

# CITY OF GAHANNA, OHIO



## **Comprehensive Annual Financial Report** For the Year Ended December 31, 2015



CITY OF GAHANNA

200 South Hamilton Road | Gahanna, Ohio | 43230  
614.342.4000 | [www.Gahanna.gov](http://www.Gahanna.gov)



City of Gahanna, Ohio

Comprehensive Annual Financial Report

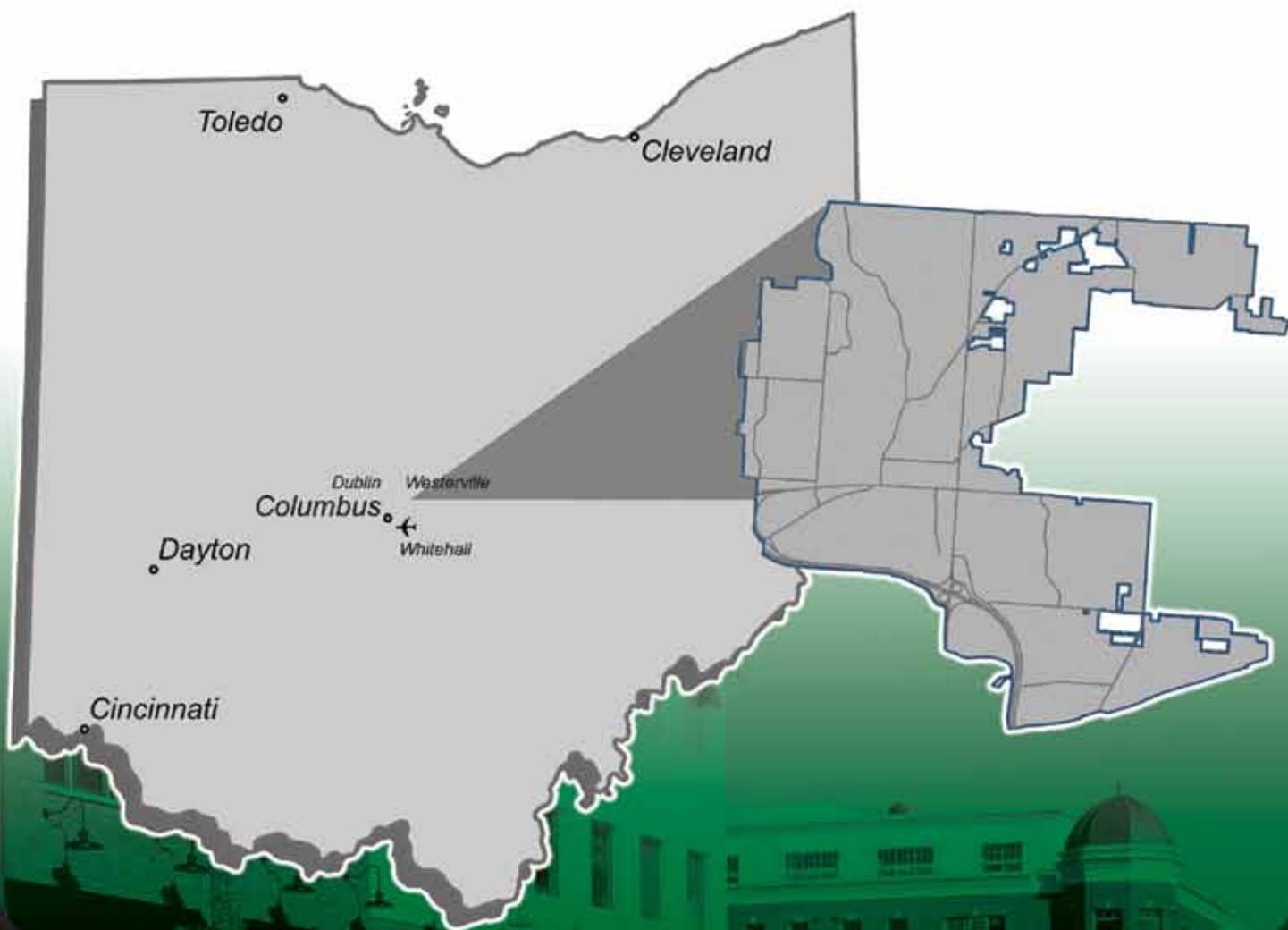
For the Year Ended December 31, 2015

Issued by the Department of Finance

Joann Bury  
Director of Finance



# Introductory SECTION



**City Of Gahanna, Ohio**

*Comprehensive Annual Financial Report  
December 31, 2015*

*Table of Contents*

**INTRODUCTORY SECTION**

Table of contents..... i  
Transmittal Letter ..... v  
GFOA Certificate of Achievement.....xi  
Elected Officers & Administrative Staff .....xii  
Organizational Chart .....xiii

**FINANCIAL SECTION**

Independent Auditor's Report ..... 1  
Management's Discussion & Analysis ..... 4

**Basic Financial Statements:**

Government-wide Financial Statements:

Statement of Net Position ..... 21  
Statement of Activities..... 22

Fund Financial Statements:

Balance Sheet – Governmental Funds ..... 23  
Reconciliation of Total Governmental Fund Balances  
to Net Position of Governmental Activities..... 24  
Statement of Revenues, Expenditures and Changes  
In Fund Balances – Governmental Funds ..... 25  
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund  
Fund Balances of Governmental Funds to the Statement of Activities ..... 26  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Budget (Non-GAAP Budgetary Basis) and Actual General Fund..... 27  
Statement of Revenues, Expenditures and Changes in Fund Balances -  
Budget (Non-GAAP Budgetary Basis) and Actual Tax Increment Equivalent Fund..... 28  
Statement of Net Position – Proprietary Funds ..... 29  
Statement of Revenues, Expenditures and Changes  
In Net Position – Proprietary Funds ..... 30  
Statement of Cash Flows – Proprietary Funds ..... 31  
Statement of Fiduciary Assets and Liabilities – Agency Funds ..... 32

**City of Gahanna, Ohio**

Notes to the Basic Financial Statements ..... 33

Required Supplementary Information ..... 75

**Combining Statements and Individual Fund Schedules:**

Combining Statements – Nonmajor Governmental Funds:

- Nonmajor Governmental Fund Descriptions..... 83
- Combining Balance Sheet Nonmajor Governmental Funds ..... 86
- Combining Statement of Revenues, Expenditures and Changes  
In Fund Balances – Nonmajor Governmental Funds..... 91

Combining Statements – Agency Funds:

- Agency Fund Descriptions ..... 96
- Combining Statement of Fiduciary Assets and Liabilities – Agency Funds..... 97
- Combining Statement of Changes in Assets and Liabilities – Agency Funds ..... 99

Individual Fund Schedules of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (Non-GAAP Budgetary Basis) and Actual:

Major Funds:

- General Fund ..... 101
- Tax Increment Equivalent Fund ..... 104
- Capital Improvement ..... 105

Nonmajor Funds:

- Street Special Revenue Fund ..... 106
- State Highway Special Revenue Fund ..... 107
- Law Enforcement Trust Special Revenue Fund ..... 108
- Enforcement & Education Special Revenue Fund ..... 109
- Parks & Recreation Donation Special Revenue Fund ..... 110
- Permanent Improvement Special Revenue Fund ..... 111
- Court Special Revenue Fund ..... 112
- County Permissive Special Revenue Fund ..... 113
- Cul-De-Sac Maintenance Special Revenue Fund ..... 114
- Federal Law Enforcement Seizure Special Revenue Fund ..... 115
- Treasury Seizure Special Revenue Fund ..... 116
- AG Peace Officer Training Special Revenue Fund ..... 117
- Right Of Way Special Revenue Fund ..... 118
- Police Pension Special Revenue Fund ..... 119
- Police Duty Weapons Special Revenue Fund ..... 120
- Public Landscape Trust Special Revenue Fund ..... 121
- Vending Machine Special Revenue Fund ..... 122

**City of Gahanna, Ohio**

Reserve For Sick/Vacation Special Revenue Fund .....	123
OPWC Capital Projects Fund .....	124
Bond Capital Improvement Capital Projects Fund .....	125
Park Improvement & Acquisition Capital Projects Fund .....	126
Park Capital Projects Fund .....	127
Park In-Lieu of Fees Capital Projects Fund .....	128
Court Building Capital Projects Fund .....	129
General Bond Retirement Debt Service Fund .....	130
Special Assessment Debt Service Fund .....	131
Workers Compensation Internal Service Fund .....	132
<b><u>STATISTICAL SECTION</u></b>	
Statistical Tables Descriptions .....	133
Net Position by Component Last Ten Fiscal Years .....	134
Change in Net Position Last Ten Fiscal Years .....	135
Fund Balance, Governmental Funds Last Ten Fiscal Years .....	137
Change in Fund Balances, Governmental Funds Last Ten Fiscal Years .....	138
Income Tax Revenue by Payer Type, Net of Refunds	
Cash Basis Last Ten Fiscal Years .....	139
Top Income Tax Payers – Withholding Accounts	
Current Year and Nine Years Ago .....	140
Top Income Tax Payers – Individual Accounts	
Current Year and Eight Years Ago .....	141
Assessed Valuation and Estimated Value of Taxable Property	
Last Ten Collection Years .....	142
Real Property Tax Rates – Direct and Overlapping Last Ten Years District #25 .....	143
Real Property Tax Rates – Direct and Overlapping Last Ten Years District #26 .....	144
Real Property Tax Rates – Direct and Overlapping Last Ten Years District #27 .....	145
Principal Property Taxpayers Current Year and Nine Years Ago .....	146
Property Tax Levies and Collections Last Ten Years .....	147
Ratios of Outstanding Debt by Type Last Ten Fiscal Years .....	148
Ratios of Net General Bonded Debt Outstanding Last Ten Fiscal Years .....	149
Computation of Direct and Overlapping General Obligation Debt	
As of December 31, 2015 .....	150
Legal Debt Margin Information Last Ten Years .....	151
Demographic and Economic Statistics Last Ten Years .....	152
Principal Employers Current Year and Nine Years Ago .....	153

