<u>582,064</u>
<i>Total Expenditures</i>	<u>4,442,595</u>	<u>4,603,873</u>	<u>3,532,008</u>	<u>1,071,865</u>
<i>Excess of Revenues Over Expenditures</i>	<u>2,273,394</u>	<u>2,804,759</u>	<u>3,913,986</u>	<u>1,109,227</u>
Other Financing Sources (Uses)				
Advances In	0	0	830,529	830,529
Advances Out	0	0	(500,000)	(500,000)
Transfers Out	(3,072,933)	(3,487,934)	(3,487,896)	38
Total Other Financing Sources (Uses)	<u>(3,072,933)</u>	<u>(3,487,934)</u>	<u>(3,157,367)</u>	<u>330,567</u>
<i>Net Change in Fund Balance</i>	(799,539)	(683,175)	756,619	1,439,794
Fund Balance at Beginning of Year	1,229,923	1,229,923	1,229,923	0
Prior Year Encumbrances Appropriated	<u>190,685</u>	<u>190,685</u>	<u>190,685</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$621,069</u>	<u>\$737,433</u>	<u>\$2,177,227</u>	<u>\$1,439,794</u>

NONMAJOR GOVERNMENTAL FUNDS

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.

Debt Service Fund

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

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, 2008

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$640,152	\$64,721	\$1,388,687	\$2,093,560
Receivables:				
Permissive Motor Vehicle Registration Fees	3,284	0	4,926	8,210
Payments in Lieu of Taxes	0	0	869,750	869,750
Accounts	828	0	0	828
Intergovernmental	319,846	0	24,597	344,443
Materials and Supplies Inventory	28,981	0	0	28,981
Prepaid Items	49,036	0	0	49,036
<i>Total Assets</i>	<u>\$1,042,127</u>	<u>\$64,721</u>	<u>\$2,287,960</u>	<u>\$3,394,808</u>
Liabilities:				
Accounts Payable	\$12,713	\$0	\$277,332	\$290,045
Contracts Payable	0	0	15,652	15,652
Accrued Wages and Benefits	21,780	0	0	21,780
Retainage Payable	0	0	1,612	1,612
Intergovernmental Payable	10,893	0	0	10,893
Accrued Interest Payable	0	0	15,484	15,484
Notes Payable	0	0	876,000	876,000
Deferred Revenue	227,211	0	894,347	1,121,558
<i>Total Liabilities</i>	<u>272,597</u>	<u>0</u>	<u>2,080,427</u>	<u>2,353,024</u>
Fund Equity:				
Fund Balances:				
Reserved for Encumbrances	44,986	0	131,905	176,891
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	724,544	0	0	724,544
Debt Service Funds	0	64,721	0	64,721
Capital Projects Funds	0	0	75,628	75,628
<i>Total Fund Balances</i>	<u>769,530</u>	<u>64,721</u>	<u>207,533</u>	<u>1,041,784</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,042,127</u>	<u>\$64,721</u>	<u>\$2,287,960</u>	<u>\$3,394,808</u>

City of Pickerington, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2008

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Permissive Motor Vehicle Registration Fees	\$74,948	\$0	\$112,424	\$187,372
Charges for Services	155,097	0	0	155,097
Licenses and Permits	21,982	0	0	21,982
Impact Fees	0	0	485,964	485,964
Fines and Forfeitures	10,035	0	0	10,035
Intergovernmental	703,678	0	12,278	715,956
Interest	8,653	21,985	66,321	96,959
Payments in Lieu of Taxes	0	0	119,928	119,928
Rent	3,605	0	0	3,605
Contributions and Donations	21,351	0	25,000	46,351
Other	47,013	0	398	47,411
<i>Total Revenues</i>	<u>1,046,362</u>	<u>21,985</u>	<u>822,313</u>	<u>1,890,660</u>
Expenditures:				
Current:				
General Government	4,464	0	0	4,464
Security of Persons and Property	7,429	0	0	7,429
Transportation	714,092	0	0	714,092
Leisure Time Activities	736,915	0	0	736,915
Capital Outlay	0	0	1,302,644	1,302,644
Debt Service:				
Current Refunding Principal Retirement	0	240,000	0	240,000
Principal Retirement	0	450,077	425,000	875,077
Interest and Fiscal Charges	0	489,827	42,541	532,368
<i>Total Expenditures</i>	<u>1,462,900</u>	<u>1,179,904</u>	<u>1,770,185</u>	<u>4,412,989</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(416,538)</u>	<u>(1,157,919)</u>	<u>(947,872)</u>	<u>(2,522,329)</u>
Other Financing Sources (Use)				
Inception of a Capital Lease	0	0	655,000	655,000
Notes Issued	0	3,205,000	0	3,205,000
Current Refunding of Bond Anticipation Notes	0	(3,205,000)	0	(3,205,000)
Transfers In	475,000	1,153,672	123,604	1,752,276
Transfers Out	0	(30,681)	(527,285)	(557,966)
<i>Total Other Financing Sources (Use)</i>	<u>475,000</u>	<u>1,122,991</u>	<u>251,319</u>	<u>1,849,310</u>
<i>Net Changes in Fund Balances</i>	58,462	(34,928)	(696,553)	(673,019)
Fund Balances at Beginning of Year	<u>711,068</u>	<u>99,649</u>	<u>904,086</u>	<u>1,714,803</u>
<i>Fund Balances at End of Year</i>	<u><u>\$769,530</u></u>	<u><u>\$64,721</u></u>	<u><u>\$207,533</u></u>	<u><u>\$1,041,784</u></u>

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.

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 restricted 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 restricted for maintenance of state highways within the City.

Parks and Recreation Fund - To account for the revenue received from charges for services, donations, and transfers from the General Fund 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 funds received from developers for the costs of planting trees.

Federal Emergency Management Agency Fund – To account for funds received from the Federal Emergency Management Agency and the state government for claims for assistance due to natural catastrophes.

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

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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$1,348,000	\$1,366,510	\$1,385,769	\$19,259
Charges for Services	89,052	94,819	106,086	11,267
Intergovernmental	214,600	234,322	238,382	4,060
Contributions and Donations	300	300	6,295	5,995
Other	61,810	61,810	129,907	68,097
<i>Total Revenues</i>	<u>1,713,762</u>	<u>1,757,761</u>	<u>1,866,439</u>	<u>108,678</u>
Expenditures				
Current:				
Security of Persons and Property				
Personal Services	3,267,783	3,287,483	3,225,636	61,847
Contractual Services	400,945	401,000	348,799	52,201
Materials and Supplies	192,122	216,919	192,828	24,091
Capital Outlay	110,200	139,200	138,459	741
<i>Total Expenditures</i>	<u>3,971,050</u>	<u>4,044,602</u>	<u>3,905,722</u>	<u>138,880</u>
<i>Excess of Revenues Under Expenditures</i>	(2,257,288)	(2,286,841)	(2,039,283)	247,558
Other Financing Source				
Transfers In	<u>2,010,000</u>	<u>2,010,000</u>	<u>2,010,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(247,288)	(276,841)	(29,283)	247,558
Fund Balance at Beginning of Year	248,749	248,749	248,749	0
Prior Year Encumbrances Appropriated	<u>46,845</u>	<u>46,845</u>	<u>46,845</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$48,306</u>	<u>\$18,753</u>	<u>\$266,311</u>	<u>\$247,558</u>

City of Pickerington, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2008

	Street	State Highway	Parks and Recreation	Computer	Operation of a Motor Vehicle Under the Influence Enforcement and Education
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$315,488	\$73,662	\$90,496	\$12,279	\$8,476
Receivables:					
Permissive Motor Vehicle Registration Fees	3,284	0	0	0	0
Accounts	828	0	0	0	0
Intergovernmental	282,736	22,881	0	0	0
Materials and Supplies Inventory	25,068	0	3,913	0	0
Prepaid Items	42,140	0	6,751	0	0
<i>Total Assets</i>	<u>\$669,544</u>	<u>\$96,543</u>	<u>\$101,160</u>	<u>\$12,279</u>	<u>\$8,476</u>
Liabilities:					
Accounts Payable	\$5,493	\$718	\$6,463	\$0	\$0
Accrued Wages and Benefits	10,368	414	10,998	0	0
Intergovernmental Payable	5,065	237	4,857	0	0
Deferred Revenue	197,144	15,873	0	0	0
<i>Total Liabilities</i>	<u>218,070</u>	<u>17,242</u>	<u>22,318</u>	<u>0</u>	<u>0</u>
Fund Balances:					
Reserved for Encumbrances	10,658	28,670	1,988	0	0
Unreserved:					
Undesignated	440,816	50,631	76,854	12,279	8,476
<i>Total Fund Balances</i>	<u>451,474</u>	<u>79,301</u>	<u>78,842</u>	<u>12,279</u>	<u>8,476</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$669,544</u>	<u>\$96,543</u>	<u>\$101,160</u>	<u>\$12,279</u>	<u>\$8,476</u>

<u>Law Enforcement Seizure</u>	<u>Mandatory Drug Law Enforcement</u>	<u>Immobilization</u>	<u>Urban Forestry</u>	<u>Federal Emergency Management Agency</u>	<u>Community Development Block Grant Revolving Loan</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$8,084	\$4,545	\$115	\$60,435	\$0	\$66,572	\$640,152
0	0	0	0	0	0	3,284
0	0	0	0	0	0	828
0	0	35	0	14,194	0	319,846
0	0	0	0	0	0	28,981
0	0	0	145	0	0	49,036
<u>\$8,084</u>	<u>\$4,545</u>	<u>\$150</u>	<u>\$60,580</u>	<u>\$14,194</u>	<u>\$66,572</u>	<u>\$1,042,127</u>
\$0	\$0	\$0	\$39	\$0	\$0	\$12,713
0	0	0	0	0	0	21,780
0	0	0	734	0	0	10,893
0	0	0	0	14,194	0	227,211
0	0	0	773	14,194	0	272,597
3,670	0	0	0	0	0	44,986
4,414	4,545	150	59,807	0	66,572	724,544
8,084	4,545	150	59,807	0	66,572	769,530
<u>\$8,084</u>	<u>\$4,545</u>	<u>\$150</u>	<u>\$60,580</u>	<u>\$14,194</u>	<u>\$66,572</u>	<u>\$1,042,127</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, 2008

	Street	State Highway	Parks and Recreation	Computer	Operation of a Motor Vehicle Under the Influence Enforcement and Education
Revenues:					
Permissive Motor Vehicle Registration Fees	\$74,948	\$0	\$0	\$0	\$0
Charges for Services	12,500	0	142,597	0	0
Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	0	8,908	952
Intergovernmental	627,293	50,861	0	0	0
Interest	5,831	1,219	0	0	0
Rent	0	0	3,605	0	0
Contributions and Donations	0	0	21,351	0	0
Other	8,843	159	32,435	0	0
<i>Total Revenues</i>	<u>729,415</u>	<u>52,239</u>	<u>199,988</u>	<u>8,908</u>	<u>952</u>
Expenditures:					
Current:					
General Government	0	0	0	4,464	0
Security of Persons and Property	0	0	0	0	768
Transportation	666,361	22,692	0	0	0
Leisure Time Activities	0	0	633,216	0	0
<i>Total Expenditures</i>	<u>666,361</u>	<u>22,692</u>	<u>633,216</u>	<u>4,464</u>	<u>768</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	63,054	29,547	(433,228)	4,444	184
Other Financing Source					
Transfers In	<u>0</u>	<u>0</u>	<u>450,000</u>	<u>0</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	63,054	29,547	16,772	4,444	184
Fund Balances at Beginning of Year	<u>388,420</u>	<u>49,754</u>	<u>62,070</u>	<u>7,835</u>	<u>8,292</u>
<i>Fund Balances at End of Year</i>	<u><u>\$451,474</u></u>	<u><u>\$79,301</u></u>	<u><u>\$78,842</u></u>	<u><u>\$12,279</u></u>	<u><u>\$8,476</u></u>