**City of Gahanna, Ohio**

Staffing Statistics – Head Count by Type and Function Last Nine Fiscal Years ..... 154  
Operating Indicators by Function Last Ten Fiscal Years ..... 155  
Capital Asset Statistics Last Ten Fiscal Years..... 156



June 29, 2016

To the Citizens and Members of Council of the City of Gahanna:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Gahanna (the "City"). This CAFR, which includes an unqualified opinion from the Auditor of the State of Ohio, conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. The CAFR is intended to satisfy Ohio Administrative Code 117-2-03(B) which requires the City to report in accordance with GAAP, as well as, Ohio Revised Code 117.38 which requires local public offices to file their annual reports with the Auditor of State.

Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the City's management. To the best of our knowledge and belief, this CAFR and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. To provide a reasonable basis for making these representations, management of the City has implemented a comprehensive internal control structure. Development of a comprehensive internal control structure does not provide absolute assurance that the financial statements are free of material misstatement due to the inherent limitations of internal controls, but does provide a reasonable assurance.

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

## **PROFILE OF THE CITY**

The City is comprised of 12.4 square miles located within Franklin County in central Ohio. Gahanna is approximately 8 miles from downtown Columbus, minutes away from Port Columbus International Airport and provides easy access to major highways within central Ohio including I-270, I-670, I-70, I-71 and US Route 62. Gahanna was founded in 1849 along the Big Walnut Creek by John Clark. Clark named his property the Gahanna Plantation, from which the City of Gahanna derives its name. The name Gahanna is derived from a Native American word for three creeks joining into one and is the former name of the Big Walnut Creek. The City of Gahanna's official Seal refers to this confluence of three creeks with the inscription "Three In One". In its early days, Gahanna maintained a considerable rivalry with the town of Bridgeport. Located directly across Granville Street from Gahanna and also along the banks of the Big Walnut Creek, Bridgeport was founded in 1853 by Jesse Baughman, a former Franklin County Commissioner. The two towns eventually put aside their differences and merged into one. They adopted the name Gahanna as there was already another town of Bridgeport in Ohio. In March of 1881, 55 citizens of Gahanna petitioned Franklin County to incorporate the village which was granted June of 1881 and recorded August 8<sup>th</sup> 1881.

The City is a home rule municipal corporation established under the laws of the State of Ohio and operates under its own City Charter, its constitution. The City Charter can only be amended by a majority of the City's voters. The Charter provides for a Mayor-Council form of government. For 2015, the Mid-Ohio Regional Planning Commission estimated Gahanna's population to be 33,359.

The accompanying financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units* and GASB Statement No. 61 *The Financial Reporting Entity: Omnibus*. On this basis, the reporting entity of the City includes the following services to its citizens as authorized by its charter: public safety, public service, street maintenance, parks and recreation, senior services, engineering and general administration. The City of Gahanna is also responsible for the construction, maintenance, and repairs associated with public utility infrastructure including the water and sewer lines and fiber optic cabling and conduit. The City purchases water and sewer treatment services from the City of Columbus. Council and the Mayor have direct responsibility for these activities. The City does not operate any schools and does not have any component units.

Legislative authority is vested in a seven member Council, four of which are elected from wards within the City for four year staggered terms and three elected at large for four-year terms. Council enacts ordinances and resolutions establishing administrative departments, City tax levies, the annual appropriation of available funding, authority to issue debt, compensation and benefits of City Officials and employees, regulations for businesses and trade and all other municipal purposes. The President of Council is the presiding officer for a one-year term elected by the members of Council. Council appoints the Clerk of Council and employs, at its discretion, other Council Office employees.

The Mayor is the Chief Executive Officer and is elected by the Citizens of Gahanna for a four-year term. As the Chief Executive Officer the Mayor is responsible for the general management of the City and ensuring all laws and ordinances are enforced. The Mayor appoints professional directors to the City's departments to administer the day-to-day operations of the City. The principal officials appointed by and who serve at the pleasure of the Mayor are the Clerk of Courts and Directors of Finance, Public Safety, Public Service, Emergency Management, Human Resources, Information Technology, Parks & Recreation and Planning and Development.

The City Attorney is elected by the Citizens of Gahanna for a four-year term and provides advice and legal representation to the City, elected and appointed officials and employees in their official capacities. The City Attorney prosecutes or defends all suits for and on behalf of the City and serves as legal counsel for the various boards and commissions of the City.

The City has created, through its charter, five boards to assist and advise City Council and the Mayor on items pertaining to various functions of the City. These boards consist of the Planning Commission, Board of Zoning and Building Appeals, Civil Service Commission, Landscape Board and Parks and Recreation Board. Members are appointed by City Council and the Mayor.

## **BUDGETARY PROCESS**

The annual budget of the City is a year-round process that concludes each December with the formal adoption of the City's appropriations effective January 1 of the following year. The annual budget process begins with the Finance Department's development of the tax budget based on current revenue and expenditure estimates. The administration, which consists of the Mayor and Department Directors, review and provide input. Necessary changes are made by the Finance Department and the tax budget is then provided to Council for approval. Council approves the tax budget by motion resolution for submission to

the Franklin County Budget Commission by July 15<sup>th</sup>. The Franklin County Budget Commission uses the tax budget to substantiate the need to levy the full amount of authorized property taxes for the City and to certify the City's estimated resources. The City's appropriations are limited by the Budget Commission's Certification of Estimated Resources. As necessary, the City may request an amended Certificate of Estimated Resources from the Budget Commission.

After submission of the tax budget, the City begins developing the annual budget which serves as the foundation for the City's financial planning and control. From July through October the administration develops the annual budget through strategic planning, capital needs assessments, preparation of departmental operating budgets and budget work sessions. Once complete, the administration provides the annual budget request to Council. From November to December Council reviews the budget document, holds budget work sessions and public hearings for citizen input to provide the administration with final input on the budget. Once completed Council submits their input to the Finance Department to make necessary changes to the budget and produce the annual appropriation ordinance. On or before the first day of each fiscal year, Council passes an ordinance approving the adoption of the City's appropriations in accordance with Ohio Revised Code 5705. The appropriation ordinance sets forth the City's authority to spend resources at the fund, function and object levels for all funds. As necessary, the City may amend or supplement the appropriation ordinance by Council action within the limits of the Certificate of Estimated Resources. City Council has passed legislation to allow the Finance Director to transfer appropriations between object levels within the same function and fund up to \$3,000. Transfers in excess of \$3,000 require Council approval.

## **LOCAL ECONOMY**

During 2015, the City consulted with professional firms to create an economic development strategy to guide and promote economic prosperity within the community. The strategy was focused on three elements, existing conditions; public input; and market conditions, to develop a holistic blueprint for future growth and development that responds to the needs of the community as well as marketplace conditions.

The City currently has healthcare, food services and accommodations, retail trade and educational services as the top four industries. The City's strongest industry sector is education and healthcare with 18.9% growth and 41% higher concentration compared to the national average. The City ranks twelfth in number of business per 100 people, sixteenth in lowest unemployment (2015 unemployment rate of 3.3%) and twenty-sixth in number of businesses when compared to seventy Ohio municipalities within the same population range. The median household income for the City is \$72,474.

The City continues to use a proactive development strategy that combines successful public-private partnerships with a robust complement of development incentives to expand its employment base and retain existing businesses. The City uses a mix of incentives and abatements to attract new businesses as well as encourage existing businesses to grow. The incentives consist of Community Reinvestment Areas (CRA), which provide real property tax abatements to new or expanding facilities within the identified CRA; Tax Increment Financing (TIF) districts, which redirect and segregate increased property tax revenue that would normally flow to the General Fund for infrastructure and other improvements within the TIF District; Office and Industrial Incentive (O&I) program, which reimburses a negotiated percentage of income tax payments made by the business based on annual salary, project investment and jobs created and retained within the City; and investment in fiber optic connectivity, which allows businesses to access multiple internet service providers at below market cost reducing their cost of doing business in Gahanna. These strategies will continue under the new economic development plan. The City will also investigate and implement new strategies recommended by the plan to grow, retain, attract and build the local economy.

## **LONG-TERM FINANCIAL PLANNING**

Although the City has maintained and grown its economic base, there are still financial challenges ahead. State reductions to multiple revenue sources, a slow economic recovery from the recession impacting investment earnings and the increased cost to maintain the City's aging assets and infrastructure will continue to impact the City's ability to maintain services at past levels.

The City has also been faced with a potential contingent liability of up to \$15 million dollars related to a lawsuit regarding the application of the City's reduced income tax credit. The case was heard in the Franklin County Court of Common Pleas and a summary judgement was made in favor of the plaintiffs on September 11, 2014 concluding that the tax form being used by the City misapplies the reduced credit of 83.3% to the lower of the tax payers' residency or workplace tax rate. The City has applied the credit to the lower of the two rates since the establishment of the reduced credit and has appealed this decision. On May 29, 2015 the Franklin County Court of Appeals upheld the Common Pleas Court ruling. The City appealed this decision in the Ohio Supreme Court who decided not to hear the case and sent it back to the Court of Common Pleas. March 2016, the Common Pleas Court included tax year 2014 as part of the class. RITA and the City will continue to appeal all appealable decisions. As of May 13, 2016, RITA and the City were awaiting a trial court decision regarding RC 9.39. Once this decision is made the appeal process will begin. Council and the administration have elected to reserve \$4.1 million for pending litigation should there be an unfavorable outcome through the appeals process. At this time, the lawsuit has no impact on current operations of the City

The City prepared and updated the following items to identify the level of funding available for operations and services and to maintain its assets and infrastructure:

- Five Year Capital Needs Assessment – This document outlines all capital projects identified by the administration to maintain, replace or add to existing assets and infrastructure. The projects are defined and prioritized to allow the administration and Council to determine those projects that will be incorporated into the City's annual budget. Projects not selected for the next annual budget are re-evaluated and prioritized the following year or possibly removed if no longer considered necessary or feasible.
- Sustainable Operating Model (SOM) – Is a five year operating budget built upon two key components, (1) the City will maintain its existing core infrastructure and assets at a professionally appropriate level; (2) ongoing operating costs will be funded with ongoing revenue sources. One-time windfalls, accumulated savings and short-term cost-cutting measures will not be used to balance the City's operating budget.
- The budget document – Incorporates the SOM and the administrations recommendation on the use of excess reserves for capital improvements. The budget document is submitted to Council for discussion and public input.
- The appropriation ordinance – The final Council approved budget for the year derived from the budget document as amended by Council.

During 2015, the City consulted with professional firms to develop a five-year strategic plan for the City called GoForward Gahanna. GoForward Gahanna is a collaborative planning process between City administration, Council and the community. The purpose of this process is to engage elected officials, City staff, citizens and community stakeholders in the development of a city-wide strategic plan. The plan will serve as a long-term guide for strategic, operational, resource and policy decisions, while ensuring the City is dedicating its resources appropriately and achieving meaningful results.

## **RELEVANT FINANCIAL POLICIES**

During 2012, the City issued its first debt policy. The policy sets forth the purposes for which debt will be issued, type of debt allowed, duration of the obligation and sources to be used for repayment. The City issued debt on an infrequent basis in the past and followed no formal policy. Under the current economic conditions, it is possible the City will issue debt more frequently, mainly to fund necessary capital projects. The administration and Council took the necessary measures to ensure there was an adequate policy in place to avoid the issuance of debt for a purpose, amount or time period that was not in conformity with the City's mission and vision.

During 2013, the City reviewed and updated its investment policy. The investment policy was originally passed by Council in 1998. The amended policy provides for a more diversified portfolio by approving investment types not previously allowed under the original policy, such as, investment in State of Ohio bonds and other obligations, bonds and obligations of political subdivisions of the State of Ohio and corporate bonds. Allowing for a more diversified investment policy not only reduces risk associated with over-investing in specific issuers but also lends the potential to increase investment earnings with more options from which to select.

During 2014 the City finalized its emergency reserve policy. As part of this process, the administration and Council set the reserve amount and how it is calculated, what the emergency reserve may or may not be used for, action required to spend from the reserve and how it will be replenished. This was a critical component to the strategic planning process. Before decisions could be made regarding the use of surplus balances, the amount that must remain intact for emergency costs had to be clearly defined and set-aside.

During 2015 the City reviewed and updated the capital asset policy and credit card policy. The capital asset policy defines what a capital asset is and identifies procedures to ensure the accurate reporting of these assets. The credit card policy re-vamped the entire purchasing card program for the City to make it more efficient. Some changes that have created a more efficient program were eliminating the need for card holders to check purchasing cards in and out of the Finance Department and creating an online account reconciliation process.

## **MAJOR INITIATIVES**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual report for the year ended December 31, 2014. In order to be awarded the Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual report in accordance with generally accepted accounting principles and all applicable legal requirements. The Certificate of Achievement is valid for a one year period. The City will submit this current comprehensive annual financial report to the GFOA to be considered for another Certificate of Achievement.

The City prepared a comprehensive budget document for all funds to aid the administration and Council in developing a strategy for the City's future. The City was awarded the Distinguished Budget Presentation Award from the GFOA for its 2015 budget document. In order to receive this award the City must submit its comprehensive budget document to the GFOA where it is judged by three reviewers for 27 specific criteria.

For 2015 and beyond, administration and Council will finalize the GoForward Gahanna strategic plan and will begin implementation of both the economic development strategic plan and City-wide GoForward Gahanna plan. These plans will have a significant impact on the revenues, expenditures and operations of the City ultimately improving the economy and overall success of the City.

## **ACKNOWLEDGEMENTS**

The Finance Department prepared this Comprehensive Annual Financial Report with the efficient and dedicated services of its entire staff. We wish to express our appreciation to everyone who contributed to its preparation particularly Ms. Joann Bury, Finance Director, who oversees all aspects of the CAFR process for the City. Copies of the Comprehensive Annual Financial Report are on file at City Hall for use by the general public as well as the City's website [www.gahanna.gov](http://www.gahanna.gov)

Respectfully submitted,

A handwritten signature in blue ink that reads "Joann Bury". The signature is written in a cursive style with a large, looping "J" and "B".

Joann Bury  
Director of Finance

A handwritten signature in blue ink that reads "Thomas R. Kneeland". The signature is written in a cursive style with a large, looping "T" and "K".

Thomas R. Kneeland  
Mayor



Government Finance Officers Association

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

Presented to

**City of Gahanna  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO

**City of Gahanna  
Elected Officials and Administrative Staff  
As of December 31, 2015**

**ELECTED OFFICIALS**

---

Rebecca Stinchcomb	Mayor
Tom Kneeland	Council President
Stephen A. Renner	Council Vice President
Karen J. Angelou	Council Member
Ryan P. Jolley	Council Member
Jamie Leeseberg	Council Member
Brian Larick	Council Member
Michael Schnetzer	Council Member
Shane Ewald	City Attorney