<u>Law Enforcement Seizure</u>	<u>Mandatory Drug Law Enforcement</u>	<u>Immobilization</u>	<u>Urban Forestry</u>	<u>Federal Emergency Management Agency</u>	<u>Community Development Block Grant Revolving Loan</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$74,948
0	0	0	0	0	0	155,097
0	0	0	21,982	0	0	21,982
0	175	0	0	0	0	10,035
390	0	95	0	25,039	0	703,678
0	0	0	0	0	1,603	8,653
0	0	0	0	0	0	3,605
0	0	0	0	0	0	21,351
<u>3,807</u>	<u>637</u>	<u>0</u>	<u>1,132</u>	<u>0</u>	<u>0</u>	<u>47,013</u>
<u>4,197</u>	<u>812</u>	<u>95</u>	<u>23,114</u>	<u>25,039</u>	<u>1,603</u>	<u>1,046,362</u>
0	0	0	0	0	0	4,464
0	1,600	5,061	0	0	0	7,429
0	0	0	0	25,039	0	714,092
<u>0</u>	<u>0</u>	<u>0</u>	<u>103,699</u>	<u>0</u>	<u>0</u>	<u>736,915</u>
<u>0</u>	<u>1,600</u>	<u>5,061</u>	<u>103,699</u>	<u>25,039</u>	<u>0</u>	<u>1,462,900</u>
4,197	(788)	(4,966)	(80,585)	0	1,603	(416,538)
<u>0</u>	<u>0</u>	<u>0</u>	<u>25,000</u>	<u>0</u>	<u>0</u>	<u>475,000</u>
4,197	(788)	(4,966)	(55,585)	0	1,603	58,462
<u>3,887</u>	<u>5,333</u>	<u>5,116</u>	<u>115,392</u>	<u>0</u>	<u>64,969</u>	<u>711,068</u>
<u>\$8,084</u>	<u>\$4,545</u>	<u>\$150</u>	<u>\$59,807</u>	<u>\$0</u>	<u>\$66,572</u>	<u>\$769,530</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$13,000	\$12,500	(\$500)
Permissive Motor Vehicle Registration Fees	75,786	75,786	0
Intergovernmental	531,175	629,766	98,591
Interest	13,000	5,831	(7,169)
Other	6,300	8,843	2,543
<i>Total Revenues</i>	<u>639,261</u>	<u>732,726</u>	<u>93,465</u>
Expenditures			
Current:			
Transportation			
Street			
Personal Services	318,789	273,429	45,360
Contractual Services	264,767	207,648	57,119
Materials and Supplies	172,506	147,044	25,462
Capital Outlay	117,079	66,977	50,102
<i>Total Expenditures</i>	<u>873,141</u>	<u>695,098</u>	<u>178,043</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(233,880)	37,628	271,508
Other Financing Source			
Transfers In	25,039	0	(25,039)
<i>Net Change in Fund Balance</i>	(208,841)	37,628	246,469
Fund Balance at Beginning of Year	225,855	225,855	0
Prior Year Encumbrances Appropriated	39,473	39,473	0
<i>Fund Balance at End of Year</i>	<u>\$56,487</u>	<u>\$302,956</u>	<u>\$246,469</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$44,400	\$51,062	\$6,662
Interest	900	1,219	319
Other	300	159	(141)
<i>Total Revenues</i>	<u>45,600</u>	<u>52,440</u>	<u>6,840</u>
Expenditures			
Current:			
Transportation			
State Highway			
Personal Services	16,130	15,710	420
Contractual Services	12,650	7,456	5,194
Materials and Supplies	20,750	20,000	750
Capital Outlay	15,000	8,670	6,330
<i>Total Expenditures</i>	<u>64,530</u>	<u>51,836</u>	<u>12,694</u>
<i>Net Change in Fund Balance</i>	(18,930)	604	19,534
Fund Balance at Beginning of Year	<u>44,388</u>	<u>44,388</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$25,458</u></u>	<u><u>\$44,992</u></u>	<u><u>\$19,534</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Parks and Recreation Fund
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$144,685	\$142,921	(\$1,764)
Rent	3,625	3,605	(20)
Contributions and Donations	20,320	21,351	1,031
Other	26,100	32,435	6,335
<i>Total Revenues</i>	<u>194,730</u>	<u>200,312</u>	<u>5,582</u>
Expenditures			
Current:			
Leisure Time Activities			
Parks and Recreation			
Personal Services	356,703	305,126	51,577
Contractual Services	277,864	253,698	24,166
Materials and Supplies	56,618	54,523	2,095
Capital Outlay	28,971	28,414	557
<i>Total Expenditures</i>	<u>720,156</u>	<u>641,761</u>	<u>78,395</u>
<i>Excess of Revenues Under Expenditures</i>	(525,426)	(441,449)	83,977
Other Financing Source			
Transfers In	450,000	450,000	0
<i>Net Change in Fund Balance</i>	(75,426)	8,551	83,977
Fund Balance at Beginning of Year	68,967	68,967	0
Prior Year Encumbrances Appropriated	7,860	7,860	0
<i>Fund Balance at End of Year</i>	<u>\$1,401</u>	<u>\$85,378</u>	<u>\$83,977</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$11,000	\$8,770	(\$2,230)
<i>Total Revenues</i>	<u>11,000</u>	<u>8,770</u>	<u>(2,230)</u>
Expenditures			
Current:			
General Government			
Computer			
Contractual Services	4,000	3,464	536
Materials and Supplies	1,750	1,000	750
Capital Outlay	4,000	0	4,000
<i>Total Expenditures</i>	<u>9,750</u>	<u>4,464</u>	<u>5,286</u>
<i>Net Change in Fund Balance</i>	1,250	4,306	3,056
Fund Balance at Beginning of Year	<u>7,184</u>	<u>7,184</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$8,434</u></u>	<u><u>\$11,490</u></u>	<u><u>\$3,056</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$1,200	\$942	(\$258)
<i>Total Revenues</i>	<u>1,200</u>	<u>942</u>	<u>(258)</u>
Expenditures			
Current:			
Security of Persons and Property			
Operation of a Motor Vehicle Under Intoxication Education			
Contractual Services	2,015	473	1,542
Materials and Supplies	1,749	295	1,454
<i>Total Expenditures</i>	<u>3,764</u>	<u>768</u>	<u>2,996</u>
<i>Net Change in Fund Balance</i>	(2,564)	174	2,738
Fund Balance at Beginning of Year	7,918	7,918	0
Prior Year Encumbrances Appropriated	<u>249</u>	<u>249</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$5,603</u></u>	<u><u>\$8,341</u></u>	<u><u>\$2,738</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$390	\$390	\$0
Other	3,807	3,807	0
<i>Total Revenues</i>	<u>4,197</u>	<u>4,197</u>	<u>0</u>
Expenditures			
Current:			
Security of Persons and Property			
Law Enforcement			
Materials and Supplies	4,000	3,670	330
<i>Net Change in Fund Balance</i>	197	527	330
Fund Balance at Beginning of Year	<u>3,887</u>	<u>3,887</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$4,084</u></u>	<u><u>\$4,414</u></u>	<u><u>\$330</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Mandatory Drug Law Enforcement Fund
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$0	\$175	\$175
Other	0	637	637
<i>Total Revenues</i>	<u>0</u>	<u>812</u>	<u>812</u>
Expenditures			
Current:			
Security of Persons and Property			
Mandatory Drug Enforcement Fund			
Contractual Services	1,000	0	1,000
Materials and Supplies	1,600	1,600	0
<i>Total Expenditures</i>	<u>2,600</u>	<u>1,600</u>	<u>1,000</u>
<i>Net Change in Fund Balance</i>	(2,600)	(788)	1,812
Fund Balance at Beginning of Year	<u>5,333</u>	<u>5,333</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$2,733</u></u>	<u><u>\$4,545</u></u>	<u><u>\$1,812</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$300	\$160	(\$140)
<i>Total Revenues</i>	<u>300</u>	<u>160</u>	<u>(140)</u>
Expenditures			
Current:			
Security of Persons and Property Immobilization			
Materials and Supplies	77	54	
Capital Outlay	5,100	5,060	40
<i>Total Expenditures</i>	<u>5,177</u>	<u>5,114</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(4,877)	(4,954)	(77)
Fund Balance at Beginning of Year	4,992	4,992	0
Prior Year Encumbrances Appropriated	<u>77</u>	<u>77</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$192</u>	<u>\$115</u>	<u>(\$77)</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and Permits	\$21,000	\$21,982	\$982
Other	1,140	1,132	(8)
<i>Total Revenues</i>	<u>22,140</u>	<u>23,114</u>	<u>974</u>
Expenditures			
Current:			
Leisure Time Activities			
Urban Forestry			
Personal Services	72,675	69,569	3,106
Contractual Services	29,803	13,285	16,518
Materials and Supplies	76,980	39,945	37,035
<i>Total Expenditures</i>	<u>179,458</u>	<u>122,799</u>	<u>56,659</u>
<i>Excess of Revenues Under Expenditures</i>	(157,318)	(99,685)	57,633
Other Financing Source			
Transfers In	25,000	25,000	0
<i>Net Change in Fund Balance</i>	(132,318)	(74,685)	57,633
Fund Balance at Beginning of Year	115,987	115,987	0
Prior Year Encumbrances Appropriated	19,133	19,133	0
<i>Fund Balance at End of Year</i>	<u><u>\$2,802</u></u>	<u><u>\$60,435</u></u>	<u><u>\$57,633</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$25,039	\$25,039	\$0
Current:			
Transportation			
Federal Emergency Management Agency			
Personal Services	25,039	25,039	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>	\$0	\$0	\$0

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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$3,000	\$1,603	(\$1,397)
Expenditures			
Current:			
Community Environment			
Community Development Block Grant			
Contractual Services	64,000	0	64,000
<i>Net Change in Fund Balance</i>	(61,000)	1,603	62,603
Fund Balance at Beginning of Year	64,969	64,969	0
<i>Fund Balance at End of Year</i>	<u>\$3,969</u>	<u>\$66,572</u>	<u>\$62,603</u>

NONMAJOR DEBT SERVICE FUNDS

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:

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.

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, 2008

	Final	Actual	Variance Positive (Negative)
Revenues			
Payment in Lieu of Taxes	\$309,377	\$396,079	\$86,702
Interest	24,420	24,763	343
<i>Total Revenues</i>	<u>333,797</u>	<u>420,842</u>	<u>87,045</u>
Expenditures			
Debt Service:			
Principal Retirement	7,351,827	7,351,827	0
Interest and Fiscal Charges	639,286	634,538	4,748
<i>Total Expenditures</i>	<u>7,991,113</u>	<u>7,986,365</u>	<u>4,748</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(7,657,316)</u>	<u>(7,565,523)</u>	<u>91,793</u>
Other Financing Sources			
Notes Issued	6,453,716	6,381,000	(72,716)
Transfers In	1,163,581	1,149,595	(13,986)
<i>Total Other Financing Sources</i>	<u>7,617,297</u>	<u>7,530,595</u>	<u>(86,702)</u>
<i>Net Change in Fund Balance</i>	(40,019)	(34,928)	5,091
Fund Balance at Beginning of Year	<u>99,649</u>	<u>99,649</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$59,630</u></u>	<u><u>\$64,721</u></u>	<u><u>\$5,091</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$16,136	\$16,136	\$0
<i>Total Revenues</i>	<u>16,136</u>	<u>16,136</u>	<u>0</u>
Expenditures			
Debt Service:			
Principal Retirement	3,182,500	3,182,500	0
Interest and Fiscal Charges	164,886	164,641	245
<i>Total Expenditures</i>	<u>3,347,386</u>	<u>3,347,141</u>	<u>245</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(3,331,250)</u>	<u>(3,331,005)</u>	<u>245</u>
Other Financing Sources			
Notes Issued	2,600,000	2,600,000	0
Transfers In	725,568	725,568	0
<i>Total Other Financing Sources</i>	<u>3,325,568</u>	<u>3,325,568</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(5,682)	(5,437)	245
Fund Balance at Beginning of Year	<u>16,317</u>	<u>16,317</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$10,635</u></u>	<u><u>\$10,880</u></u>	<u><u>\$245</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$3,300	\$15,470	\$12,170
<i>Total Revenues</i>	<u>3,300</u>	<u>15,470</u>	<u>12,170</u>
Expenditures			
Debt Service:			
Principal Retirement	2,925,000	2,925,000	0
Interest and Fiscal Charges	264,276	264,276	0
<i>Total Expenditures</i>	<u>3,189,276</u>	<u>3,189,276</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(3,185,976)</u>	<u>(3,173,806)</u>	<u>12,170</u>
Other Financing Sources			
Notes Issued	2,550,000	2,550,000	0
Transfers In	629,120	620,928	(8,192)
<i>Total Other Financing Sources</i>	<u>3,179,120</u>	<u>3,170,928</u>	<u>(8,192)</u>
<i>Net Change in Fund Balance</i>	(6,856)	(2,878)	3,978
Fund Balance at Beginning of Year	<u>12,181</u>	<u>12,181</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$5,325</u></u>	<u><u>\$9,303</u></u>	<u><u>\$3,978</u></u>

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).

Major Capital Projects Funds:

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

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

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.

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.

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, this fund is included 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. For budgetary purposes, this fund is included in the Debt Service Fund.

(continued)

CAPITAL PROJECTS FUNDS (Continued)

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

Street Improvement Trust Fund - To account for monies received from developers 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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$4,000	\$2,701	(\$1,299)
Payment in Lieu of Taxes	29,071	31,736	2,665
<i>Total Revenues</i>	<u>33,071</u>	<u>34,437</u>	<u>1,366</u>
Expenditures			
Capital Outlay			
Tax Increment Financing Agreement			
Windmill/Diley Construction			
Contractual Services	36,132	32,603	3,529
Capital Outlay	40,687	40,678	9
<i>Total Expenditures</i>	<u>76,819</u>	<u>73,281</u>	<u>3,538</u>
<i>Net Change in Fund Balance</i>	(43,748)	(38,844)	4,904
Fund Balance at Beginning of Year	52,616	52,616	0
Prior Year Encumbrances Appropriated	13,132	13,132	0
<i>Fund Balance at End of Year</i>	<u>\$22,000</u>	<u>\$26,904</u>	<u>\$4,904</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$8,461,229	\$8,027,990	(\$433,239)
Interest	300	807	507
Other	0	561,072	561,072
<i>Total Revenues</i>	<u>8,461,529</u>	<u>8,589,869</u>	<u>128,340</u>
Expenditures			
Capital Outlay			
Diley Road Improvement			
Contractual Services	284,032	198,843	85,189
Capital Outlay	<u>10,386,522</u>	<u>10,386,522</u>	<u>0</u>
<i>Total Expenditures</i>	<u>10,670,554</u>	<u>10,585,365</u>	<u>85,189</u>
<i>Excess of Revenues Under Expenditures</i>	(2,209,025)	(1,995,496)	213,529
Other Financing Sources (Use)			
Notes Issued	270,000	270,000	0
Loans Issued	1,855,822	1,855,822	0
Transfers In	0	133,586	133,586
Advances In	500,000	500,000	0
Advances Out	0	(830,529)	(830,529)
<i>Total Other Financing Sources (Use)</i>	<u>2,625,822</u>	<u>1,928,879</u>	<u>(696,943)</u>
<i>Net Change in Fund Balance</i>	416,797	(66,617)	(483,414)
Fund Balance at Beginning of Year	146,277	146,277	0
Prior Year Encumbrances Appropriated	<u>1,032</u>	<u>1,032</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$564,106</u></u>	<u><u>\$80,692</u></u>	<u><u>(\$483,414)</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 Cover Construction Fund
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$6,000	\$7,395	\$1,395
Payment in Lieu of Taxes	144,644	143,830	(814)
<i>Total Revenues</i>	<u>150,644</u>	<u>151,225</u>	<u>581</u>
Expenditures			
Capital Outlay			
Tax Increment Financings Agreement Cover Construction			
Contractual Services	326,132	326,132	0
Capital Outlay	47,520	47,520	0
<i>Total Expenditures</i>	<u>373,652</u>	<u>373,652</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(223,008)	(222,427)	581
Fund Balance at Beginning of Year	119,530	119,530	0
Prior Year Encumbrances Appropriated	<u>159,564</u>	<u>159,564</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$56,086</u></u>	<u><u>\$56,667</u></u>	<u><u>\$581</u></u>

City of Pickerington, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2008

	State Route 256 Highway	Street Construction	Street Impact Fee	Park Capital Improvement	Community Development Block Grant
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$288,481	\$160,997	\$314,722	\$11,261	\$352
Receivables:					
Permissive Motor Vehicle Registration Fees	4,926	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	0
Intergovernmental	0	0	0	24,597	0
<i>Total Assets</i>	<u>\$293,407</u>	<u>\$160,997</u>	<u>\$314,722</u>	<u>\$35,858</u>	<u>\$352</u>
Liabilities:					
Accounts Payable	\$0	\$0	\$0	\$0	\$0
Contracts Payable	0	15,652	0	0	0
Retainage Payable	0	1,612	0	0	0
Accrued Interest Payable	0	6,885	0	0	0
Notes Payable	0	95,000	0	0	0
Deferred Revenue	0	0	0	24,597	0
<i>Total Liabilities</i>	<u>0</u>	<u>119,149</u>	<u>0</u>	<u>24,597</u>	<u>0</u>
Fund Balances:					
Reserved for Encumbrances	0	122,048	0	0	0
Unreserved:					
Undesignated (Deficit)	293,407	(80,200)	314,722	11,261	352
<i>Total Fund Balances (Deficit)</i>	<u>293,407</u>	<u>41,848</u>	<u>314,722</u>	<u>11,261</u>	<u>352</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$293,407</u>	<u>\$160,997</u>	<u>\$314,722</u>	<u>\$35,858</u>	<u>\$352</u>

Police Impact Fee	Tax Increment Financing Agreement Old Town Construction	Tax Increment Financing Agreement Cycle Way Construction	Tax Increment Financing Agreement Equity Construction	Street Improvement Trust	Sidewalk Improvement Trust	Municipal Building
\$31,389	\$0	\$0	\$0	\$423,457	\$1,696	\$23,987
0	0	0	0	0	0	0
0	10,834	581,584	277,332	0	0	0
0	0	0	0	0	0	0
<u>\$31,389</u>	<u>\$10,834</u>	<u>\$581,584</u>	<u>\$277,332</u>	<u>\$423,457</u>	<u>\$1,696</u>	<u>\$23,987</u>
\$0	\$0	\$0	\$277,332	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
472	3,556	2,779	0	0	0	1,792
25,000	371,000	290,000	0	0	0	95,000
0	10,834	581,584	277,332	0	0	0
<u>25,472</u>	<u>385,390</u>	<u>874,363</u>	<u>554,664</u>	<u>0</u>	<u>0</u>	<u>96,792</u>
0	0	0	0	0	0	0
<u>5,917</u>	<u>(374,556)</u>	<u>(292,779)</u>	<u>(277,332)</u>	<u>423,457</u>	<u>1,696</u>	<u>(72,805)</u>
<u>5,917</u>	<u>(374,556)</u>	<u>(292,779)</u>	<u>(277,332)</u>	<u>423,457</u>	<u>1,696</u>	<u>(72,805)</u>
<u>\$31,389</u>	<u>\$10,834</u>	<u>\$581,584</u>	<u>\$277,332</u>	<u>\$423,457</u>	<u>\$1,696</u>	<u>\$23,987</u>

(continued)

City of Pickerington, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds (Continued)
December 31, 2008

	<u>Park Impact Fee</u>	<u>Municipal Facility Impact Fee</u>	<u>Total Nonmajor Capital Projects Funds</u>
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$25,058	\$107,287	\$1,388,687
Receivables:			
Permissive Motor Vehicle Registration Fees	0	0	4,926
Payments in Lieu of Taxes	0	0	869,750
Intergovernmental	<u>0</u>	<u>0</u>	<u>24,597</u>
<i>Total Assets</i>	<u>\$25,058</u>	<u>\$107,287</u>	<u>\$2,287,960</u>
Liabilities:			
Accounts Payable	\$0	\$0	\$277,332
Contracts Payable	0	0	15,652
Retainage Payable	0	0	1,612
Accrued Interest Payable	0	0	15,484
Notes Payable	0	0	876,000
Deferred Revenue	<u>0</u>	<u>0</u>	<u>894,347</u>
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>2,080,427</u>
Fund Balances:			
Reserved for Encumbrances	0	9,857	131,905
Unreserved:			
Undesignated (Deficit)	<u>25,058</u>	<u>97,430</u>	<u>75,628</u>
<i>Total Fund Balances (Deficit)</i>	<u>25,058</u>	<u>107,287</u>	<u>207,533</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$25,058</u>	<u>\$107,287</u>	<u>\$2,287,960</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, 2008

	State Route 256 Highway	Tax Increment Financing Agreement State Route 256/204 Construction	Street Construction	Street Impact Fee
Revenues:				
Permissive Motor Vehicle Registration Fees	\$112,424	\$0	\$0	\$0
Impact Fees	0	0	0	224,704
Intergovernmental	0	0	0	0
Interest	0	500	4,639	10,380
Payment in Lieu of Taxes	0	0	0	0
Contributions and Donations	0	0	0	0
Other	0	0	398	0
<i>Total Revenues</i>	<u>112,424</u>	<u>500</u>	<u>5,037</u>	<u>235,084</u>
Expenditures:				
Capital Outlay	13,499	0	169,240	21,013
Debt Service:				
Principal Retirements	0	0	0	0
Interest and Fiscal Charges	0	0	5,081	0
<i>Total Expenditures</i>	<u>13,499</u>	<u>0</u>	<u>174,321</u>	<u>21,013</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>98,925</u>	<u>500</u>	<u>(169,284)</u>	<u>214,071</u>
Other Financing Sources (Use)				
Inception of Capital Lease	0	0	0	0
Transfers In	0	0	57,000	0
Transfers Out	0	(22,271)	0	(357,455)
<i>Total Other Financing Sources (Use)</i>	<u>0</u>	<u>(22,271)</u>	<u>57,000</u>	<u>(357,455)</u>
<i>Net Changes in Fund Balances</i>	98,925	(21,771)	(112,284)	(143,384)
Fund Balances (Deficits) at Beginning of Year	<u>194,482</u>	<u>21,771</u>	<u>154,132</u>	<u>458,106</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$293,407</u>	<u>\$0</u>	<u>\$41,848</u>	<u>\$314,722</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, 2008

	Park Capital Improvement	Community Development Block Grant	Police Impact Fee	Tax Increment Financing Agreement Old Town Construction
Revenues:				
Permissive Motor Vehicle Registration Fees	\$0	\$0	\$0	\$0
Impact Fees	0	0	90,576	0
Intergovernmental	12,278	0	0	0
Interest	0	0	919	627
Payment in Lieu of Taxes	0	0	0	3,611
Contributions and Donations	0	0	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>12,278</u>	<u>0</u>	<u>91,495</u>	<u>4,238</u>
Expenditures:				
Capital Outlay	53,248	0	10,220	0
Debt Service:				
Principal Retirements	0	0	0	0
Interest and Fiscal Charges	0	0	472	16,343
<i>Total Expenditures</i>	<u>53,248</u>	<u>0</u>	<u>10,692</u>	<u>16,343</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(40,970)</u>	<u>0</u>	<u>80,803</u>	<u>(12,105)</u>
Other Financing Sources (Use)				
Inception of Capital Lease	0	0	0	0
Transfers In	0	0	0	35,923
Transfers Out	0	0	(49,824)	0
<i>Total Other Financing Sources (Use)</i>	<u>0</u>	<u>0</u>	<u>(49,824)</u>	<u>35,923</u>
<i>Net Changes in Fund Balances</i>	(40,970)	0	30,979	23,818
Fund Balances (Deficits) at Beginning of Year	<u>52,231</u>	<u>352</u>	<u>(25,062)</u>	<u>(398,374)</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u><u>\$11,261</u></u>	<u><u>\$352</u></u>	<u><u>\$5,917</u></u>	<u><u>(\$374,556)</u></u>

Tax Increment Financing Agreement Cycle Way Construction	Tax Increment Financing Agreement Equity Construction	Street Improvement Trust	Sidewalk Improvement Trust	Municipal Building	Park Impact Fee
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	80,558
0	0	0	0	0	0
30,161	0	9,975	40	824	5,156
116,317	0	0	0	0	0
0	0	25,000	0	0	0
0	0	0	0	0	0
<u>146,478</u>	<u>0</u>	<u>34,975</u>	<u>40</u>	<u>824</u>	<u>85,714</u>
0	277,332	0	0	2,725	672,826
0	0	0	0	0	425,000
<u>18,853</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,792</u>	<u>0</u>
<u>18,853</u>	<u>277,332</u>	<u>0</u>	<u>0</u>	<u>4,517</u>	<u>1,097,826</u>
<u>127,625</u>	<u>(277,332)</u>	<u>34,975</u>	<u>40</u>	<u>(3,693)</u>	<u>(1,012,112)</u>
0	0	0	0	0	655,000
30,681	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(10,000)</u>	<u>0</u>
<u>30,681</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(10,000)</u>	<u>655,000</u>
158,306	(277,332)	34,975	40	(13,693)	(357,112)
<u>(451,085)</u>	<u>0</u>	<u>388,482</u>	<u>1,656</u>	<u>(59,112)</u>	<u>382,170</u>
<u>(\$292,779)</u>	<u>(\$277,332)</u>	<u>\$423,457</u>	<u>\$1,696</u>	<u>(\$72,805)</u>	<u>\$25,058</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, 2008

	Municipal Facility Impact Fee	Total Nonmajor Capital Projects Funds
Revenues:		
Permissive Motor Vehicle Registration Fees	\$0	\$112,424
Impact Fees	90,126	485,964
Intergovernmental	0	12,278
Interest	3,100	66,321
Payment in Lieu of Taxes	0	119,928
Contributions and Donations	0	25,000
Other	0	398
<i>Total Revenues</i>	<u>93,226</u>	<u>822,313</u>
Expenditures:		
Capital Outlay	82,541	1,302,644
Debt Service:		
Principal Retirements	0	425,000
Interest and Fiscal Charges	0	42,541
<i>Total Expenditures</i>	<u>82,541</u>	<u>1,770,185</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>10,685</u>	<u>(947,872)</u>
Other Financing Sources (Use)		
Inception of Capital Lease	0	655,000
Transfers In	0	123,604
Transfers Out	(87,735)	(527,285)
<i>Total Other Financing Sources (Use)</i>	<u>(87,735)</u>	<u>251,319</u>
<i>Net Changes in Fund Balances</i>	<u>(77,050)</u>	<u>(696,553)</u>
Fund Balances (Deficits) at Beginning of Year	<u>184,337</u>	<u>904,086</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$107,287</u>	<u>\$207,533</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Permissive Motor Vehicle Registration Fees	\$115,000	\$113,680	(\$1,320)
Expenditures			
Capital Outlay			
State Route 256 Highway			
Materials and Supplies	50,000	13,499	36,501
<i>Net Change in Fund Balance</i>	65,000	100,181	35,181
Fund Balance at Beginning of Year	188,300	188,300	0
<i>Fund Balance at End of Year</i>	<u>\$253,300</u>	<u>\$288,481</u>	<u>\$35,181</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$700	\$500	(\$200)
Expenditures			
Capital Outlay			
Tax Increment Financing Agreement			
State Route 256/204 Construction			
Contractual Services	<u>23,252</u>	<u>23,252</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(22,552)	(22,752)	(200)
Other Financing Use			
Transfers Out	<u>(22,271)</u>	<u>(22,271)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(44,823)	(45,023)	(200)
Fund Balance at Beginning of Year	21,771	21,771	0
Prior Year Encumbrances Appropriated	<u>23,252</u>	<u>23,252</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$200</u></u>	<u><u>\$0</u></u>	<u><u>(\$200)</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$15,225	\$4,639	(\$10,586)
Other	0	398	398
<i>Total Revenues</i>	<u>15,225</u>	<u>5,037</u>	<u>(10,188)</u>
Expenditures			
Capital Outlay			
Street Construction			
Capital Outlay	315,718	291,288	24,430
<i>Total Expenditures</i>	<u>315,718</u>	<u>291,288</u>	<u>24,430</u>
<i>Excess of Revenues Under Expenditures</i>	(300,493)	(286,251)	14,242
Other Financing Source			
Transfers In	102,000	102,000	0
<i>Net Change in Fund Balance</i>	(198,493)	(184,251)	14,242
Fund Balance at Beginning of Year	77,218	77,218	0
Prior Year Encumbrances Appropriated	128,718	128,718	0
<i>Fund Balance at End of Year</i>	<u>\$7,443</u>	<u>\$21,685</u>	<u>\$14,242</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$220,396	\$224,704	\$4,308
Interest	10,000	10,380	380
<i>Total Revenues</i>	<u>230,396</u>	<u>235,084</u>	<u>4,688</u>
Expenditures			
Current:			
Capital Outlay			
Street Impact Fee			
Contractual Services	25,100	23,411	1,689
<i>Total Expenditures</i>	<u>25,100</u>	<u>23,411</u>	<u>1,689</u>
<i>Excess of Revenues Over Expenditures</i>	205,296	211,673	6,377
Other Financing Use			
Transfers Out	(398,702)	(357,455)	41,247
<i>Net Change in Fund Balance</i>	(193,406)	(145,782)	47,624
Fund Balance at Beginning of Year	460,504	460,504	0
<i>Fund Balance at End of Year</i>	<u>\$267,098</u>	<u>\$314,722</u>	<u>\$47,624</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$12,278	\$12,278	\$0
Expenditures			
Capital Outlay			
Park Capital Improvement			
Capital Outlay	54,060	53,248	812
<i>Net Change in Fund Balance</i>	(41,782)	(40,970)	812
Fund Balance at Beginning of Year	45,946	45,946	0
Prior Year Encumbrances Appropriated	6,285	6,285	0
<i>Fund Balance at End of Year</i>	<u>\$10,449</u>	<u>\$11,261</u>	<u>\$812</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Current:			
Capital Outlay			
Community Development Block Grant			
Capital Outlay	352	0	352
<i>Net Change in Fund Balance</i>	(352)	0	352
Fund Balance at Beginning of Year	352	352	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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$87,947	\$90,576	\$2,629
Interest	1,000	919	(81)
<i>Total Revenues</i>	<u>88,947</u>	<u>91,495</u>	<u>2,548</u>
Expenditures			
Current:			
Capital Outlay			
Police Impact Fee			
Contractual Services	12,932	12,188	744
<i>Total Expenditures</i>	<u>12,932</u>	<u>12,188</u>	<u>744</u>
<i>Excess of Revenues Over Expenditures</i>	76,015	79,307	3,292
Other Financing Use			
Transfers Out	(49,824)	(49,824)	0
<i>Net Change in Fund Balance</i>	26,191	29,483	3,292
Fund Balance at Beginning of Year	1,906	1,906	0
<i>Fund Balance at End of Year</i>	<u>\$28,097</u>	<u>\$31,389</u>	<u>\$3,292</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$20,000	\$9,975	(\$10,025)
Contributions and Donations	0	25,000	25,000
<i>Total Revenues</i>	<u>20,000</u>	<u>34,975</u>	<u>14,975</u>
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	20,000	34,975	14,975
Fund Balance at Beginning of Year	<u>388,482</u>	<u>388,482</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$408,482</u></u>	<u><u>\$423,457</u></u>	<u><u>\$14,975</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$40	\$40	\$0
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	40	40	0
Fund Balance at Beginning of Year	<u>1,656</u>	<u>1,656</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,696</u></u>	<u><u>\$1,696</u></u>	<u><u>\$0</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Building Fund
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$1,500	\$824	(\$676)
Expenditures			
Capital Outlay			
Municipal Building			
Capital Outlay	24,593	11,556	13,037
<i>Excess of Revenues Under Expenditures</i>	(23,093)	(10,732)	12,361
Other Financing Use			
Transfers Out	(15,000)	(15,000)	0
<i>Net Change in Fund Balance</i>	(38,093)	(25,732)	12,361
Fund Balance at Beginning of Year	35,693	35,693	0
Prior Year Encumbrances Appropriated	13,093	13,093	0
<i>Fund Balance at End of Year</i>	<u>\$10,693</u>	<u>\$23,054</u>	<u>\$12,361</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$72,861	\$80,558	\$7,697
Interest	6,000	5,156	(844)
<i>Total Revenues</i>	<u>78,861</u>	<u>85,714</u>	<u>6,853</u>
Expenditures			
Current:			
Capital Outlay			
Park Impact Fee			
Contractual Services	15,746	13,903	1,843
Capital Outlay	445,006	435,831	9,175
<i>Total Expenditures</i>	<u>460,752</u>	<u>449,734</u>	<u>11,018</u>
<i>Net Change in Fund Balance</i>	(381,891)	(364,020)	17,871
Fund Balance at Beginning of Year	382,222	382,222	0
Prior Year Encumbrances Appropriated	<u>6,856</u>	<u>6,856</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$7,187</u></u>	<u><u>\$25,058</u></u>	<u><u>\$17,871</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact Fees	\$87,295	\$90,126	\$2,831
Interest	4,000	3,100	(900)
<i>Total Revenues</i>	<u>91,295</u>	<u>93,226</u>	<u>1,931</u>
Expenditures			
Current:			
Capital Outlay			
Municipal Facility Impact Fee			
Contractual Services	11,860	10,648	1,212
Capital Outlay	81,750	81,750	0
<i>Total Expenditures</i>	<u>93,610</u>	<u>92,398</u>	<u>1,212</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,315)	828	3,143
Other Financing Use			
Transfers Out	<u>(87,735)</u>	<u>(87,735)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(90,050)	(86,907)	3,143
Fund Balance at Beginning of Year	144,587	144,587	0
Prior Year Encumbrances Appropriated	<u>39,750</u>	<u>39,750</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$94,287</u></u>	<u><u>\$97,430</u></u>	<u><u>\$3,143</u></u>

ENTERPRISE FUNDS

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

Major Enterprise Funds:

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

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

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

Nonmajor Enterprise Fund:

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

City of Pickerington, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$1,594,892	\$1,604,908	\$10,016
Tap-in Fees	399,905	458,494	58,589
Utility Deposits Received	2,000	1,700	(300)
Interest	55,000	57,209	2,209
Other Non-Operating Revenues	10,200	7,960	(2,240)
<i>Total Revenues</i>	<u>2,061,997</u>	<u>2,130,271</u>	<u>68,274</u>
Expenses			
Current:			
Personal Services	622,949	585,695	37,254
Contractual Services	614,167	455,490	158,677
Materials and Supplies	386,734	330,948	55,786
Utility Deposits Applied	1,150	545	605
Utility Deposits Returned	950	180	770
Capital Outlay	1,325,302	817,709	507,593
Other	74,924	74,924	0
Debt Service:			
Principal Retirement	12,604	12,604	0
<i>Total Expenses</i>	<u>3,038,780</u>	<u>2,278,095</u>	<u>760,685</u>
<i>Excess of Revenues Under Expenses</i>	(976,783)	(147,824)	828,959
Transfers Out	(725,586)	(725,568)	18
<i>Net Change in Fund Equity</i>	(1,702,369)	(873,392)	828,977
Fund Equity at Beginning of Year	1,854,020	1,854,020	0
Prior Year Encumbrances Appropriated	937,113	937,113	0
<i>Fund Equity at End of Year</i>	<u>\$1,088,764</u>	<u>\$1,917,741</u>	<u>\$828,977</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$2,240,901	\$2,177,967	(\$62,934)
Tap-in Fees	203,500	209,471	5,971
Utility Deposits Received	2,000	1,700	(300)
Interest	58,500	40,455	(18,045)
Other Non-Operating Revenues	9,150	11,020	1,870
OWDA Loan Proceeds	248,615	245,749	(2,866)
<i>Total Revenues</i>	<u>2,762,666</u>	<u>2,686,362</u>	<u>(76,304)</u>
Expenses			
Current:			
Personal Services	622,249	584,122	38,127
Contractual Services	1,118,134	957,393	160,741
Materials and Supplies	55,215	37,337	17,878
Utility Deposits Applied	1,150	545	605
Utility Deposits Returned	950	180	770
Capital Outlay	1,533,282	1,338,558	194,724
Debt Service:			
Principal Retirement	55,345	55,345	0
Interest and Fiscal Charges	38,201	38,201	0
<i>Total Expenses</i>	<u>3,424,526</u>	<u>3,011,681</u>	<u>412,845</u>
<i>Excess of Revenues Under Expenses</i>	(661,860)	(325,319)	336,541
Transfers In	93,546	0	(93,546)
Transfers Out	(722,666)	(620,928)	101,738
<i>Net Change in Fund Equity</i>	(1,290,980)	(946,247)	344,733
Fund Equity at Beginning of Year	2,193,063	2,193,063	0
Prior Year Encumbrances Appropriated	901,249	901,249	0
<i>Fund Equity at End of Year</i>	<u>\$1,803,332</u>	<u>\$2,148,065</u>	<u>\$344,733</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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$197,050	\$201,878	\$4,828
Tap-in Fees	179,764	177,259	(2,505)
Interest	1,800	2,279	479
Other Non-Operating Revenues	2,380	5,193	2,813
<i>Total Revenues</i>	<u>380,994</u>	<u>386,609</u>	<u>5,615</u>
Expenses			
Current:			
Personal Services	205,841	191,220	14,621
Contractual Services	136,356	98,188	38,168
Materials and Supplies	17,380	12,397	4,983
Capital Outlay	252,783	171,678	81,105
<i>Total Expenses</i>	<u>612,360</u>	<u>473,483</u>	<u>138,877</u>
<i>Excess of Revenues Under Expenses</i>	(231,366)	(86,874)	144,492
Other Financing Source			
Transfers In	<u>150,000</u>	<u>150,000</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(81,366)	63,126	144,492
Fund Equity at Beginning of Year	399,028	399,028	0
Prior Year Encumbrances Appropriated	<u>30,655</u>	<u>30,655</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$348,317</u></u>	<u><u>\$492,809</u></u>	<u><u>\$144,492</u></u>

City of Pickerington, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Aquatic Recreation Center Fund
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$269,970	\$268,511	(\$1,459)
Other Non-Operating Revenues	0	908	908
<i>Total Revenues</i>	<u>269,970</u>	<u>269,419</u>	<u>(551)</u>
Expenses			
Current:			
Personal Services	75,335	67,778	7,557
Contractual Services	106,356	97,761	8,595
Materials and Supplies	68,255	60,746	7,509
<i>Total Expenses</i>	<u>249,946</u>	<u>226,285</u>	<u>23,661</u>
<i>Net Change in Fund Equity</i>	20,024	43,134	23,110
Fund Equity at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$20,024</u>	<u>\$43,134</u>	<u>\$23,110</u>

INTERNAL SERVICE FUND

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 fuel purchased for City vehicles.