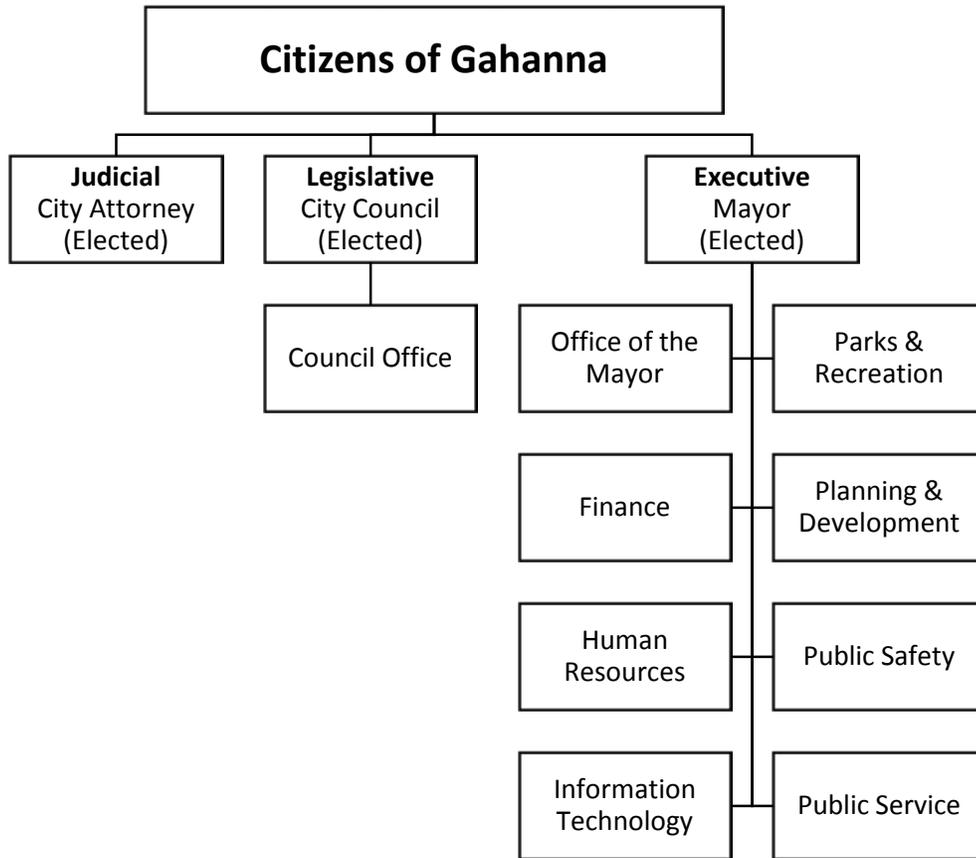
**ADMINISTRATIVE STAFF**

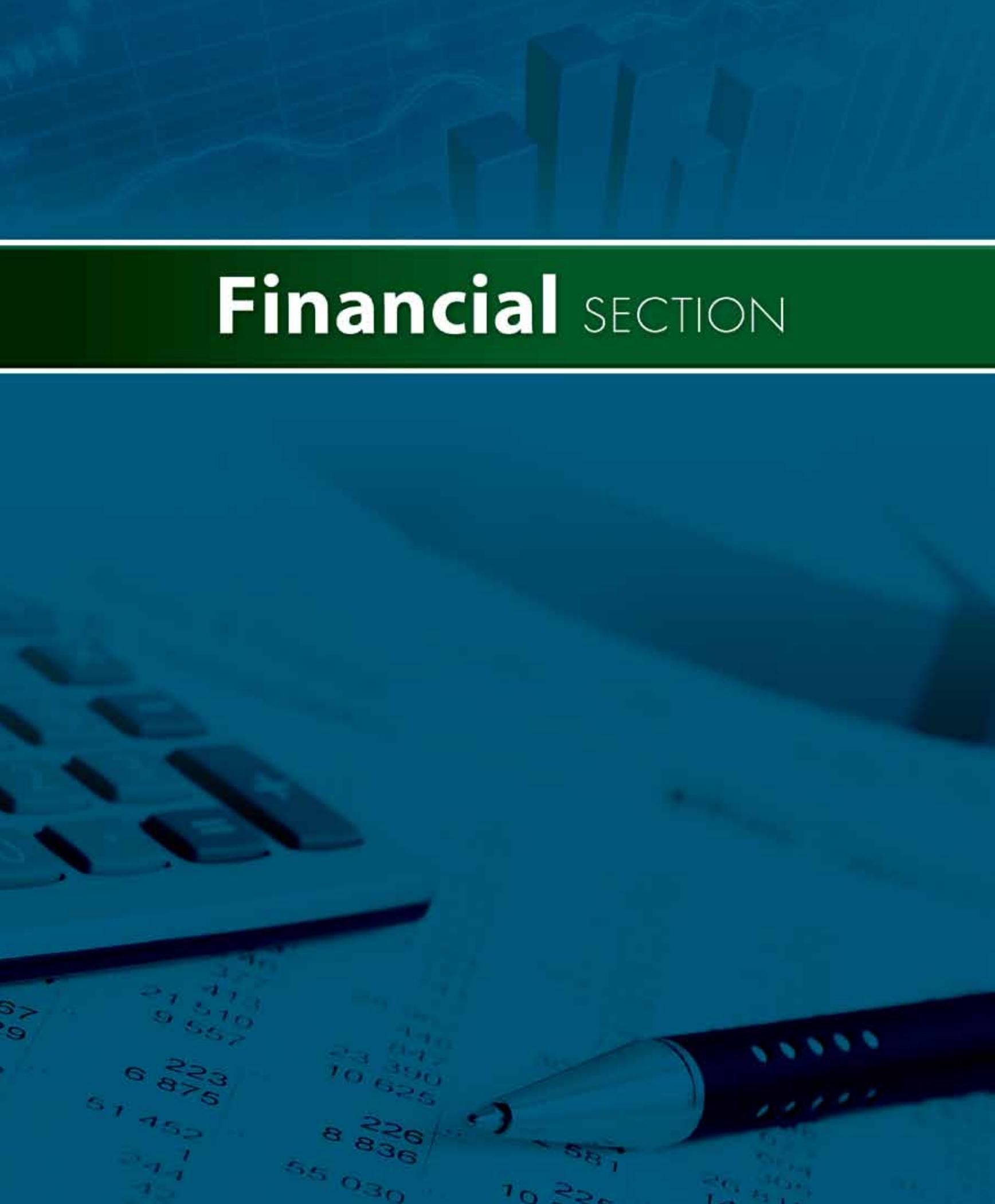
---

Jennifer Teal	City Administrator/Director of Finance
Dottie Franey	Director of Public Service
Dennis Murphy	Chief of Police
Sue Wadley	Director of Human Resources
Anthony Jones	Director of Planning & Development
Rory Gaydos	Director of Information Technology
Troy Euton	Director of Parks & Recreation
James Williams	Director of Emergency Management
Amanda Parker	Clerk of Courts
Kim McWilliams	Clerk of Council

CITY OF GAHANNA, OHIO

ORGANIZATIONAL CHART



The image features a dark blue background with a faint 3D bar chart and a line graph at the top. A horizontal green band across the middle contains the text 'Financial SECTION'. Below this, a blurred image shows a calculator, a pen, and a document with numerical data.

# Financial SECTION

67  
29

413  
21 510  
9 557

223  
6 875

51 452

1  
241  
42

55 030

226  
8 836

10 225

581

26 412  
12



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of Gahanna  
Franklin County  
200 South Hamilton Road  
Gahanna, Ohio 43230

To the Members of City Council and the Mayor:

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Gahanna, Franklin County, Ohio (the City), as of and for the year ended December 31, 2015 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Gahanna, Franklin County, Ohio, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Tax Increment Equivalent Funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### ***Emphasis of Matters***

As discussed in Note 22 to the financial statements, during the year ended December 31, 2015 the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

As discussed in Note 23 to the financial statements, the 2014 financial statements contained an error regarding their presentation of major funds within the Governmental Fund financial statements. Due to the fluctuation of the fund as major and non-major restatement of 2015 beginning balances was not required. We did not modify our opinion regarding this matter.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Supplementary and Other Information*

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

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

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2016, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



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

June 29, 2016

The Management's Discussion and Analysis of the City of Gahanna's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2015. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the Basic Financial Statements and the notes to the Basic Financial Statements to enhance their understanding of the City's financial performance.

### Financial Highlights

Key financial highlights for 2015 are as follows:

- The City implemented *GASB Statement 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27"*. This statement revised accounting for pension costs and liabilities and resulted in a restatement of Net Position for Governmental Activities from \$157,588,067 to \$144,509,497 and Business-Type Activities from \$65,787,512 to \$65,131,938.
- The Statement of Net Position, reported on an accrual basis of accounting, reports an increase of total net position of the City of \$2,181,386 or 1% from 2014. Net position of Governmental Activities increased \$3,296,448 or 2% from 2014 and net position of Business-type Activities decreased \$1,115,062 or 2% from 2014.
- The Statement of Activities, reported on an accrual basis of accounting, reports general revenues of \$23,789,004 or 71% of total Governmental Activities revenue. Program specific revenues accounted for \$9,897,294 or 29% of total Governmental Activities revenue.
- The Statement of Activities reports \$30,389,850 in expenses related to Governmental Activities; \$9,897,294 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the Governmental Activities, \$20,492,556, were offset by general revenues (primarily income taxes, property taxes and unrestricted grants and entitlements) of \$23,789,004.
- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reported on a modified accrual basis of accounting, reports General Fund revenues and other financing sources of \$26,058,789 in 2015. This represents an increase of \$742,828 or 3% from 2014. The expenditures and other financing uses of the General Fund, which totaled \$23,674,669 in 2015, increased \$828,562 or 4% from 2014. The net increase in fund balance for the General Fund was \$2,384,120 or 11%.
- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Tax Increment Equivalent Fund revenues and other financing sources of \$2,196,870 during 2015. The expenditures and other financing uses of the Tax Increment Equivalent Fund were \$2,765,194 during 2015. The net decrease in fund balance for the Tax Increment Equivalent Fund was \$568,324 or 27%.
- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Capital Improvement Fund revenue and other financing sources of \$4,076,804 in 2015. The expenditures of the Capital Improvement Fund totaled \$4,681,703 in 2015. The net decrease in fund balance for the Capital Improvement Fund was \$604,899 or 12%.

- The Statement of Net Position reports a decrease of \$1,115,062 in net position for 2015 for the Business-type Activities, which consist of the Water, Sewer, Storm Water and OEPA Federal Grant Enterprise Funds. The decrease is mainly due to charges for services revenue not maintained at a level sufficient to cover expenses in the sewer fund resulting in a decrease of net position of \$2,051,997. The rates established for the Sewer Fund were deliberately set lower than cost by the City to mitigate rate increases for sewer services by utilizing available net position of the Sewer Fund for operations. The Water fund and OEPA Federal Grant Fund had an increase of \$859,875 and \$111,200 in net position, respectively. The Storm Water Fund had a decrease of \$39,086 in net position.

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

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

The Statement of Net Position located on page 21 and Statement of Activities located on page 22 provide information about the activities of the City as a whole presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund Financial Statements beginning on page 23 provide the next level of detail. For Governmental Funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The Fund Financial Statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

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

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

While this document contains a number of funds used by the City to provide programs and activities, the Government-wide Statements view the City as a whole by looking at all financial transactions and asking the question, "How did we do financially during 2015?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in the net position. The change in net position is important because it tells the reader whether the financial position of the City as a whole has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors could include the City's income and property tax base, current income and property tax laws, facility conditions and required community programs.

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

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

**Business-type Activities** - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's Water, Sewer and Storm Water operations are reported here.

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

### ***Fund Financial Statements***

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

Fund Financial Statements provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these Fund Financial Statements focus on the City's most significant funds. The analysis of the City's Major Governmental and Proprietary Funds begins on page 23.

### ***Governmental Funds***

Governmental Funds are used to account for essentially the same functions reported as Governmental Activities in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, Governmental Fund Financial Statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the Governmental Funds is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for Governmental Funds with similar information presented for Governmental Activities in the Government-wide Financial Statements. By doing so, the reader may better understand the long-term impact of the City's near-term financing decisions. Both, the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances, provide a reconciliation to facilitate this comparison between Governmental Funds and Governmental Activities. The reconciliations are located on pages 24 and 26.

The City maintains a number of individual Governmental Funds and has segregated them into two categories: major funds and non-major funds. The City's major Governmental Funds are the General Fund, Tax Increment Equivalent Fund (TIF) and Capital Improvement Fund. Information for major funds is presented separately in the Governmental Fund Balance Sheet and in the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances. Data from the Other Governmental Funds are combined into a single, aggregated presentation. The basic Governmental Fund Financial Statements can be found on pages 21-32 of this report.

### ***Proprietary Funds***

The City maintains two types of Proprietary Funds. The first type of Proprietary Funds is the Enterprise Funds used to report the same functions presented as Business-type Activities in the Government-wide Financial Statements. The City uses Enterprise Funds to account for its Water, Sewer and Storm Water management functions. These three funds are also all major Enterprise Funds. The City also maintains an OEPA Federal Grant fund which receives grant funding related to the City's storm water activities. The OEPA Federal Grant fund is a non-major enterprise fund. The second type of Proprietary Fund is the Internal Service Fund used by the City to accumulate and allocate workers compensation insurance costs internally among the City's various funds. The basic Proprietary Fund Financial Statements can be found on pages 29-31 of this report.

City of Gahanna, Ohio  
 Management's Discussion and Analysis  
 For the Year Ended December 31, 2015  
 (Unaudited)

**Fiduciary Funds**

Fiduciary Funds are used to account for resources held for the benefit of parties outside the City. Fiduciary Funds are not reflected in the Government-wide Financial Statements because the resources of those funds are not available to support the City's own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds. Agency Funds are the City's only Fiduciary Fund Type. The basic Fiduciary Fund Financial Statement can be found on page 32 of this report.

**Notes to the Basic Financial Statements**

The notes provide additional information essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. These notes to the Basic Financial Statements can be found on pages 33-74 of this report.

**Government-Wide Financial Analysis**

The Statement of Net Position provides the perspective of the City as a whole. The table below provides a summary of the City's Net Position at December 31, 2015 and December 31, 2014.

	Net Position					
	Governmental Activities 2015	Restated Governmental Activities 2014	Business-type Activities 2015	Restated Business-type Activities 2014	2015 Total	2014 Total
<u>Assets</u>						
Current and Other Assets	\$ 49,671,350	\$ 44,538,983	\$ 18,603,764	\$ 19,805,724	\$ 68,275,114	\$ 64,344,707
Capital Assets, Net	139,797,138	139,847,508	51,201,504	50,986,907	190,998,642	190,834,415
Total assets	189,468,488	184,386,491	69,805,268	70,792,631	259,273,756	255,179,122
Deferred Outflows of Resources	3,878,594	2,462,021	288,899	113,256	4,167,493	2,575,277
<u>Liabilities</u>						
Current and Other Liabilities	1,068,868	4,630,671	2,959,692	2,894,705	4,028,560	7,525,376
Long-term Liabilities	41,446,830	34,809,444	3,104,129	2,879,244	44,550,959	37,688,688
Total Liabilities	42,515,698	39,440,115	6,063,821	5,773,949	48,579,519	45,214,064
Deferred Inflows of Resources	3,025,439	2,898,900	-	-	3,025,439	2,898,900
<u>Net Position</u>						
Net Investment in Capital Assets	118,970,770	118,249,600	48,938,983	48,731,148	167,909,753	166,980,748
Restricted	15,169,012	12,389,607	-	-	15,169,012	12,389,607
Unrestricted	13,666,163	13,870,290	15,077,893	16,400,790	28,744,056	30,271,080
Total Net Position	\$ 147,805,945	\$ 144,509,497	\$ 64,016,876	\$ 65,131,938	\$ 211,822,821	\$ 209,641,435

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2015, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$211,822,821. At year-end, net position was \$147,805,945 and \$64,016,876 for the Governmental Activities and the Business-type Activities, respectively.

Capital assets reported on the Government-wide Statements represent the largest portion of the City's assets. At year-end, capital assets represented 74% of total assets. Capital assets include land and land improvements, right of ways, easements, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure and construction in progress. Net investment in capital assets at December 31, 2015 was \$118,970,770 and \$48,938,983 in the Governmental Activities and Business-type Activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's net investment in capital assets is reported net of related debt, it should be noted the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities. As of December 31, 2015, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate Governmental and Business-type Activities.

A portion of the City's net position, \$15,169,012 represents resources that are subject to external restriction on how they may be used. In the Governmental Activities, the remaining balance of unrestricted net position of \$13,666,163 may be used to meet the government's ongoing obligations to citizens and creditors.

### **Implementation of GASB 68**

During 2015, the City adopted *GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27,"* which significantly revised accounting for pension costs and liabilities.

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

Under the new GASB 68 standard, the net pension liability equals the City's proportionate share of each plan's collective present value of estimated future pension benefits attributable to active and inactive employees' past service, less plan assets available to pay these benefits.

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

City of Gahanna, Ohio  
 Management's Discussion and Analysis  
 For the Year Ended December 31, 2015  
 (Unaudited)

of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

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

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

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, from \$157,588,067 to \$144,509,497 for Governmental Activities and \$65,787,512 to \$65,131,938 for Business-type Activities. For reasons discussed above, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension. The result would be a net position of \$160,767,397 for Governmental Activities and \$64,642,553 for Business-type Activities for 2015.

The information necessary to restate the 2014 beginning balances and pension expense for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$1,719,024 for Governmental Activities and \$123,859 for Business-type Activities under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$1,546,768 for Governmental Activities and \$83,711 for Business-type Activities. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	Governmental Activities	Business-type Activities
2015 Program Expenses	30,389,850	16,663,158
GASB 68 Pension Expense	(1,546,768)	(83,711)
2015 Contractually Required	1,663,886	113,608
2015 Adjusted Program Expenses	30,506,968	16,693,055
2014 Program Expenses GASB 27	26,557,603	14,991,357
Difference Not Related to GASB 68	3,949,365	1,701,698

Significant changes are identified in the Governmental Activities and Business-type Activities sections on the following pages.

City of Gahanna, Ohio  
Management's Discussion and Analysis  
For the Year Ended December 31, 2015  
(Unaudited)

The table below shows the changes in net position for 2015 and 2014.

	Change in Net Position					
	Governmental Activities 2015	Governmental Activities 2014	Business-type Activities 2015	Business-type Activities 2014	2015 Total	2014 Total
<b>Revenues</b>						
Program revenues						
Charges for Services	\$ 4,292,127	\$ 4,457,153	\$ 14,943,052	\$ 14,271,335	\$ 19,235,179	\$ 18,728,488
Operating Grants & Contributions	2,350,014	2,617,569	-	-	2,350,014	2,617,569
Capital Grants & Contributions	3,255,153	1,159,852	-	202,917	3,255,153	1,362,769
<b>Total Program Revenues</b>	<b>9,897,294</b>	<b>8,234,574</b>	<b>14,943,052</b>	<b>14,474,252</b>	<b>24,840,346</b>	<b>22,708,826</b>
General Revenues						
Income Taxes	17,962,254	16,504,593	-	-	17,962,254	16,504,593
Property Taxes	1,927,297	1,879,007	-	-	1,927,297	1,879,007
Revenue in Lieu of Taxes	2,025,314	1,699,552	-	-	2,025,314	1,699,552
Other Local Taxes	495,884	465,007	-	-	495,884	465,007
Unrestricted Grants & Entitlements	1,238,661	1,208,215	-	-	1,238,661	1,208,215
Investment Earnings	435,926	596,924	-	-	435,926	596,924
Miscellaneous	269,126	194,416	39,586	77,110	308,712	271,526
Transfers	(565,458)	(20,000)	565,458	20,000	-	-
<b>Total General Revenues &amp; Transfers</b>	<b>23,789,004</b>	<b>22,527,714</b>	<b>605,044</b>	<b>97,110</b>	<b>24,394,048</b>	<b>22,624,824</b>
<b>Total Revenues &amp; Transfers</b>	<b>33,686,298</b>	<b>30,762,288</b>	<b>15,548,096</b>	<b>14,571,362</b>	<b>49,234,394</b>	<b>45,333,650</b>
<b>Expenses</b>						
General Government	5,516,390	4,135,409	-	-	5,516,390	4,135,409
Security of Persons & Property	10,219,622	9,464,485	-	-	10,219,622	9,464,485
Public Health & Welfare	258,421	223,003	-	-	258,421	223,003
Transportation	4,945,121	2,961,415	-	-	4,945,121	2,961,415
Community Environment	4,496,115	4,926,795	-	-	4,496,115	4,926,795
Leisure Time Activity	3,990,528	3,658,521	-	-	3,990,528	3,658,521
Utility Services	417,906	478,318	-	-	417,906	478,318
Interest & Fiscal Charges	545,747	709,657	-	-	545,747	709,657
Water	-	-	7,204,101	6,030,998	7,204,101	6,030,998
Sewer	-	-	8,328,948	8,004,427	8,328,948	8,004,427
Storm Water	-	-	1,130,109	955,932	1,130,109	955,932
<b>Total Expenses</b>	<b>30,389,850</b>	<b>26,557,603</b>	<b>16,663,158</b>	<b>14,991,357</b>	<b>47,053,008</b>	<b>41,548,960</b>
Change in Net Position	3,296,448	4,204,685	(1,115,062)	(419,995)	2,181,386	3,784,690
Net Position Beginning of Year (Restated)	144,509,497	N/A	65,131,938	N/A	209,641,435	N/A
<b>Net Position End of Year</b>	<b>\$ 147,805,945</b>	<b>\$ 144,509,497</b>	<b>\$ 64,016,876</b>	<b>\$ 65,131,938</b>	<b>\$ 211,822,821</b>	<b>\$ 209,641,435</b>