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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$157,000	\$139,085	(\$17,915)
Expenses			
Materials and Supplies	172,476	155,017	17,459
<i>Net Change in Fund Equity</i>	(15,476)	(15,932)	(456)
Fund Equity at Beginning of Year	3,456	3,456	0
Prior Year Encumbrances Appropriated	12,476	12,476	0
<i>Fund Equity at End of Year</i>	<u>\$456</u>	<u>\$0</u>	<u>(\$456)</u>

AGENCY FUND

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, 2008

	<u>Balance 1/1/08</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/08</u>
Mayor's Court				
Assets				
Cash and Cash Equivalents in Segregated Accounts	<u>\$795</u>	<u>\$226,751</u>	<u>\$226,451</u>	<u>\$1,095</u>
<i>Total Assets</i>	<u><u>\$795</u></u>	<u><u>\$226,751</u></u>	<u><u>\$226,451</u></u>	<u><u>\$1,095</u></u>
Liabilities				
Undistributed Monies	<u>\$795</u>	<u>\$226,751</u>	<u>\$226,451</u>	<u>\$1,095</u>
<i>Total Liabilities</i>	<u><u>\$795</u></u>	<u><u>\$226,751</u></u>	<u><u>\$226,451</u></u>	<u><u>\$1,095</u></u>

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Statistical Section

Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S3 - S11
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, income taxes and property taxes.	S13 - S23
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S24 - S31
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S32 - S35
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the city provides and the activities it performs.	S36 - S43

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.

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City of Pickerington, Ohio
Net Assets by Component
Last Five Years
(Accrual Basis of Accounting)

	2008	2007 (1)	2006	2005	2004
Governmental Activities					
Invested in Capital Assets, Net of Related Debt	\$39,459,496	\$29,131,270	\$29,992,870	\$30,277,012	\$29,828,785
Restricted:					
Capital Projects	3,255,095	6,024,383	2,306,000	1,445,608	1,005,130
Debt Service	0	0	0	0	19,130
Security of Persons and Property	18,540	1,291	142,909	10,311	130,392
Transportation Services	628,181	558,230	574,042	423,290	341,821
Other Purposes	291,614	300,241	409,823	367,212	484,055
Unrestricted	2,564,047	2,001,791	2,791,432	2,071,459	1,710,743
<i>Total Governmental Activities Net Assets</i>	<u>46,216,973</u>	<u>38,017,206</u>	<u>36,217,076</u>	<u>34,594,892</u>	<u>33,520,056</u>
Business-Type-Activities					
Invested in Capital Assets, Net of Related Debt	34,996,281	32,707,886	32,033,382	30,852,263	28,356,121
Unrestricted	4,837,129	5,650,267	5,682,945	5,707,503	6,172,148
<i>Total Business-Type Activities Net Assets</i>	<u>39,833,410</u>	<u>38,358,153</u>	<u>37,716,327</u>	<u>36,559,766</u>	<u>34,528,269</u>
Primary Government					
Invested in Capital Assets, Net of Related Debt	74,455,777	61,839,156	62,026,252	61,129,275	58,184,906
Restricted	4,193,430	6,884,145	2,858,732	1,823,131	1,638,707
Unrestricted	7,401,176	7,652,058	8,474,377	7,778,962	7,882,891
<i>Total Primary Government Net Assets</i>	<u>\$86,050,383</u>	<u>\$76,375,359</u>	<u>\$73,359,361</u>	<u>\$70,731,368</u>	<u>\$67,706,504</u>

(1) Restated net assets.

City of Pickerington, Ohio
Changes in Net Assets
Last Five Years
(Accrual Basis of Accounting)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>Program Revenues</u>					
Governmental Activities:					
Charges for Services:					
General Government	\$12,153	\$24,279	\$35,902	\$31,852	\$21,316
Security of Persons and Property	227,099	227,265	252,630	249,329	243,042
Transportation	199,872	282,605	162,253	146,739	128,803
Leisure Time Activities	168,184	188,873	239,945	324,401	278,187
Community Environment	473,219	469,709	774,038	731,672	701,893
Subtotal Charges for Services	<u>1,080,527</u>	<u>1,192,731</u>	<u>1,464,768</u>	<u>1,483,993</u>	<u>1,373,241</u>
Operating Grants and Contributions:					
General Government	7,144	8,069	9,197	42,316	0
Security of Persons and Property	251,683	209,065	41,588	58,036	78,314
Transportation	730,654	616,904	547,022	445,199	450,349
Leisure Time Activities	21,351	17,420	2,695	2,426	5,871
Community Environment	0	0	0	0	453
Subtotal Operating Grants and Contributions	<u>1,010,832</u>	<u>851,458</u>	<u>600,502</u>	<u>547,977</u>	<u>534,987</u>
Capital Grants and Contributions:					
Transportation	10,128,435	542,128	1,628,431	1,623,293	2,499,860
Leisure Time Activities	36,875	0	0	7,428	0
Community Environment	0	0	0	0	30,000
Subtotal Capital Grants and Contributions	<u>10,165,310</u>	<u>542,128</u>	<u>1,628,431</u>	<u>1,630,721</u>	<u>2,529,860</u>
Total Governmental Activities Program Revenues	<u>12,256,669</u>	<u>2,586,317</u>	<u>3,693,701</u>	<u>3,662,691</u>	<u>4,438,088</u>
Business-Type Activities:					
Charges for Services:					
Water	1,636,814	1,717,300	1,399,689	1,329,105	781,141
Sewer	2,238,365	1,751,962	1,423,713	1,408,308	1,322,484
Stormwater	206,463	199,056	196,415	245,374	75,851
Aquatic Recreation	268,511	0	0	0	0
Subtotal Charges for Services	<u>4,350,153</u>	<u>3,668,318</u>	<u>3,019,817</u>	<u>2,982,787</u>	<u>2,179,476</u>
Capital Grants and Contributions:					
Water	447,058	669,874	963,603	1,443,143	2,908,350
Sewer	209,471	395,217	925,235	1,388,855	1,856,495
Stormwater	177,259	93,074	388,762	1,056,705	2,097,712
Aquatic Recreation	288,970	0	0	0	0
Subtotal Capital Grants and Contributions	<u>1,122,758</u>	<u>1,158,165</u>	<u>2,277,600</u>	<u>3,888,703</u>	<u>6,862,557</u>
Total Business-Type Activities Program Revenues	<u>5,472,911</u>	<u>4,826,483</u>	<u>5,297,417</u>	<u>6,871,490</u>	<u>9,042,033</u>
Total Primary Government Program Revenues	<u>\$17,729,580</u>	<u>\$7,412,800</u>	<u>\$8,991,118</u>	<u>\$10,534,181</u>	<u>\$13,480,121</u>

(continued)

City of Pickerington, Ohio
Changes in Net Assets (Continued)
Last Five Years
(Accrual Basis of Accounting)

	2008	2007	2006	2005	2004
<u>Expenses</u>					
Governmental Activities:					
General Government	\$2,436,997	\$2,358,695	\$2,169,423	\$2,044,288	\$1,902,593
Security of Persons and Property	4,009,308	3,829,576	3,567,445	3,285,125	2,956,311
Transportation	3,936,695	3,469,100	2,611,586	2,168,811	1,506,242
Leisure Time Activities	816,074	845,507	766,520	813,732	767,388
Public Health Services	139,550	122,046	142,208	116,159	103,208
Community Environment	775,088	1,276,233	1,043,642	1,305,830	1,210,341
Interest and Fiscal Charges	577,476	589,252	606,962	488,500	265,189
<i>Total Governmental Activities Expenses</i>	<u>12,691,188</u>	<u>12,490,409</u>	<u>10,907,786</u>	<u>10,222,445</u>	<u>8,711,272</u>
Business-Type Activities:					
Water	1,993,851	1,992,516	1,945,301	1,944,783	1,744,618
Sewer	2,358,467	2,059,272	1,968,812	2,576,944	1,922,633
Stormwater	427,739	429,984	545,446	509,188	425,989
Aquatic Recreation	219,399	0	0	0	0
<i>Total Business-Type Activities Expenses</i>	<u>4,999,456</u>	<u>4,481,772</u>	<u>4,459,559</u>	<u>5,030,915</u>	<u>4,093,240</u>
<i>Total Primary Government Program Expenses</i>	<u>17,690,644</u>	<u>16,972,181</u>	<u>15,367,345</u>	<u>15,253,360</u>	<u>12,804,512</u>
Net (Expense)/ Revenue					
Governmental Activities	(434,519)	(9,904,092)	(7,214,085)	(6,559,754)	(4,273,184)
Business-Type Activities	473,455	344,711	837,858	1,840,575	4,948,793
<i>Total Primary Government Net Expense</i>	<u>\$38,936</u>	<u>(\$9,559,381)</u>	<u>(\$6,376,227)</u>	<u>(\$4,719,179)</u>	<u>\$675,609</u>

(continued)

City of Pickerington, Ohio
Changes in Net Assets (Continued)
Last Five Years
(Accrual Basis of Accounting)

	2008	2007	2006	2005 (1)	2004
General Revenues and Other Changes in Net Assets					
<i>Governmental Activities:</i>					
Property and Other Taxes Levied for General Purposes	\$979,584	\$906,955	\$869,092	\$759,644	\$640,080
Property Taxes Levied for Security of Persons and Property	1,399,961	1,373,786	1,345,209	1,181,883	1,078,806
Income Taxes Levied for General Purposes	4,671,505	4,156,569	4,010,850	3,648,635	3,372,437
Franchise Taxes	43,081	34,616	16,897	15,963	17,365
Grants and Entitlements not Restricted to Specific Programs	960,300	551,593	692,089	895,566	641,415
Investment Earnings	336,461	455,624	478,126	189,389	140,672
Payment in Lieu of Taxes	277,332	652,684	425,912	676,183	437,296
Impact Fees	485,964	625,041	922,709	24,290	0
Miscellaneous	285,098	137,500	146,869	171,553	210,754
<i>Total Governmental Activities</i>	<u>9,439,286</u>	<u>8,894,368</u>	<u>8,907,753</u>	<u>7,563,106</u>	<u>6,538,825</u>
<i>Business-Type Activities:</i>					
Investment Earnings	122,874	268,569	164,892	141,280	76,247
Miscellaneous	73,928	28,546	153,811	49,642	40,762
<i>Total Business-Type Activities</i>	<u>196,802</u>	<u>297,115</u>	<u>318,703</u>	<u>190,922</u>	<u>117,009</u>
<i>Total Primary Government General Revenues and Other Changes in Net Assets</i>	<u>9,636,088</u>	<u>9,191,483</u>	<u>9,226,456</u>	<u>7,754,028</u>	<u>6,655,834</u>
Increase (Decrease) Before Transfers					
Governmental Activities	9,004,767	(1,009,724)	1,693,668	1,003,352	2,265,641
Business-Type Activities	670,257	641,826	1,156,561	2,031,497	5,065,802
<i>Total Primary Government Increase (Decrease) Before Transfers</i>	<u>9,675,024</u>	<u>(367,898)</u>	<u>2,850,229</u>	<u>3,034,849</u>	<u>7,331,443</u>
Transfers In (Out)					
Governmental Activities	(805,000)	0	0	0	(37,840)
Business-Type Activities	805,000	0	0	0	37,840
Increase (Decrease) After Transfers					
Governmental Activities	8,199,767	(1,009,724)	1,693,668	1,003,352	2,227,801
Business-Type Activities	1,475,257	641,826	1,156,561	2,031,497	5,103,642
<i>Total Primary Government Increase (Decrease) After Transfers</i>	<u>\$9,675,024</u>	<u>(\$367,898)</u>	<u>\$2,850,229</u>	<u>\$3,034,849</u>	<u>\$7,331,443</u>

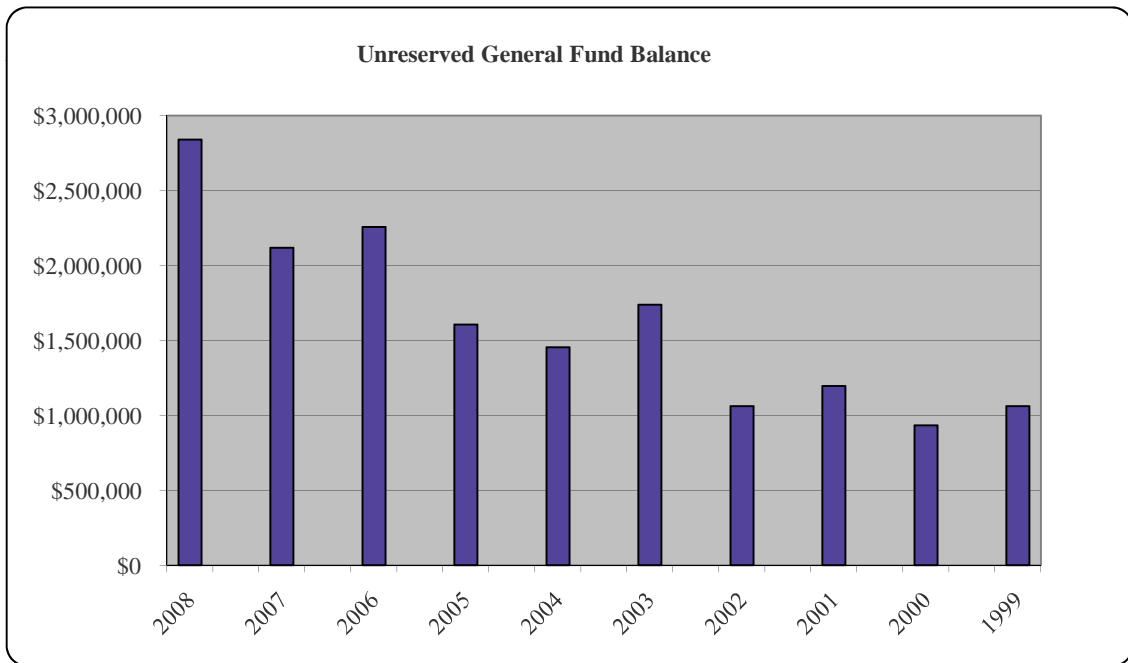
(1) During 2005, the City adopted and enforced impact fees on new residential and commercial development within the City.