## Governmental Activities

The Statement of Activities presents expenses, program revenues, general revenues and changes in net position with expenses categorized as the core functions and activities of the City. Below are the most significant items reported on the Statement of Activities for Governmental Activities.

Net position of Governmental Activities increased \$3,296,448 in 2015. The increase was mainly due to an increase in capital grants and contributions of \$2,095,301. The City was awarded OPWC transportation improvement, Clean Ohio Conservation Fund and Clean Ohio Trails grants during 2014 & 2015 resulting in an increase in capital grants of \$502,062, \$164,021 and \$500,000 respectively during 2015. The OPWC grant was awarded to widen Hamilton Road Central. The Clean Ohio Conservation Fund grant was awarded to purchase land for vernal pool conservation. The Clean Ohio Trails grant was awarded to fund the construction of section five of the Big Walnut Trail. In addition MORPC paid the remainder of the SIB Loan. MORPC pledged revenue in 2011 to pay 99.9% of the City's SIB Loan principal and 80% of the interest. Paying off the loan early in 2015 increased revenue in the capital projects fund by \$954,377.

*City of Gahanna, Ohio  
Management's Discussion and Analysis  
For the Year Ended December 31, 2015  
(Unaudited)*

Security of persons and property expenses, which primarily supports the operations of the police department, accounted for \$10,219,622 of the total expenses of the City. These expenses were partially funded by \$183,274 in direct charges to users of the services and \$185,256 in operating grants and contributions.

General government expense, which includes all general administrative and legislative operations, totaled \$5,516,390. General government expenses were partially funded by \$1,725,026 in direct charges to users of the services.

Transportation expenses which primarily includes street maintenance and improvement programs, accounted for \$4,945,121 of total expenses of the City. These expenses were partially funded by \$8,047 in direct charges to users of the services, \$2,164,758 in operating grants and contributions and \$2,595,778 in capital grants and contributions.

Community environment expenses, which primarily support economic development programs, accounted for \$4,496,115 of the total expenses of the City. These expenses were partially funded by \$907,641 in direct charges to users of the services.

Program revenues, which consist of operating grants and contributions and capital grants and contributions, include state and federal government contributions or grants to the City totaling \$2,350,014 in operating grants and contributions and \$3,255,153 in capital grants and contributions. These revenues are restricted to particular programs or purposes based on the legal requirements of the grantor. \$2,164,758 of operating grants and contributions and \$2,595,778 of capital grants and contributions, subsidized transportation programs.

General revenues and transfers totaled \$23,789,004, and amounted to 71% of total governmental revenues. These revenues primarily consist of tax revenue (including income, property, revenue in lieu of, and other local taxes) of \$22,410,749. The other primary source of general revenues is grants and entitlements not restricted to specific programs, which includes local government funds from the State of Ohio, making up \$1,238,661.

General revenues increased from 2014 to 2015 by \$1,261,290 or 6%. The increase was mainly due to an increase in income tax revenues. Program revenues increased \$1,662,720 or 20% due to increases in capital grants and contributions as discussed above.

The Statement of Activities shows the cost of program services and the charges for services, grants and contributions offsetting those services. The following table shows, for Governmental Activities, the total cost of services and the net cost of services. That is, it identifies the portion of the cost of these services supported by general revenues.

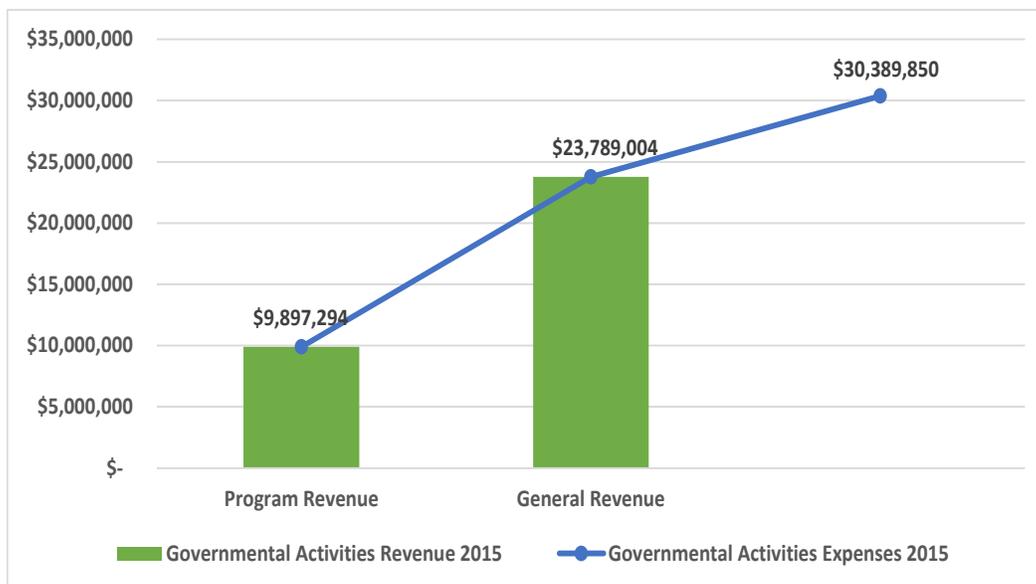
City of Gahanna, Ohio  
 Management's Discussion and Analysis  
 For the Year Ended December 31, 2015  
 (Unaudited)

The table below demonstrates the City's high dependence upon general revenues to support its Governmental Activities with 67% of expenses supported through taxes and other general revenues.

	<b>Governmental Activities</b>		
	Total Cost of Services 2015	Net Cost of Services 2015	% of Cost Supported by General Revenue 2015
<b>Program Expenses:</b>			
General Government	\$ 5,516,390	\$ 3,791,364	69%
Security of Persons & Property	10,219,622	9,851,092	96%
Public Health & Welfare	258,421	258,421	100%
Transportation	4,945,121	176,538	4%
Community Environment	4,496,115	3,588,474	80%
Leisure Time Activity	3,990,528	1,863,014	47%
Utility Services	417,906	417,906	100%
Interest & Fiscal Charges	545,747	545,747	100%
<b>Total</b>	<b>\$ 30,389,850</b>	<b>\$ 20,492,556</b>	<b>67%</b>

The graph below compares the program and general revenues of the City to total expenses illustrating the City's dependence on general revenues.

**Governmental Activities – Program and General Revenues vs. Expenses**



### Business-type Activities

Business-type Activities include the Water, Sewer, Storm Water and OEPA Federal Grant Enterprise Funds. These programs have program revenues of \$14,943,052, general revenues and transfers of \$605,044 and expenses of \$16,663,158 for 2015. The Statement of Net Position for Business-type Activities reports \$69,805,268 of assets, \$288,899 of deferred outflows of resources, \$6,063,821 of liabilities and \$64,016,876 of net position. Program revenues increased \$468,800 or 3% from 2014 due to a rate increase. Expenditures increased by \$1,671,801 or 11% compared to 2014. This was mainly due to an increase in contract services across all three programs for the purchase of water and sewage treatment services from the City of Columbus.

### Financial Analysis of the Government's Funds

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

### Governmental Funds

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

The City's Governmental Funds (as presented on the Balance Sheet on page 23) reported a combined fund balance of \$39,901,128 which is \$4,994,695 more than the 2014 total of \$34,906,433. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2015 for all major and nonmajor Governmental Funds.

	Fund Balances 12/31/15	Fund Balances 12/31/14	Increase (Decrease)
Major funds			
General	\$ 24,913,939	\$ 22,529,819	\$ 2,384,120
Tax Increment Equivalent	1,504,959	2,073,283	(568,324)
Capital Improvements	4,382,140	4,972,577	(590,437)
Other Nonmajor Governmental Funds	9,114,552	5,330,754	3,783,798
Total	<u>\$ 39,915,590</u>	<u>\$ 34,906,433</u>	<u>\$ 5,009,157</u>

### General Fund

The City's general fund balance increased \$2,384,120 which is due to an increase in revenues exceeding the increase in expenditures. The following tables assist in illustrating the revenues and expenditures of the General Fund in comparison to 2014.

City of Gahanna, Ohio  
 Management's Discussion and Analysis  
 For the Year Ended December 31, 2015  
 (Unaudited)

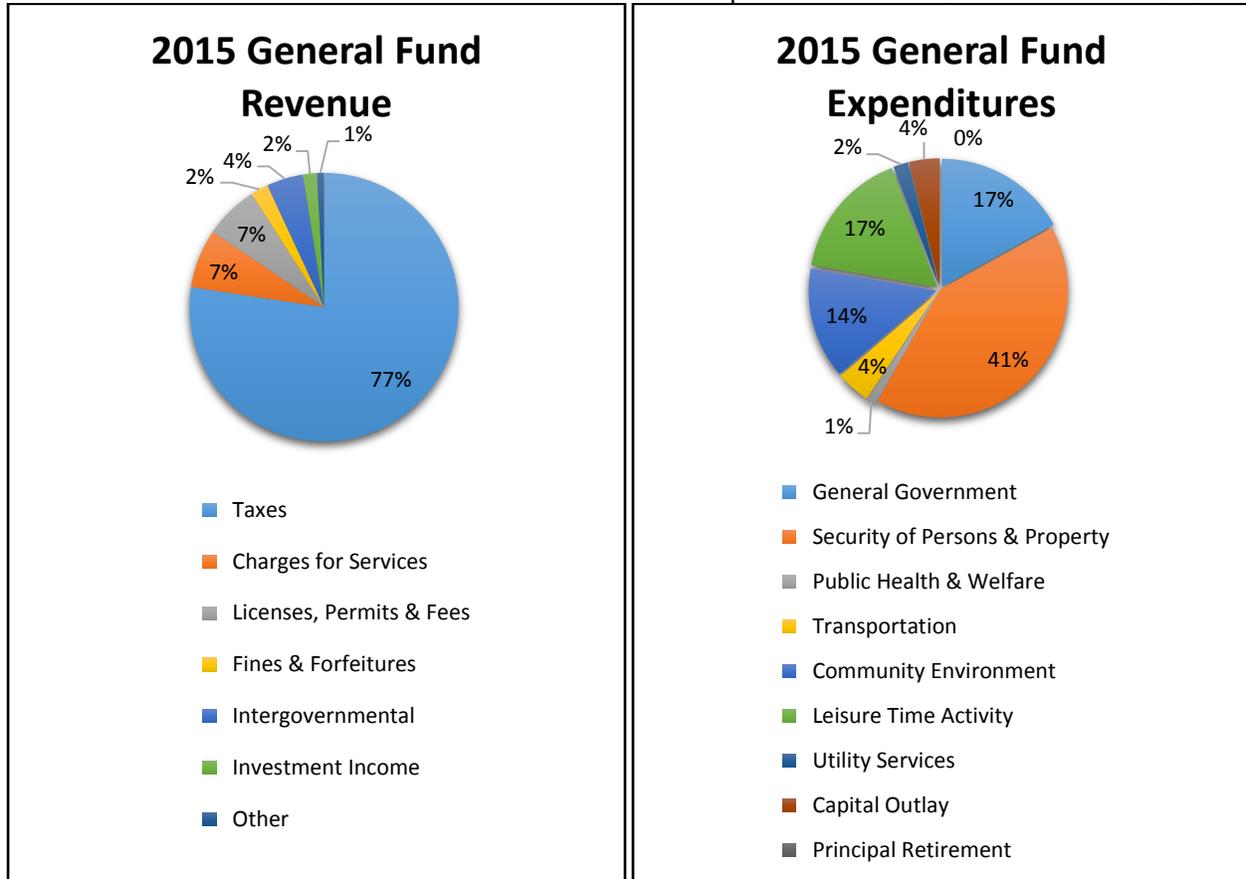
	<u>2015</u> <u>Amount</u>	<u>2014</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>General Fund Revenues</u></b>			
Taxes	\$ 19,676,166	\$ 18,949,045	3.84 %
Charges for Services	1,809,242	1,682,517	7.53 %
Licenses, Permits & Fees	1,637,969	1,700,201	(3.66) %
Fines & Forfeitures	541,602	512,823	5.61 %
Intergovernmental	1,119,809	1,182,642	(5.31) %
Investment Income	424,715	592,496	(28.32) %
Other	<u>213,957</u>	<u>137,414</u>	<u>55.70 %</u>
Total	<u>\$ 25,423,460</u>	<u>\$ 24,757,138</u>	<u>2.69 %</u>

Tax revenue represents 75% of all General Fund revenue and increased slightly from 2014 to 2015 mainly due to an increase in income tax revenues. With the exception of license, permits & fees, intergovernmental and investment income, all revenue streams of the City experienced growth in 2015 with the most notable being income tax revenue. Income tax revenue increased \$653,220 or 4% from 2014 to 2015 due to an increase in withholding taxes. This signifies growth in the local economy.

	<u>2015</u> <u>Amount</u>	<u>2014</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>General Fund Expenditures</u></b>			
General Government	\$ 3,599,380	\$ 3,387,176	6.26 %
Security of Persons & Property	8,758,277	8,159,404	7.34 %
Public Health & Welfare	258,241	223,003	15.80 %
Transportation	917,636	958,225	(4.24) %
Community Environment	2,996,137	3,164,192	(5.31) %
Leisure Time Activity	3,487,845	2,992,690	16.55 %
Utility Services	405,354	465,908	(13.00) %
Capital Outlay	817,973	372,913	119.35
Principal Retirement	<u>6,191</u>	<u>3,095</u>	<u>100.00 %</u>
Total	<u>\$ 21,247,034</u>	<u>\$ 19,726,606</u>	<u>7.71 %</u>

General government expenditures increased mainly as a result of increased contractual service expenditures related to the City's income tax collection services, conversion to digital record retention and legal services. Security of Persons & Property increased due to negotiated salary and benefit increases as well as the purchase of updated portable radio communication equipment. The increase for Leisure Time Activity was related to increased contractual services and materials and supplies for the upkeep of park facilities. Additionally, the pools operations were brought back under the City after being contracted out in 2014 which caused an increase in salaries and benefits. The increase in capital outlay was the result of increased fleet and equipment replacement after a planned decrease in this activity for 2014.

The charts below illustrate the breakdown of revenues and expenditures of the General Fund for 2015.



**Tax Increment Equivalent Fund**

The Tax Increment Equivalent Fund had \$2,177,558 in revenues during 2015, experiencing a 19% increase in payments in lieu of taxes. As investment is made within TIF Districts increasing the value of the area, the payments in lieu of taxes also increase. The expenditures and other financing uses of the Tax Increment Equivalent Fund were \$2,765,194 during 2015. Other financing uses in this fund increased \$1,024,800 due to an increase in transfers to the General Fund, Water Fund and Sewer Fund as repayment to the City for the City's investment within the TIF Districts. The net decrease in fund balance for the Tax Increment Equivalent Fund was \$568,324 or 27%.

**Capital Improvement Fund**

The Capital Improvement Fund had revenues and other financing sources of \$4,076,804 in 2015. Revenues increased by \$1,268,862 due to an increase in intergovernmental revenue related to pledged revenue received from MORPC for repayment of the City's SIB loan. Other Financing Sources decreased \$653,604 as a result of a planned decrease of transfers from the General Fund for capital projects. The expenditures of the Capital Improvement Fund totaled \$4,681,703 in 2015. Expenditures increased as a result of the pay-off of the SIB Loan by MORPC and the City, as well as, increased activity for road maintenance and construction, trail construction and the purchase of park land. The net decrease in fund balance for the Capital Improvement Fund was \$604,899 or 12%.

### **Budgeting Highlights – General Fund**

The key components of the City's budgeting process are prescribed by the Ohio Revised Code (ORC) section 5705. The outcome of the budget process is the City's appropriation ordinance which is restricted by the amounts of anticipated revenues and other resources certified by the Budget Commission in accordance with the ORC. As necessary, appropriations are amended throughout the year but must remain within the Budget Commission's certificate of estimated resources. Requests to amend the certificate of estimated resources are submitted once certainty to additional resources is identified by the City.

In the General Fund, actual revenues and other financing sources exceeded budgeted revenues and other financing sources of \$26,051,904 by \$1,109,704. Actual expenditures and other financing uses were \$1,754,458 less than the final budgeted expenditures and other financing uses of \$30,867,985. These variances are the result of the City's conservative budgeting. Budgeted revenues increased slightly by \$56,562 from the original to final budget for income tax revenue. Budgeted expenditures and other financing uses increased slightly by \$407,388 from the original budget to the final budget. Planned expenditures increased slightly by \$388,076 while other financing uses increased by \$19,312.

### **Proprietary Funds**

The City's Proprietary Funds provide the same type of information found in the Government-wide Financial Statements for Business-type Activities, except in more detail. The only difference between the amounts reported as Business-type Activities and the amounts reported in the Proprietary Fund Statements are interfund eliminations between Proprietary Funds and internal balances due to Business-type Activities for internal service transactions and utility services provided to Governmental Activities in the amount of \$24,991. On the Government-wide statements the only interfund activity reported is between the Governmental and Business-type Activities.