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>Program Revenues</u>					
Governmental Activities:					
General Government	\$19,297	\$32,348	\$45,099	\$74,168	\$21,316
Security of Persons and Property	478,782	436,330	294,218	307,365	321,356
Transportation	11,058,961	1,441,637	2,337,706	2,215,231	3,079,012
Leisure Time Activities	226,410	206,293	242,640	334,255	284,058
Community Environment	<u>473,219</u>	<u>469,709</u>	<u>774,038</u>	<u>731,672</u>	<u>732,346</u>
Total Governmental Activities	<u>12,256,669</u>	<u>2,586,317</u>	<u>3,693,701</u>	<u>3,662,691</u>	<u>4,438,088</u>
Business-Type Activities:					
Water	2,083,872	2,387,174	2,363,292	2,772,248	3,689,491
Sewer	2,447,836	2,147,179	2,348,948	2,797,163	3,178,979
Stormwater	383,722	292,130	585,177	1,302,079	2,173,563
Aquatic Recreation	<u>557,481</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Business-Type Activities	<u>5,472,911</u>	<u>4,826,483</u>	<u>5,297,417</u>	<u>6,871,490</u>	<u>9,042,033</u>
Total Primary Government	<u>\$17,729,580</u>	<u>\$7,412,800</u>	<u>\$8,991,118</u>	<u>\$10,534,181</u>	<u>\$13,480,121</u>

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

	2008	2007	2006	2005	2004
<u>General Fund</u>					
Reserved	\$36,857	\$90,016	\$288,182	\$78,393	\$63,162
Unreserved	<u>2,840,208</u>	<u>2,118,085</u>	<u>2,257,696</u>	<u>1,606,415</u>	<u>1,454,927</u>
<i>Total General Fund</i>	<u>2,877,065</u>	<u>2,208,101</u>	<u>2,545,878</u>	<u>1,684,808</u>	<u>1,518,089</u>
All Other Governmental Funds					
Reserved	277,276	351,091	409,864	330,970	620,035
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	846,020	796,472	1,036,284	699,334	797,562
Debt Service Funds	64,721	99,649	118,724	59,008	71,926
Capital Projects Funds (Deficit)	<u>(3,144,916)</u>	<u>(1,435,161)</u>	<u>(1,702,384)</u>	<u>(2,892,145)</u>	<u>(4,075,503)</u>
<i>Total All Other Governmental Funds</i>	<u>(1,956,899)</u>	<u>(187,949)</u>	<u>(137,512)</u>	<u>(1,802,833)</u>	<u>(2,585,980)</u>
Total Governmental Funds (Deficit)	<u><u>\$920,166</u></u>	<u><u>\$2,020,152</u></u>	<u><u>\$2,408,366</u></u>	<u><u>(\$118,025)</u></u>	<u><u>(\$1,067,891)</u></u>

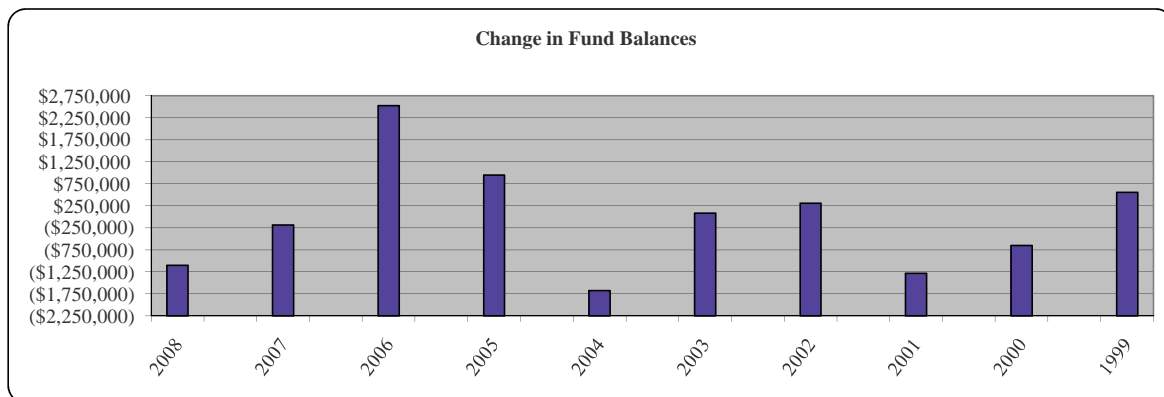


<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
\$16,811	\$438,584	\$244,212	\$178,298	\$211,445
<u>1,738,398</u>	<u>1,061,727</u>	<u>1,195,488</u>	<u>933,838</u>	<u>1,062,152</u>
<u>1,755,209</u>	<u>1,500,311</u>	<u>1,439,700</u>	<u>1,112,136</u>	<u>1,273,597</u>
1,604,850	1,917,485	1,344,731	470,551	505,862
1,006,459	620,148	539,507	260,955	480,763
86,626	17,419	469	469	469
<u>(3,846,340)</u>	<u>(3,532,358)</u>	<u>(3,106,651)</u>	<u>(343,539)</u>	<u>(106,464)</u>
<u>(1,148,405)</u>	<u>(977,306)</u>	<u>(1,221,944)</u>	<u>388,436</u>	<u>880,630</u>
<u>\$606,804</u>	<u>\$523,005</u>	<u>\$217,756</u>	<u>\$1,500,572</u>	<u>\$2,154,227</u>

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

	2008	2007	2006	2005 (2)	2004	2003 (3) (4)
Revenues						
Property and Other Taxes	\$2,239,984	\$2,163,962	\$2,163,404	\$1,892,648	\$1,709,145	\$1,717,578
Hotel and Motel Taxes (5)	116,672	120,875	0	0	0	0
Permissive Motor Vehicle Registration Fees	187,372	179,605	162,253	146,739	128,803	0
Municipal Income Taxes	4,604,900	4,111,715	3,978,315	3,607,752	3,336,898	3,105,152
Charges for Services	399,134	467,173	588,978	551,183	505,128	905,011
Licenses and Permits	367,840	391,619	568,193	671,412	625,577	1,743,833
Impact Fees	485,964	625,041	922,709	24,290	0	0
Fines and Forfeitures	129,921	149,039	131,273	113,459	106,296	0
Intergovernmental	9,999,439	2,209,079	2,188,653	1,272,596	1,165,891	1,004,756
Interest	333,264	474,959	435,426	230,845	117,419	111,217
Payments in Lieu of Taxes	499,189	435,003	588,302	441,371	348,359	190,976
Rent	3,605	750	11,271	1,200	7,437	10,710
Contributions and Donations	59,790	108,592	13,288	12,394	7,256	5,216
Other	327,351	171,897	163,766	187,516	238,551	131,519
Total Revenues	19,754,425	11,609,309	11,915,831	9,153,405	8,296,760	8,925,968
Expenditures						
Current:						
General Government	2,348,840	2,239,363	1,911,991	2,246,436	1,974,974	2,194,316
Security of Persons and Property	3,955,781	3,723,538	3,425,707	3,135,374	2,826,306	2,435,694
Transportation	714,092	912,332	439,144	487,891	554,026	538,467
Leisure Time Activities	780,295	802,152	724,720	763,549	716,456	741,916
Public Health Services	139,550	122,046	142,208	116,159	103,208	105,265
Community Environment	751,771	1,223,401	1,238,791	1,305,830	1,210,341	1,058,511
Capital Outlay	13,040,500	2,666,657	2,544,059	2,735,449	3,750,293	3,522,136
Debt Service:						
Current Refunding Principal Retirement	240,000	200,000	225,000	0	0	0
Principal Retirement	885,687	14,688	88,121	2,208,420	2,423,764	297,219
Interest and Fiscal Charges	628,717	621,508	515,277	426,860	255,712	204,645
Bond Issuance Costs	0	0	0	0	26,380	0
Total Expenditures	23,485,233	12,525,685	11,255,018	13,425,968	13,841,460	11,098,169
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(3,730,808)</i>	<i>(916,376)</i>	<i>660,813</i>	<i>(4,272,563)</i>	<i>(5,544,700)</i>	<i>(2,172,201)</i>
Other Financing Sources (Uses):						
Proceeds from the Sale of Capital Assets	0	124,084	1,095	3,549	0	0
Inception of a Capital Lease	655,000	22,665	31,683	0	0	0
Lease Proceeds	0	0	0	0	0	0
General Obligation Bonds Issued	0	0	0	0	1,550,000	0
Premium on Bond Issuance	0	0	0	0	18,845	0
Notes Issued	3,475,000	3,445,000	3,645,000	3,010,000	2,170,000	2,256,000
Loans Issued	1,855,822	581,413	1,097,800	4,378,880	169,000	0
Current Refunding of Bond Anticipation Note	(3,205,000)	(3,445,000)	(2,910,000)	(2,170,000)	0	0
Transfers In	3,895,862	3,749,296	2,842,529	2,442,706	2,383,764	2,298,864
Transfers Out	(4,045,862)	(3,749,296)	(2,842,529)	(2,442,706)	(2,421,604)	(2,298,864)
Total Other Financing Sources (Uses)	2,630,822	728,162	1,865,578	5,222,429	3,870,005	2,256,000
Net Change in Fund Balances	(\$1,099,986)	(\$188,214)	\$2,526,391	\$949,866	(\$1,674,695)	\$83,799
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	17.3%	8.4%	9.9%	32.6%	39.7%	7.1%

- (1) Includes, General, Special Revenue, Capital Projects, and Debt Service Funds.
- (2) During 2005, the City adopted and enforced impact fees on new residential and commercial development within the City.
- (3) Prior to 2004, permissive motor vehicle registration fees revenue was combined with property and other taxes revenue.
- (4) Prior to 2004, fines and forfeitures were combined with licenses and permits.
- (5) Prior to 2007, hotel and motel taxes were combined with property and other taxes.



2002	2001	2000	1999
\$1,574,611	\$1,375,192	\$798,049	\$756,156
0	0	0	0
0	0	0	0
3,041,993	2,782,304	2,445,555	2,236,481
918,555	826,987	529,084	190,518
1,187,009	773,027	590,881	523,678
0	0	0	0
0	0	0	0
1,051,570	1,255,515	1,540,931	968,467
191,799	405,286	252,287	258,399
152,982	122,120	90,578	42,363
11,275	6,790	0	0
4,892	115,016	0	0
93,474	53,186	39,626	358,011
<u>8,228,160</u>	<u>7,715,423</u>	<u>6,286,991</u>	<u>5,334,073</u>
2,260,430	2,152,488	1,725,815	1,335,564
2,245,129	1,992,201	1,850,855	1,532,577
506,550	518,741	582,601	483,285
668,724	620,556	444,796	329,484
100,010	63,614	54,469	52,851
870,283	668,092	609,935	229,749
5,518,889	2,854,710	1,620,192	856,122
0	0	0	0
46,164	27,909	12,110	12,550
264,137	167,442	39,873	18,231
0	0	0	0
<u>12,480,316</u>	<u>9,065,753</u>	<u>6,940,646</u>	<u>4,850,413</u>
<u>(4,252,156)</u>	<u>(1,350,330)</u>	<u>(653,655)</u>	<u>483,660</u>
4,129	0	0	6,851
128,276	67,514	0	64,510
4,300,000	0	0	0
0	0	0	0
0	0	0	0
125,000	0	0	0
0	0	0	0
0	0	0	0
2,212,795	2,249,267	2,120,743	2,151,712
<u>(2,212,795)</u>	<u>(2,249,267)</u>	<u>(2,120,743)</u>	<u>(2,151,712)</u>
<u>4,557,405</u>	<u>67,514</u>	<u>0</u>	<u>71,361</u>
<u>\$305,249</u>	<u>(\$1,282,816)</u>	<u>(\$653,655)</u>	<u>\$555,021</u>
4.7%	3.2%	1.0%	0.8%

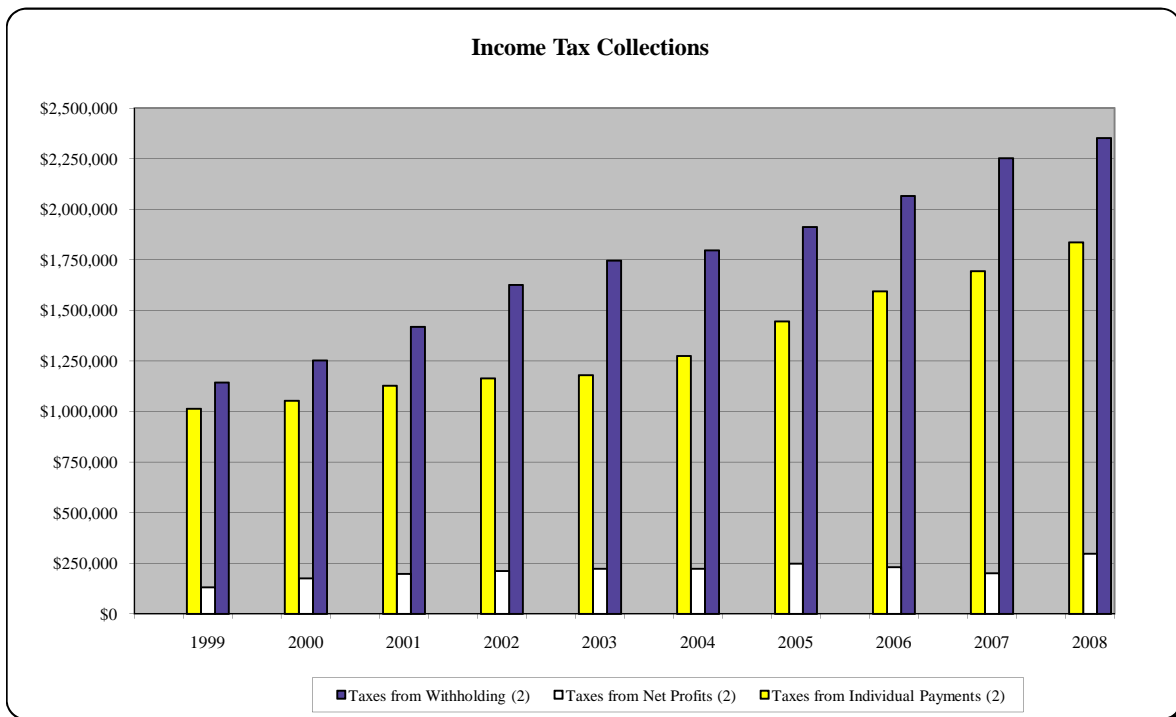
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City of Pickerington, Ohio
Income Tax Revenue Base and Collections
 Last Ten Years

Tax Year	Tax Rate	Total Tax Collected (1)	Taxes from Withholding (2)	Percentage of Taxes from Withholding	Taxes from Net Profits (2)	Percentage of Taxes from Net Profits	Taxes from Individual Payments (2)	Percentage of Taxes from Individual Payments
2008	1%	\$4,671,505	\$2,351,231	50.33%	\$297,150	6.36%	\$1,836,071	39.30%
2007	1%	4,156,569	2,251,430	54.17%	200,406	4.82%	1,692,958	40.73%
2006	1%	4,010,850	2,065,261	51.49%	231,045	5.76%	1,593,402	39.73%
2005	1%	3,648,635	1,911,467	52.39%	248,148	6.80%	1,445,226	39.61%
2004	1%	3,372,437	1,796,896	53.28%	222,780	6.61%	1,273,934	37.77%
2003	1%	3,105,152	1,746,233	56.24%	222,334	7.16%	1,179,860	38.00%
2002	1%	3,041,993	1,625,365	53.43%	211,421	6.95%	1,164,348	38.28%
2001	1%	2,782,304	1,418,030	50.97%	198,262	7.13%	1,127,921	40.54%
2000	1%	2,445,555	1,252,396	51.21%	174,778	7.15%	1,053,329	43.07%
1999	1%	2,236,481	1,143,771	51.14%	131,867	5.90%	1,013,832	45.33%

(1) 2004 through 2008 are on an accrual basis and 1999 through 2003 are on a modified accrual basis.
 (2) Cash basis of accounting.

Source: Income Tax Reports, City Income Tax Department



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

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
2008	\$323,467,550	\$94,060,140	\$1,192,936,257	\$1,798,370	\$7,193,480
2007	296,541,550	74,459,960	1,060,004,314	2,404,130	9,616,520
2006	274,074,910	67,709,680	976,527,400	2,570,000	10,280,000
2005	202,205,656	57,042,554	740,709,171	2,653,000	10,612,000
2004	181,118,613	51,094,027	663,464,686	2,304,000	9,216,000
2003	165,333,472	46,643,108	605,647,371	2,113,000	8,452,000
2002	132,015,429	37,238,595	483,582,926	2,354,000	9,416,000
2001	124,902,648	35,232,511	457,529,026	3,474,000	13,896,000
2000	116,107,797	32,755,513	425,323,743	3,559,000	14,236,000
1999	101,631,348	28,672,462	372,296,600	3,864,000	15,456,000

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

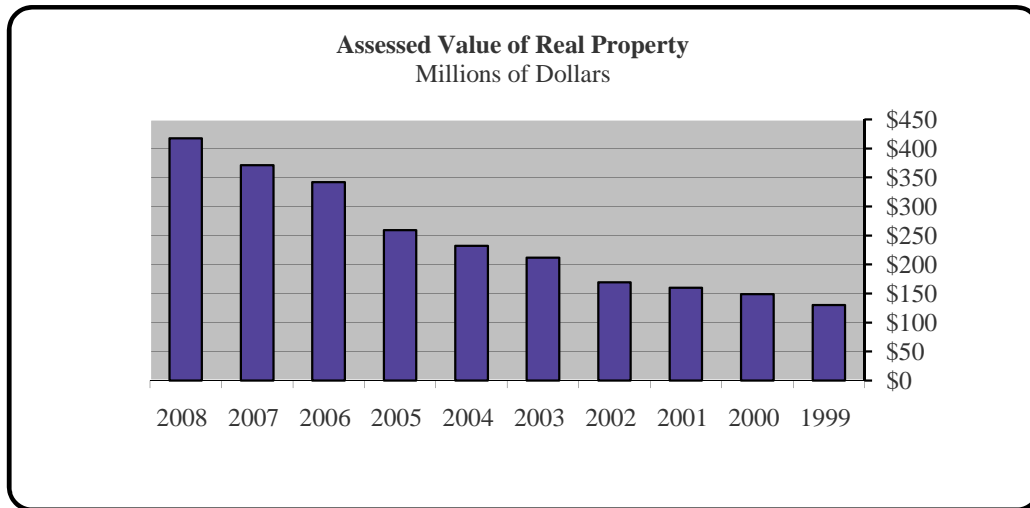
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. The general business tangible personal property tax is being phased out beginning in 2006. For collection year 2008 both types of general business tangible personal property were assessed at 6.25 percent. The percentage will be zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/ industrial property has been eliminated.

Values are shown net of exempt property.

Source: Fairfield County, Ohio; County Auditor

Tangible Personal Property		General Business			Total	
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	Weighted Average Tax Rate	
\$2,416,455	\$19,331,640	\$421,742,515	\$1,219,461,377	35%	\$6.03	
3,365,560	26,924,480	376,771,200	1,096,545,314	34%	\$6.35	
5,428,246	28,950,645	349,782,836	1,015,758,045	34%	\$6.41	
6,955,219	27,820,876	268,856,429	779,142,047	35%	\$6.42	
7,622,063	30,488,252	242,138,703	703,168,938	34%	\$6.85	
7,298,102	29,192,408	221,387,682	643,291,779	34%	\$6.98	
7,630,978	30,523,912	179,239,002	523,522,838	34%	\$7.04	
5,551,307	22,205,228	169,160,466	493,630,254	34%	\$7.74	
5,407,527	21,630,108	157,829,837	461,189,851	34%	\$5.02	
4,615,540	18,462,160	138,783,350	406,214,760	34%	\$5.08	



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

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Unvoted Millage					
Operating	2.300000	2.300000	2.300000	2.300000	2.300000
Voted Millage - by levy					
2000 Police					
Residential/Agricultural Real	3.724974	3.860104	3.898059	3.945072	4.403982
Commercial/Industrial/Public Utility/Mineral Real	3.654629	4.679109	4.809866	4.488682	4.885271
General Business/Public Utility Personal	5.500000	5.500000	5.500000	5.500000	5.500000
Total Millage By Type of Property					
Residential/Agricultural Real	6.024974	6.160104	6.198059	6.245072	6.703982
Commercial/Industrial/Public Utility/Mineral Real	5.954629	6.979109	7.109866	6.788682	7.185271
General Business/Public Utility Personal	7.800000	7.800000	7.800000	7.800000	7.800000
Overlapping Rates by Taxing District					
Fairfield County					
Residential/Agricultural Real	6.759145	7.061557	7.077422	5.268250	4.936474
Commercial/Industrial/Public Utility/Mineral Real	6.388102	7.097903	7.144626	5.425848	5.044684
General Business/Public Utility Personal	7.550000	7.550000	7.550000	7.550000	7.050000
Violet Township					
Residential/Agricultural Real	7.174830	7.578948	7.610399	7.675531	8.407761
Commercial/Industrial/Public Utility/Mineral Real	6.115701	7.538961	7.736581	7.415380	7.952246
General Business/Public Utility Personal	12.150000	12.150000	12.150000	12.150000	12.150000
Pickerington Local School District					
Residential/Agricultural Real	40.924329	40.400316	36.794741	37.401946	40.212664
Commercial/Industrial/Public Utility/Mineral Real	38.406104	41.717053	38.656987	38.292281	40.203231
General Business/Public Utility Personal	80.350000	80.750000	77.050000	77.500000	78.000000
Eastland Joint Vocational School					
Residential/Agricultural Real	2.000000	2.000000	2.000000	2.000000	2.000000
Commercial/Industrial/Public Utility/Mineral Real	2.000000	2.000000	2.000000	2.000000	2.000000
General Business/Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000

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

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

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

Source: Fairfield County, Ohio; County Auditor

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>	<u>2.300000</u>
4.587781	4.724467	5.438631	2.644422	2.695094
4.862022	4.602703	5.435188	2.216880	2.253719
<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>	<u>5.500000</u>
6.887781	7.024467	7.738631	4.944422	4.995094
7.162022	6.902703	7.735188	4.516880	4.553719
<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>	<u>7.800000</u>
4.956371	4.972489	5.335428	5.346535	5.202055
5.023202	4.994277	5.551733	5.575927	5.491144
7.050000	7.050000	7.050000	7.050000	7.050000
8.546459	4.823330	5.458430	5.485503	5.769868
7.942057	4.082475	4.838776	5.067297	5.360412
12.150000	8.300000	8.300000	8.300000	8.550000
32.687411	32.935932	35.485208	31.601706	31.781839
31.665967	31.209597	34.036770	30.713668	31.261710
70.100000	70.100000	70.300000	66.360000	66.360000
2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000

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City of Pickerington, Ohio

Principal Taxpayers

Real Estate Tax

2008 and 1999 (1)

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

Name of Taxpayer	1999	
	Assessed Value	Percent of Real Property Assessed Value
Associated Estates Realty	\$4,313,370	3.31%
Lakes Edge Partnership	3,840,690	2.95%
Regency Centers	3,529,290	2.71%
DDR Continental	2,677,180	2.05%
Hill Road Plaza	1,751,070	1.34%
Donley Inc.	1,493,820	1.15%
Samuel Baker	1,349,750	1.04%
Richard Solove	1,320,750	1.01%
Pickerington Partners	1,175,840	0.90%
World Business Services	953,300	0.73%
Totals	<u>\$22,405,060</u>	<u>17.19%</u>
Total Assessed Valuation	<u>\$130,303,810</u>	

(1) The amounts presented represent the assessed values upon which 2008 and 1999 collections were based.

Source: Fairfield County, Ohio; County Auditor

City of Pickerington, Ohio
Principal Taxpayers
Tangible Personal Property Tax
2008 and 1999 (1)

Name of Taxpayer	2008	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Tamarkin Company	\$461,400	19.09%
Kroger Co.	351,800	14.56%
Insight Communication of Central Ohio	341,080	14.11%
Doniminion Transmission Inc.	201,030	8.32%
Kohl's Department Stores Inc.	151,960	6.29%
Barnes & Noble Booksellers, Inc.	106,850	4.42%
Discount Drug Mart Inc.	97,620	4.04%
Hook Superx Inc.	74,500	3.08%
Cincinnati SMSA Ltd Partnership	68,630	2.84%
New Par	58,200	2.41%
Total	\$1,913,070	79.16%
Total Assessed Valuation	\$2,416,455	

Name of Taxpayer	1999	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Kroger Co.	\$767,640	16.63%
Southtown Corporation	476,040	10.31%
Penn Traffic	245,790	5.33%
Revco Discount Drug Center	187,870	4.07%
Cracker Barrel	185,600	4.02%
Hook Superx, Inc.	172,360	3.73%
Mellon Leasing Corporation	141,430	3.06%
Dispatch Printing Co.	140,750	3.05%
Insight Communication of Central Ohio	131,200	2.84%
Capitol Citicom Inc.	128,430	2.78%
Total	\$2,577,110	55.82%
Total Assessed Valuation	\$4,615,540	

(1) The amounts presented represent the assessed values upon which 2008 and 1999 collections were based.

Source: Fairfield County, Ohio; County Auditor

City of Pickerington, Ohio

Principal Taxpayers

Public Utilities Tax

2008 and 1999 (1)

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

Name of Taxpayer	1999	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Bell Telephone Company	\$1,168,830	30.25%
Columbia Gas of Ohio	1,231,710	31.88%
Total	<u>\$2,400,540</u>	<u>62.13%</u>
Total Assessed Valuation	<u>\$3,864,000</u>	

(1) The amounts presented represent the assessed values upon which 2008 and 1999 collections were based.

Source: Fairfield County, Ohio; County Auditor

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

	2008	2007	2006	2005	2004
<u>Real and Public Utility Property</u>					
Tax Levy	\$2,347,367	\$2,389,961	\$2,238,955	\$1,955,905	\$1,733,271
Current Tax Collections (2)	2,242,048	2,243,689	2,126,477	1,877,786	1,708,689
Percent of Current Collections to Levy	95.51%	93.88%	94.98%	96.01%	98.58%
Delinquent Tax Collections	67,304	75,769	58,773	57,748	32,977
Total Tax Collections	2,309,352	2,319,458	2,185,250	1,935,534	1,741,666
Ratio of Total Collections to Levy	98.38%	97.05%	97.60%	98.96%	100.48%
Outstanding Delinquent Taxes	168,310	146,272	142,872	99,101	50,817
Ratio of Outstanding Delinquent Taxes to Tax Levy	7.17%	6.12%	6.38%	5.07%	2.93%
<u>Tangible Personal Property</u>					
Tax Levy	\$22,147	\$37,284	\$52,415	\$50,242	\$50,707
Current Tax Collections	18,345	34,016	45,326	39,951	40,855
Percent of Current Collections to Levy	82.83%	91.23%	86.48%	79.52%	80.57%
Delinquent Tax Collections	499	326	966	218	86
Total Tax Collections	18,844	34,341	46,292	40,169	40,941
Ratio of Total Collections to Levy	85.09%	92.11%	88.32%	79.95%	80.74%
Outstanding Delinquent Taxes	9,707	8,858	14,114	9,226	8,631
Ratio of Outstanding Delinquent Taxes to Tax Levy	43.83%	23.76%	26.93%	18.36%	17.02%

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.
- (3) The year presented represents the collection year.

2003	2002	2001	2000	1999
\$1,621,759	\$1,372,739	\$1,210,588	\$742,888	\$673,947
1,573,532	1,323,768	1,161,218	700,256	654,598
97.03%	96.43%	95.92%	94.26%	97.13%
35,440	34,506	18,946	20,768	13,053
1,608,972	1,358,274	1,180,164	721,024	667,651
99.21%	98.95%	97.49%	97.06%	99.07%
46,080	41,784	62,371	24,708	29,110
2.84%	3.04%	5.15%	3.33%	4.32%
\$50,722	\$47,808	\$46,718	\$40,493	\$37,031
39,820	43,622	43,652	38,899	32,873
78.51%	91.24%	93.44%	96.06%	88.77%
712	195	54	7,782	123
40,532	43,817	43,706	46,681	32,996
79.91%	91.65%	93.55%	115.28%	89.10%
3,627	3,479	3,251	1,478	3,191
7.15%	7.28%	6.96%	3.65%	8.62%

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

Governmental Activities						
Year	General Obligation Bonds (3)	Revenue Anticipation Notes	Bond Anticipation Notes	State Infrastructure Bank Loan (5)	Ohio Municipal Bond Financing Program Loan (4)	Capital Leases (6)
2008	\$1,369,768	\$2,936,000	\$3,715,000	\$6,070,951	\$0	\$3,746,958
2007	1,420,665	3,256,750	3,645,000	4,459,206 (7)	0	3,683,568
2006	1,471,562	3,555,500	3,870,000	3,645,680	0	3,825,591
2005	1,522,459	3,779,500	3,010,000	2,547,880	0	3,957,029
2004	1,568,356	4,004,500	2,880,000	0	169,000	4,120,449
2003	0	2,132,000	4,721,000	0	0	4,288,213
2002 (2)	0	2,012,500	2,275,000	0	0	4,460,556
2001	0	2,374,500	2,145,000	0	0	80,598
2000	0	780,000	1,320,000	0	0	40,993
1999	0	0	450,000	0	0	53,103

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

- (1) See S30 & S31 for personal income and population data
- (2) During 2003, outstanding debt balances were restated.
- (3) 2004 was the first year general obligation bonds payable from property taxes were issued.
- (4) During 2005, the City drew 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.
- (5) During 2005, the City entered into a State Infrastructure Bank Loan agreement with the Ohio Department of Transportation in the amount of \$7,505,000 for the purpose of financing the Diley Road Widening and Realignment Project.
- (6) During 2002, the City entered into a lease with First Star Bank for the construction of a new police facility.
- (7) During 2008, the outstanding State Infrastructure Bank Loan was restated.

Business-Type Activities

General Obligation Bonds	Bond Anticipation Notes	Revenue Note	OWDA Loan	Issue Two Notes	Capital Leases	Total Debt	Percentage of Personal Income (1)	Per Capita (1)
\$3,846,876	\$5,150,000	\$0	\$974,369	\$6,299	\$75,563	\$27,891,784	7.46%	\$1,927
4,167,522	5,762,500	0	783,965	18,903	85,037	27,283,116	7.27%	1,878
4,483,168	2,725,000	2,800,000	836,526	31,507	134,633	27,379,167	7.81%	2,017
4,788,814	2,685,000	2,847,244	886,446	44,111	182,652	26,251,135	7.78%	2,009
5,089,460	3,430,000	2,847,244	933,859	56,715	113,455	25,213,038	8.03%	2,074
5,695,723	3,775,000	3,042,244	978,894	69,319	11,185	24,713,578	8.49%	2,195
5,605,000	4,229,500	295,582	988,219	81,923	21,673	19,969,953	7.39%	1,911
5,840,000	3,075,000	0	1,029,224	94,527	31,507	14,670,356	5.58%	1,442
6,045,000	2,275,000	0	250,205	107,131	40,728	10,859,057	4.29%	1,109
6,250,000	2,575,000	0	263,935	119,735	0	9,711,773	7.88%	1,209

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

<u>Year</u>	<u>Population (1)</u>	<u>Estimated Actual Property Value</u>	<u>General Obligation Bonded Debt</u>	<u>General Obligation Bonded Debt to Assessed Value</u>	<u>General Obligation Bonded Debt Per Capita</u>
2008	14,476	\$1,219,461,377	\$1,369,768	0.11%	\$94.62
2007	14,526	1,096,545,314	1,420,665	0.13%	97.80
2006	13,573	1,015,758,045	1,471,562	0.14%	108.42
2005	13,066	779,142,047	1,522,459	0.20%	116.52
2004 (2)	12,159	703,168,938	1,568,356	0.22%	128.99
2003	11,259	643,291,779	0	0.00%	0.00
2002	10,452	523,522,838	0	0.00%	0.00
2001	10,171	493,630,254	0	0.00%	0.00
2000	9,792	461,189,851	0	0.00%	0.00
1999	8,035	406,214,760	0	0.00%	0.00

(1) Population estimates from Mid Ohio Regional Planning Commission

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

Source: City financial records

City of Pickerington, Ohio
 Computation of Direct and Overlapping Governmental Activities Debt
 December 31, 2008

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City of Pickerington	Amount Applicable to the City of Pickerington
<u>Direct - City of Pickerington</u>			
General Obligation Bonds	\$1,369,768	100%	\$1,369,768
Revenue Anticipation Notes	2,936,000	100%	2,936,000
Bond Anticipation Notes	3,715,000	100%	3,715,000
State Infrastructure Bank Loan	6,070,951	100%	6,070,951
Capital Leases	3,746,958	100%	3,746,958
Total Direct Debt	<u>17,838,677</u>		<u>17,838,677</u>
<u>Overlapping Debt</u>			
Fairfield County	21,642,858	13.04%	2,822,229
Violet Township	2,770,000	41.82%	1,158,414
Pickerington Local School District	164,510,103	36.98%	60,835,836
Total Overlapping Debt	<u>188,922,961</u>		<u>64,816,479</u>
Total Direct and Overlapping Debt	<u>\$206,761,638</u>		<u>\$82,655,156</u>

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

City of Pickerington, Ohio
Pledged Revenue Coverage
Revenue Debt - Water
Last Five Years (3)

Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Water Issue Two (4) Debt Service Principal	Coverage
2008	\$1,711,350	\$1,349,980	\$361,370	\$12,604	28.67
2007	1,885,694	1,262,435	623,259	12,604	49.45
2006	1,522,382	1,236,880	285,502	12,604	22.65
2005	1,457,005	1,269,927	187,078	12,604	14.84
2004	845,815	1,185,879	(340,064)	12,604	(26.98)

(1) Includes investment income and other non-operating revenues.

(2) Direct operating expenses does not include depreciation.

(3) Information is not available for years prior to 2004.

(4) The Issue Two notes were issued interest free.

City of Pickerington, Ohio
Pledged Revenue Coverage
Revenue Debt - Sewer
Last Five Years (3)

Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Sewer OWDA Debt Service		Coverage
				Principal	Interest	
2008	\$2,327,131	\$1,571,812	\$755,319	\$55,345	\$38,201	8.07
2007	1,872,509	1,256,262	616,247	52,561	40,985	6.59
2006	1,508,156	1,185,516	322,640	49,920	43,626	3.45
2005	1,462,174	1,343,279	118,895	47,413	46,132	1.27
2004	1,372,602	1,187,611	184,991	45,035	48,511	1.98

- (1) Includes investment income and other non-operating revenues.
(2) Direct operating expenses does not include depreciation.
(3) Information is not available for years prior to 2004.

City of Pickerington, Ohio
Legal Debt Margin
Last Ten Years

	2008	2007	2006	2005	2004
Total Assessed Property Value	<u>\$421,742,515</u>	<u>\$376,771,200</u>	<u>\$349,782,836</u>	<u>\$268,856,429</u>	<u>\$242,138,703</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>44,282,964</u>	<u>39,560,976</u>	<u>36,727,198</u>	<u>28,229,925</u>	<u>25,424,564</u>
Debt Outstanding:					
General Obligation Bonds Payable	\$5,385,000	\$5,780,000	\$6,170,000	\$6,550,000	\$6,920,000
Notes Payable	11,801,000	12,664,250	12,950,500	12,321,744	13,161,744
Loans Payable	6,070,951	4,459,206 (1)	3,645,680	2,547,880	169,000
Issue Two Notes Payable	6,299	18,903	31,507	44,111	56,715
OWDA Loans Payable	<u>974,369</u>	<u>783,965</u>	<u>836,526</u>	<u>886,446</u>	<u>933,859</u>
Total Gross Indebtedness Outstanding	24,237,619	23,706,324	23,634,213	22,350,181	21,241,318
Less: Debt Exempt from Limitation					
General Obligation Bonds Payable	(4,030,000)	(4,375,000)	(4,715,000)	(5,045,000)	(5,370,000)
Notes Payable	(5,150,000)	(5,762,500)	(5,525,000)	(5,532,244)	(6,277,244)
Issue Two Notes Payable	(6,299)	(18,903)	(31,507)	(44,111)	(56,715)
OWDA Loans Payable	(974,369)	(783,965)	(836,526)	(886,446)	(933,859)
Amount Available in the Debt Service Fund for General Obligations	<u>(64,721)</u>	<u>(99,649)</u>	<u>(118,724)</u>	<u>(59,008)</u>	<u>(71,926)</u>
Total Net Debt Applicable to Debt Limit	<u>14,012,230</u>	<u>12,666,307</u>	<u>12,407,456</u>	<u>10,783,372</u>	<u>8,531,574</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$30,270,734</u>	<u>\$26,894,669</u>	<u>\$24,319,742</u>	<u>\$17,446,553</u>	<u>\$16,892,990</u>
Legal Debt Margin as a Percentage of the Debt Limit	68.36%	67.98%	66.22%	61.80%	66.44%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$23,195,838</u>	<u>\$20,722,416</u>	<u>\$19,238,056</u>	<u>\$14,787,104</u>	<u>\$13,317,629</u>
Total Gross Indebtedness	24,237,619	23,706,324	23,634,213	22,350,181	21,241,318
Less:					
Notes Payable	(5,150,000)	(5,150,000)	(5,525,000)	(5,532,244)	(6,277,244)
General Obligation Bonds Payable	(4,030,000)	(4,375,000)	(4,715,000)	(5,045,000)	(5,370,000)
Issue Two Notes Payable	(6,299)	(18,903)	(31,507)	(44,111)	(56,715)
OWDA Loans Payable	(974,369)	(783,965)	(836,526)	(886,446)	(933,859)
Amount Available in the Debt Service Fund for General Obligations	<u>(64,721)</u>	<u>(99,649)</u>	<u>(118,724)</u>	<u>(59,008)</u>	<u>(71,926)</u>
Net Debt Within 5 ½ % Limitations	<u>14,012,230</u>	<u>13,278,807</u>	<u>12,407,456</u>	<u>10,783,372</u>	<u>8,531,574</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$9,183,608</u>	<u>\$7,443,609</u>	<u>\$6,830,600</u>	<u>\$4,003,732</u>	<u>\$4,786,055</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	39.59%	35.92%	35.51%	27.08%	35.94%

(1) During 2008, the State Infrastructure Bank Loan was restated.

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

2003	2002	2001	2000	1999
<u>\$221,387,682</u>	<u>\$179,239,002</u>	<u>\$169,160,466</u>	<u>\$157,829,837</u>	<u>\$138,783,350</u>
23,245,707	18,820,095	17,761,849	16,572,133	14,572,252
\$5,680,000	\$5,605,000	\$5,840,000	\$6,045,000	\$6,250,000
13,670,244	8,812,582	7,594,500	4,375,000	3,025,000
0	0	0	0	0
69,319	81,923	94,527	107,131	119,735
<u>978,894</u>	<u>988,219</u>	<u>1,029,224</u>	<u>250,205</u>	<u>263,935</u>
20,398,457	15,487,724	14,558,251	10,777,336	9,658,670
(5,680,000)	(5,605,000)	(5,840,000)	(6,045,000)	(6,250,000)
(6,817,244)	(4,525,082)	(2,775,000)	(2,275,000)	(2,575,000)
(69,319)	(81,923)	(94,527)	(107,131)	(119,735)
(978,894)	(988,219)	(1,029,224)	(250,205)	(263,935)
<u>(86,626)</u>	<u>(17,419)</u>	<u>(469)</u>	<u>(469)</u>	<u>(469)</u>
6,766,374	4,270,081	4,819,031	2,099,531	449,531
<u>\$16,479,333</u>	<u>\$14,550,014</u>	<u>\$12,942,818</u>	<u>\$14,472,602</u>	<u>\$14,122,721</u>
70.89%	77.31%	72.87%	87.33%	96.92%
<u>\$12,176,323</u>	<u>\$9,858,145</u>	<u>\$9,303,826</u>	<u>\$8,680,641</u>	<u>\$7,633,084</u>
20,398,457	15,487,724	14,558,251	10,777,336	9,658,670
(6,817,244)	(4,525,082)	(2,775,000)	(2,275,000)	(2,575,000)
(5,680,000)	(5,605,000)	(5,840,000)	(6,045,000)	(6,250,000)
(69,319)	(81,923)	(94,527)	(107,131)	(119,735)
(978,894)	(988,219)	(1,029,224)	(250,205)	(263,935)
<u>(86,626)</u>	<u>(17,419)</u>	<u>(469)</u>	<u>(469)</u>	<u>(469)</u>
6,766,374	4,270,081	4,819,031	2,099,531	449,531
<u>\$5,409,949</u>	<u>\$5,588,064</u>	<u>\$4,484,795</u>	<u>\$6,581,110</u>	<u>\$7,183,553</u>
44.43%	56.68%	48.20%	75.81%	94.11%

City of Pickerington, Ohio
 Demographic and Economic Statistics
 Last Ten Years

Year	Population (1)	Total Personal Income (6)	Personal Income Per Capita (2)	Median Household Income (2)	Median Age (2)
2008	14,476	\$374,045,364	\$25,839	\$63,664	32.7
2007	14,526	375,337,314	25,839	63,664	32.7
2006	13,573	350,712,747	25,839	63,664	32.7
2005	13,066	337,612,374	25,839	63,664	32.7
2004	12,159	314,176,401	25,839	63,664	32.7
2003	11,259	290,921,301	25,839	63,664	32.7
2002	10,452	270,069,228	25,839	63,664	32.7
2001	10,171	262,808,469	25,839	63,664	32.7
2000	9,792	253,015,488	25,839	63,664	32.7
1999	8,035	123,176,550	15,330	45,862	30.8

(1) Source: Population estimates from Mid Ohio Regional Planning Commission

(2) Source: U.S. Census

(a) The 2000 Federal Census was used for years 2000 through 2007.

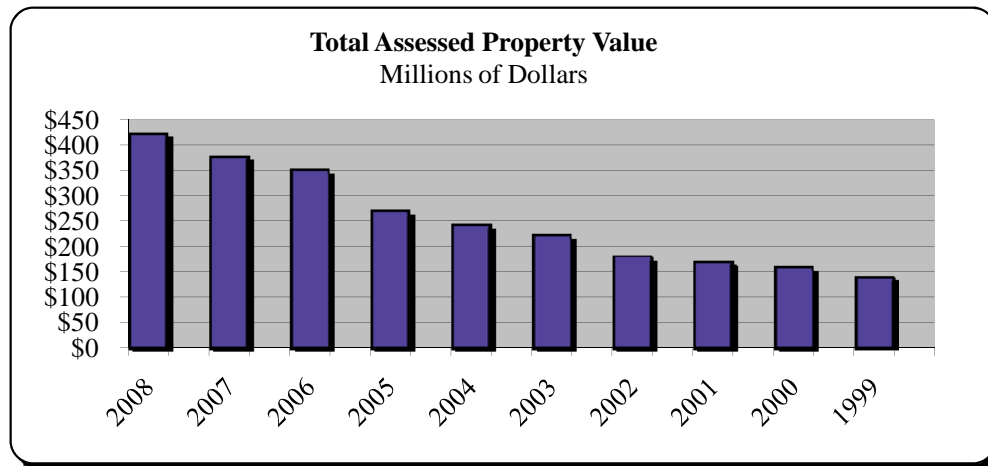
(b) The 1990 Federal Census was used for years 1998 through 1999.

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

(4) Source: Ohio Bureau of Employment Services

(5) Source: Fairfield County, Ohio; County Auditor

(6) Computation of per capita personal income multiplied by population



Educational Attainment: Bachelor's Degree or Higher (2)	School Enrollment (3)	Fairfield County Unemployment Rate (4)	Average Sales Price of Residential Property (5)	Total Assessed Property Value (5)
31.6%	9,820	5.8%	\$176,570	\$421,742,515
31.6	10,016	5.0	203,188	376,771,200
31.6	9,792	4.5	190,341	349,782,836
31.6	9,714	4.7	200,058	268,856,429
31.6	9,280	4.6	196,599	242,138,703
31.6	8,917	4.5	209,214	221,387,682
31.6	8,363	4.2	180,353	179,239,002
31.6	7,924	3.0	170,399	169,160,466
31.6	7,598	2.3	159,142	157,829,837
23.2	7,208	3.0	143,381	138,783,350



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City of Pickerington, Ohio
Principal Employers
2008 and 2000 (1)

2008

Employer	Nature of Business	Employees	Percentage of Total City Employment
Pickerington Local School District	School System	1,141	12.80%
Kroger Company, Inc.	Supermarket	298	3.34%
Cracker Barrel Restaurant	Restaurant	292	3.28%
Kohl's Department Stores	Retail	263	2.95%
Max & Erma's Restaurants, Inc.	Restaurant	173	1.94%
City of Pickerington	Government	127	1.42%
Marcus Cinemas of Ohio, LLC.	Entertainment	122	1.37%
Bob Evans Farms, Inc.	Restaurant	116	1.30%
R.G. Barry Corporation	Manufacturing	109	1.22%
American Motorcycle Association	Museum and Organization	107	1.20%
Total		<u>2,748</u>	<u>30.82%</u>
Total Employment within the City		<u>8,916</u>	

2000

Employer	Nature of Business	Employees
Pickerington Local School District	School System	813
Cracker Barrel Restaurant	Restaurant	464
Kroger Company, Inc.	Supermarket	390
Kindred Nursing Center	Health Care Facility	254
State of Ohio	Government	203
Longhorn Steakhouse	Restaurant	142
City of Columbus	Government	82
City of Pickerington	Government	78
Defense Accounting Office	Government	56
Mount Carmel Health Care Providers	Health Care Facility	52
Total		<u>2,534</u>
Total Employment within the City		<u>n/a</u>

(1) Calendar Year 2000 was the first year the information was available.
n/a - Information not available

Source: Number of employees obtained from the PW3 Reconciliation Form's
from the City Income Tax Department

City of Pickerington, Ohio
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Years

Function/Program	2008	2007	2006	2005	2004	2003
General Government						
Council	7.00	7.00	7.00	7.00	7.00	7.00
Mayor	1.00	1.00	1.00	1.00	1.00	1.00
Clerk of Courts	1.00	1.00	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Finance	1.00	1.00	3.00	2.00	2.00	2.00
Personnel Director	1.00	1.00	1.00	1.00	1.00	1.00
Income Tax	4.00	4.00	4.00	4.00	4.00	4.00
Municipal Records	1.50	1.50	1.50	1.00	1.00	1.00
Deputy Finance Director	1.00	1.00	2.00	1.00	1.00	1.00
Facilities Operations Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Secretary/ Administrative	3.00	3.00	3.00	3.00	4.00	3.50
Safety Coordinator	0.00	0.00	0.00	0.00	0.00	0.00
Security of Persons and Property						
Police Chief	1.00	1.00	1.00	1.00	1.00	1.00
Police Commanders	2.00	2.00	2.00	2.00	2.00	2.00
Police Patrol Officers	20.00	20.00	19.00	19.00	18.00	16.00
Police Detectives	3.00	3.00	3.00	3.00	3.00	2.00
Police Dispatchers/Office	10.00	10.00	10.00	10.00	10.00	10.00
Public Health Services						
Public Information Director	0.00	0.00	0.00	0.00	0.00	0.00
Leisure Time Activities						
Parks & Recreation Director	1.00	1.00	1.00	1.00	1.00	1.00
Recreation	4.00	4.00	4.00	4.00	1.50	3.00
Parks	7.00	7.00	7.00	7.00	4.50	6.50
Community Development						
Building	7.00	7.00	7.00	7.50	7.00	7.00
Economic Development	4.00	4.00	4.00	3.00	3.00	3.00
Transportation						
Equipment Maintenance	1.00	1.00	1.00	1.00	1.00	1.00
Street Maintenance & Repair	6.00	6.00	6.00	6.00	6.00	7.00
Basic Utility Services						
Secretary/ Administrative	2.00	2.00	2.00	2.00	2.00	2.00
Water	7.00	7.00	6.00	6.00	6.50	6.50
Sewer	5.00	5.00	3.00	3.50	3.50	3.50
Utilities Maintenance	3.00	3.00	3.00	3.00	3.00	4.00
Totals:	<u>105.50</u>	<u>105.50</u>	<u>104.50</u>	<u>102.00</u>	<u>97.00</u>	<u>99.00</u>

Source: City financial records

Method: Using 1.0 for each full-time employee and 0.50 for each permanent part-time employee at year end (excludes temporary and seasonal employees). Amounts include elected officials.

2002	2001	2000	1999
7.00	7.00	7.00	7.00
1.00	1.00	1.00	1.00
1.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00
4.50	4.00	4.00	3.00
1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00
1.00	1.00	0.00	0.00
4.50	3.00	3.00	3.00
0.00	0.00	0.00	0.00
1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00
14.00	15.00	13.00	12.00
2.00	2.00	2.00	2.00
10.00	11.00	10.00	8.00
0.00	0.00	0.00	0.00
1.00	1.00	1.00	1.00
3.00	1.00	1.00	1.00
7.00	4.00	4.00	4.00
7.00	4.00	3.00	3.00
3.00	3.00	2.00	2.00
1.00	1.00	1.00	1.00
7.50	5.00	5.00	4.00
2.00	2.00	1.00	0.00
5.50	5.50	4.00	4.00
3.50	3.50	3.00	3.00
3.00	3.00	3.00	3.00
<u>96.50</u>	<u>87.00</u>	<u>78.00</u>	<u>72.00</u>

City of Pickerington, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2008	2007	2006	2005	2004
General Government					
<i>Council and Clerk</i>					
Number of Ordinances Passed	96	104	197	118	95
Number of Resolutions Passed	18	21	77	24	31
<i>Finance Department</i>					
Number of checks/ vouchers issued	8,318	8,169	7,491	7,430	7,471
Number of P.O.'s issued	2,866	2,701	2,355	2,257	2,574
Interest earnings for fiscal year (1)	\$189,661	\$280,207	\$264,867	\$139,101	\$79,318
General Fund Receipts (1)	\$7,445,397	\$6,523,944	\$6,682,503	\$6,028,505	\$5,576,178
General Fund Expenditures (1)	\$3,532,008	\$3,769,106	\$3,732,306	\$3,870,200	\$3,469,838
General Fund Cash Balances	\$2,282,464	\$1,455,533	\$2,195,013	\$1,500,247	\$1,245,071
<i>Income Tax Department</i>					
Forms Prepared/ Mailed					
Number of Tax Returns	9,680	9,705	9,212	8,913	7,850
Withholding Forms	6,835	1,824	1,948	1,747	1,747
Estimate Statements	2,979	2,690	2,755	2,527	2,361
Federal 1099-G	2,286	2,129	1,900	1,710	1,550
Collections					
Tax (2)	\$4,671,505	\$4,156,569	\$4,010,850	\$3,648,635	\$3,372,437
Refunds	\$235,826	\$190,544	\$177,072	\$140,660	\$124,553
<i>Utilities Billing</i>					
Shut-off notices processed	3,118	2,083	1,848	3,634	2,021
Work Orders Processed	2,045	1,452	1,884	2,375	1,921
New Accounts Added	75	130	175	140	270
Utility Bills Mailed	62,877	60,951	58,805	56,229	52,924
<i>Building Department Indicators</i>					
Construction Permits Issued					
New Residential	50	130	234	287	120
Commercial	113	102	142	124	219
Minor	78	124	135	151	158
Inspection Statistics					
Residential	1,603	3,338	5,346	5,377	6,851
Commercial	732	912	1,632	1,506	2,567
Contractor Registration Statistics					
Registrations	188	337	396	324	260
Security of Persons & Property					
<i>Police</i>					
Total Calls for Services	36,489	35,687	30,290	26,643	21,641
Total Reports Taken	1,935	2,246	2,299	2,194	1,937
OMVI/DUI	39	68	61	55	54
Juvenile Traffic Citations	148	146	141	150	148
Adult Traffic Citations	2,067	2,474	2,461	2,473	2,023
Juvenile Education Enforcement Program/ Informal	3	7	27	38	9
Serious Crime/ Incidents					
Accidents	493	574	584	549	557
Homicides	0	1	0	0	0
Fatal Accidents	0	1	1	1	0
Rapes	4	1	4	3	2
Auto Theft	25	13	24	18	14
Robbery	2	13	13	2	14
Burglary	55	36	50	55	55
Assaults	54	50	53	61	43
Suicides	3	0	2	0	1
Leisure Time Activities					
<i>Parks & Recreation</i>					
Park Land and Acreage	157.33	157.33	157.33	157.33	157.33
Street Trees					
Number of trees planted	176	288	450	446	431
Number of trees pruned	265	265	275	626	436
Number of trees removed	61	61	31	57	42

(1) Cash basis of accounting.

(2) 2004 through 2008 are on an accrual basis and 1998 through 2003 are on a modified accrual basis.

Collections include delinquencies, penalties, interest and late fees.

(3) Street sweeping was contracted out from 2002 to 2004.

(4) Starting in 2002, the City started tracking hours for snow removal as a better indicator of time spent.

(5) For 2004 to 2006 information was not available.

2003	2002	2001	2000	1999
108	151	151	148	141
29	20	23	31	29
7,309	6,074	6,991	6,520	5,582
2,426	2,663	2,809	2,628	2,844
\$99,268	\$101,432	\$285,322	\$204,319	\$238,176
\$5,932,133	\$5,558,946	\$5,474,735	\$4,522,145	\$3,991,612
\$3,599,791	\$3,829,633	\$3,098,442	\$2,621,867	\$1,997,862
\$1,454,925	\$1,364,934	\$1,250,628	\$968,237	\$865,096
6,561	6,851	6,600	6,600	6,349
1,633	1,464	1,629	1,640	1,628
2,082	2,605	2,445	2,430	2,226
1,505	1,411	1,368	1,360	1,178
\$3,105,152	\$3,041,993	\$2,782,304	\$2,445,555	\$2,236,481
\$99,743	\$135,872	\$118,546	\$148,833	\$93,895
2,708	1,320	1,527	1,546	1,463
2,701	2,608	1,926	1,658	1,278
236	288	193	170	106
49,227	44,616	38,421	34,752	32,930
603	357	254	161	176
274	66	97	42	39
169	170	135	129	126
8,258	5,091	3,326	2,766	2,121
650	697	648	350	269
383	297	232	226	203
19,914	20,156	20,118	19,454	n/a
1,619	1,552	1,484	1,514	1,534
30	37	36	55	56
138	180	186	168	329
1,346	1,584	1,677	1,380	1,748
13	15	16	38	42
512	508	455	454	434
0	1	0	0	0
0	0	0	0	1
0	4	0	1	1
19	11	11	4	10
5	3	5	6	5
56	32	18	11	24
36	38	43	44	31
2	1	0	0	2
157.33	157.33	150.00	150.00	150.00
887	350	133	93	109
419	468	588	358	158
69	22	45	44	5

(continued)

City of Pickerington, Ohio
Operating Indicators by Function/Program (Continued)
 Last Ten Years

Function/Program	2008	2007	2006	2005	2004
Leisure Time Activities (continued)					
<i>Parks & Recreation</i>					
Recreation Activities (5)					
Basketball Leagues	8 teams	6 teams	n/a	n/a	n/a
Co-Rec Volleyball League	11 teams	11 teams	n/a	n/a	n/a
Softball Leagues	41 teams	41 teams	n/a	n/a	n/a
Community Development					
<i>Planning & Zoning Indicators</i>					
Comprehensive Sign Plans	14	25	25	16	11
Rezoning	2	3	6	5	2
Annexations	0	0	0	1	0
Certificates of Appropriateness	14	22	24	30	21
Lot Splits	9	8	4	0	5
Subdivision Plats	0	1	2	3	0
Planned Unit Developments	1	0	2	1	0
Complaints Received	125	325	272	83	87
Inspections Completed	102	300	680	178	164
Unresolved Issues	23	25	38	2	5
Streets and Equipment Maintenance					
Storm Sewers					
Inlets	12	15	36	48	27
Collapsed Lines	600	1,475	250	0	0
Ditches	250	900	600	420	42
Leaf Pick Up					
Loads	100	110	115	144	107
Days	43	50	45	42	52
Snow Removal					
Salt (tons)	1,729.00	1,750.00	199.00	1,128.00	950.00
Days (4)	n/a	n/a	n/a	n/a	n/a
Hours (4)	390	174	240	120	198
Sand/Chloride (gallons)	0	0	0	0	50
Signs					
Repair/Replace	61	75	147	48	120
New	32	37	37	120	95
Mosquito Fogging (hrs)	116	53	260	240	304
Street Maintenance					
Striped (miles)	4.47	17.00	19.48	18.37	10.00
Street Sweeping (cu. yd.) (3)	150	140	150	957	0
Berming (miles)	8.00	6.00	6.00	47.25	17.00
Crack Sealing (tons)	0.00	1.25	0.00	0.00	0.00
Water Department					
Revenue Collected (1)	\$1,604,908	\$1,588,040	\$1,261,700	\$1,251,865	\$1,123,518
Water Processed (Million Gallons Per Day)					
Raw Water	576.40	590.96	551.13	540.36	499.33
Avg./Day	1.58	1.62	1.51	1.48	1.36
Water to System	521.72	536.99	494.76	486.37	445.20
Avg./Day	1.43	1.47	1.36	1.33	1.22
Chemical Usage (in 1000s)					
Chlorine	7,813	7,347	6,007	5,419	5,095
Avg./Day	21.40	20.12	16.46	14.85	13.96
Fluoride	17,535	18,298	17,429	16,911	15,346
Avg./Day	48.04	50.13	47.50	46.33	42.04
Phosphate	25,420	25,920	24,368	24,521	22,076
Avg./Day	69.64	71.01	66.76	67.18	60.48
Potassium	14,499	12,745	12,537	16,878	11,895
Avg./Day	39.72	34.91	34.34	46.24	32.58
Annual Water Pumpage (in 1000s)					
Raw Water	569,530	590,957	551,130	540,360	499,331
Treated Water	515,860	536,990	516,750	486,370	468,389
Plant Use	58,110	50,850	52,800	52,400	57,760
Sewer Department					
Revenue Collected (1)	\$2,177,967	\$1,731,150	\$1,383,818	\$1,397,171	\$1,309,367
Treated Water (total for year)					
Average (Gallons Per Day)	498.55	456.32	492.81	456.88	396.69
Sludge Hauled (tons)	1,370	1,250	1,360	1,252	1,086
	376.50	304.17	158.00	169.60	215.87
Aquatic Recreation Center (6)					
Revenue Collected (1)	\$269,419	\$0	\$0	\$0	\$0
Number of Passes Sold	672	0	0	0	0

- (1) Cash basis of accounting.
- (2) 2004 through 2008 are on an accrual basis and 1997 through 2003 are on a modified accrual basis.
Collections include delinquencies, penalties, interest and late fees.
- (3) Street sweeping was contracted out from 2002 to 2004.
- (4) Starting in 2002, the City started tracking hours for snow removal as a better indicator of time spent.
- (5) For 2004 to 2006 information was not available.
- (6) During 2008, the City purchased an Aquatic Recreation Center.

2003	2002	2001	2000	1999
8 teams 6 teams 48 teams	8 teams 6 teams 56 teams	8 teams 6 teams 54 teams	19 teams/ 3 leagues 6 teams 62 teams/ 8 leagues	23 teams 8 teams 62 teams
9	8	11	12	7
2	4	9	9	2
0	8	5	1	2
23	31	38	15	14
4	18	4	10	12
0	24	6	2	3
0	4	7	4	1
166	176	161	139	152
332	341	329	278	260
3	3	1	1	1
149	152	92	88	110
0	0	2	1	0
0	15	15	19	21
103	105	115	111	100
44	51	33	32	28
2,200.00	952.57	872.93	842.39	532.07
n/a	n/a	18	29	12
225	254	n/a	n/a	n/a
150	100	200	100	0
102	123	73	96	66
34	47	221	257	398
74	113	72	40	34
9.93	54.62	5.83	30.00	4.80
0	0	176	165	172
2.50	8.60	14.20	7.50	21.20
0.00	0.00	7.35	2.00	5.04
\$1,186,044	\$918,746	\$889,328	\$822,570	\$840,394
453.22	440.15	370.86	339.50	347.96
1.24	1.21	1.02	0.93	0.95
392.68	380.94	337.82	310.79	318.54
1.08	1.04	0.93	0.85	0.87
3,814	2,813	3,598	3,255	3,347
10.45	7.70	9.86	8.92	9.17
13,352	12,883	11,390	10,739	10,598
37.13	35.30	31.21	29.42	29.03
18,575	11,625	24,348	14,616	4,877
50.89	31.85	66.71	40.04	35.90
22,183	16,367	15,501	25,352	13,945
60.78	44.84	42.47	69.46	38.20
453,220	440,150	370,860	339,502	347,948
412,940	398,340	337,820	310,786	318,528
58,450	60,500	33,040	19,017	29,420
\$1,147,823	\$1,190,747	\$1,155,358	\$1,094,195	\$1,133,290
399.43	472.50	473.42	455.44	416.96
1.094	1.295	1.297	1.247	1.142
114.50	117.11	242.46	147.39	217.21
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0

City of Pickerington, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2008	2007	2006	2005	2004
General Government					
Square Footage of Municipal Building	9,280	9,280	7,744	7,744	7,744
Square Footage of Building/ Parks Building (1)	2,547	2,547	2,547	2,547	2,547
Vehicles	3	3	3	3	3
Police					
Stations	1	1	1	1	1
Square Footage of Building	20,531	20,531	20,531	20,531	20,531
Vehicles	17	16	15	15	15
Motorcycle	1	1	1	1	1
Leisure Time Activities					
Number of Parks	5	5	5	5	5
Number of Tennis Courts	5	5	1	1	1
Number of Skateboarding Areas	1	1	1	0	0
Number of Baseball and Softball Diamonds	4	4	4	4	4
Number of Soccer Fields	3	4	4	4	4
Vehicles	8	8	8	8	8
Transportation					
Streets (miles)	59.62	58.23	58.23	57.29	56.81
Service Vehicles	12	12	12	12	9
Service Complex (3)					
Square Footage of Cold Storage Building	4,368	0	0	0	0
Sewer					
Sanitary Sewers (feet)	409,840	397,807	397,807	378,864	359,788
Square Footage of Building	800	800	800	800	800
Vehicles	2	2	2	2	2
Water					
Square Footage of Building	13,667	13,667	13,667	13,667	13,667
Water Lines (feet)	312,377	307,498	307,498	303,178	303,178
Vehicles	5	5	5	5	5
Stormwater					
Storm Sewers (feet)	210,987	204,969	204,969	198,898	198,898
Utilities					
Square Footage of Utilities Complex	1,658	1,658	1,658	1,658	1,658
Aquatic Recreation Center (2)					
Acreage	3.89	0	0	0	0
Square Footage of Adult Swimming Pool	9,350	0	0	0	0
Square Footage of Youth Swimming Pool	250	0	0	0	0

(1) Prior to 2002, the Building/ Parks Departments shared office space at the Municipal Building. After the completion of the new police building, the Building/ Parks Departments moved into the old police station.

(2) During 2008, the City purchased the Aquatic Recreation Center.

(3) During 2008, the City constructed a cold storage building to be used by all departments.

n/a - Information was not available.

Source: City financial records

2003	2002	2001	2000	1999
7,744	7,744	7,744	7,744	7,744
2,547	2,547	n/a	n/a	n/a
3	3	3	2	1
1	1	1	1	1
20,531	20,531	2,547	2,547	2,547
11	11	11	11	11
1	1	1	1	0
5	5	5	5	4
1	1	1	1	1
0	0	0	0	0
4	4	4	4	4
4	4	4	4	4
8	8	8	7	7
56.81	54.62	50.80	50.80	38.00
9	9	8	7	7
0	0	0	0	0
218,032	214,472	196,871	181,990	164,745
800	800	800	800	800
2	2	2	2	2
13,667	13,667	13,667	n/a	n/a
268,971	256,750	239,000	239,000	239,000
5	5	5	3	3
173,546	159,324	133,944	112,000	112,000
1,658	1,658	1,658	1,658	1,658
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0

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