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

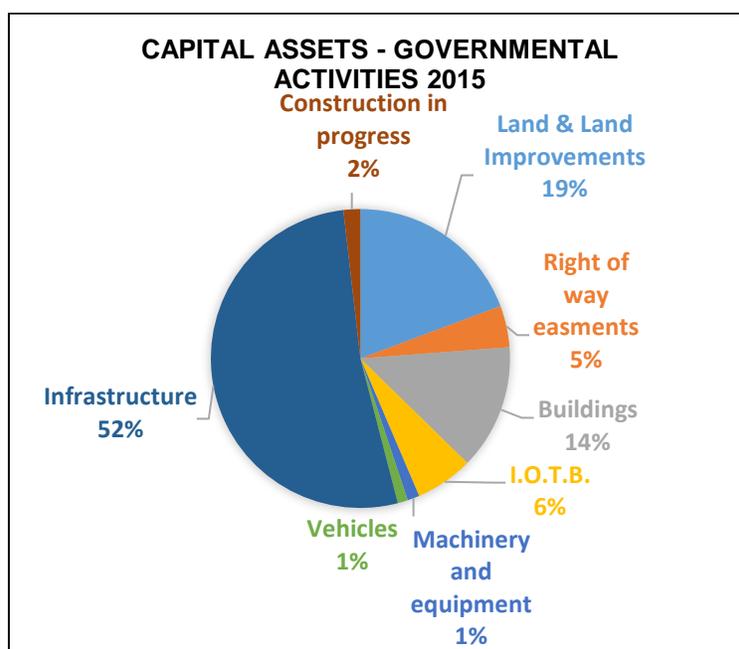
#### **Capital Assets**

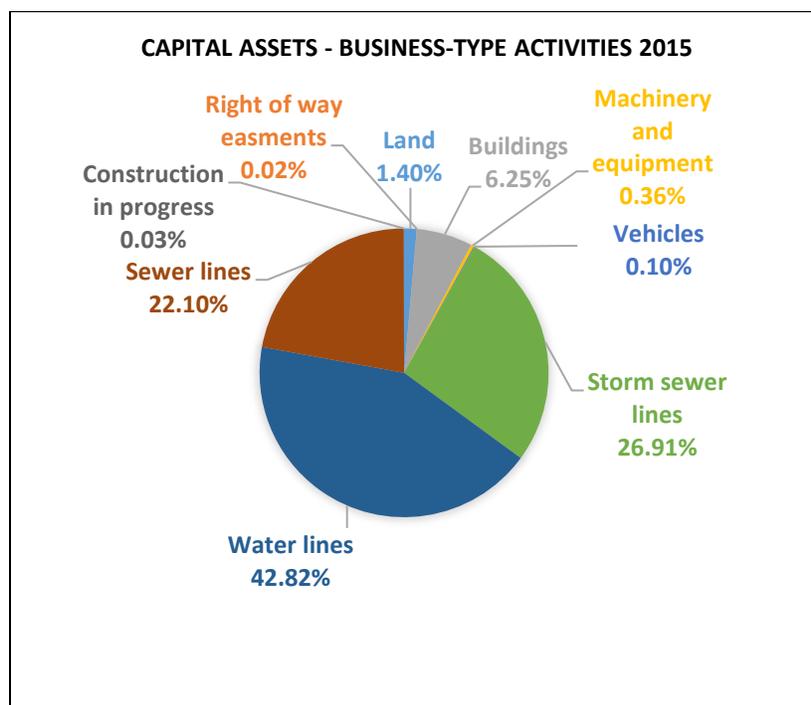
At the end of fiscal year 2015, the City had \$190,998,642 (net of accumulated depreciation) invested in land and land improvements, right of way easements, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure and construction in progress (CIP). Of this total, \$139,797,138 was reported in governmental activities and \$51,201,504 was reported in business-type activities. The table on the following page shows fiscal 2015 balances compared to 2014:

**Capital Assets at December 31  
 (Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land & Land Improvements	\$ 26,975,316	\$ 27,608,757	\$ 718,405	\$ 208,762	\$ 27,693,721	\$ 27,817,519
Right of way easments	6,295,511	6,295,511	12,665	12,665	6,308,176	6,308,176
Buildings	18,908,367	19,417,646	3,199,648	1,111,919	22,108,015	20,529,565
I.O.T.B.	8,744,319	8,806,782	-	-	8,744,319	8,806,782
Machinery and equipment	1,809,427	1,902,337	184,253	98,314	1,993,680	2,000,651
Vehicles	1,537,294	1,469,927	53,294	85,402	1,590,588	1,555,329
Storm sewer lines	-	-	13,779,471	14,033,992	13,779,471	14,033,992
Water lines	-	-	21,921,995	22,416,637	21,921,995	22,416,637
Sewer lines	-	-	11,314,923	11,291,839	11,314,923	11,291,839
Infrastructure	72,971,983	73,228,312	-	-	72,971,983	73,228,312
Construction in progress	<u>2,554,921</u>	<u>1,118,236</u>	<u>16,850</u>	<u>1,727,377</u>	<u>2,571,771</u>	<u>2,845,613</u>
Totals	<u>\$ 139,797,138</u>	<u>\$ 139,847,508</u>	<u>\$ 51,201,504</u>	<u>\$ 50,986,907</u>	<u>\$ 190,998,642</u>	<u>\$ 190,834,415</u>

The City's largest capital asset category is infrastructure which includes roads, bridges, culverts, sidewalks, street lighting and curbs for Governmental Activities and Sewer, Water and Storm Water Lines for Business-type Activities which play a vital role in the income producing ability of the Business-type activities. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 52% and 92% of the City's total Governmental and Business-type capital assets respectively. See Note 8 for detail on the City's capital assets. The charts that follow illustrate the breakdown of capital assets by category for Governmental and Business-type activities.





**Debt Administration**

The City had the following long-term obligations outstanding at December 31, 2015 and 2014

	Governmental Activities	
	<u>2015</u>	Restated <u>2014</u>
Compensated Absences	\$ 2,102,128	\$ 2,093,562
General Obligation Bonds	22,382,354	17,516,544
OPWC Loans	1,508,909	1,693,195
Lease Purchase Agreement	208,570	317,988
Net Pension Liability	15,244,869	14,523,559
SIB Loan	-	2,070,181
<b>Total Long-term Obligations</b>	<b><u>\$ 41,446,830</u></b>	<b><u>\$ 38,215,029</u></b>
	Business-type Activities	
	<u>2015</u>	Restated <u>2014</u>
General Obligation Bonds	\$ 2,262,520	\$ 2,255,759
Net Pension Liability	766,726	749,408
Compensated Absences	74,883	63,543
<b>Total Long-term Obligations</b>	<b><u>\$ 3,104,129</u></b>	<b><u>\$ 3,068,710</u></b>

See Note 12 for detail on the City's long-term obligations. 2014 was restated for the implementation of GASB 68.

## **Economic Conditions and Outlook**

The City experienced higher than anticipated revenues during 2015 and actual expenditures were below the planned appropriations for the year resulting in a positive impact on the City's year-end financials. Although this signifies growth for 2015, the City still faces on-going financial challenges. State reductions to multiple revenue sources, the slow economic recovery impacting investment earnings and increasing cost to maintain the City's aging assets and infrastructure will continue to impact the City's ability to maintain services and operations at past levels.

In response to the continued financial challenges faced by the City, the administration and elected leaders of the City continued to commit to an unprecedented level of planning, transparency and accountability in 2015. The City continued the implementation of the Sustainable Operating Model (SOM). The SOM is built upon two key components, (1) the City will maintain its existing core infrastructure and assets at a professionally appropriate level; (2) ongoing operating costs will be funded with ongoing revenue sources. One-time windfalls, accumulated savings and short-term cost-cutting measures will not be used to balance the City's operating budget.

The City also began the process of establishing an official five year strategic plan for the City called GoForward Gahanna. The GoForward Gahanna initiative is a collaborative planning process between City administration, Council and the community. The purpose of this process is to engage elected officials, City staff, citizens and community stakeholders in the development of a city-wide strategic plan. The plan will serve as a long-term guide for strategic, operational, resource and policy decisions, while ensuring the City is dedicating its resources appropriately and achieving meaningful results.

The SOM and GoForward Gahanna initiative will determine the direction of the City over the next five years.

## **Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact: Ms. Joann Bury, Director of Finance, City of Gahanna, 200 South Hamilton Road, Gahanna, Ohio 43230.



# **BASIC FINANCIAL STATEMENTS**

City of Gahanna, Ohio  
Statement of Net Position  
December 31, 2015

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash & Investments	\$38,615,184	\$14,436,212	\$53,051,396
Cash with Fiscal Agents	175,664	-	175,664
Receivables			
Income Taxes	4,370,376	-	4,370,376
Property Taxes	2,016,359	-	2,016,359
Other Local Taxes	30,784	-	30,784
Revenue In Lieu of Taxes	971,421	-	971,421
Accounts	1,299,313	4,060,523	5,359,836
Accrued Interest	85,693	-	85,693
Intergovernmental	1,743,250	-	1,743,250
Prepayments	66,360	7,012	73,372
Materials & Supplies Inventory	321,937	75,026	396,963
Internal Balance	(24,991)	24,991	-
Non-depreciable Capital Assets	105,649,202	747,920	106,397,122
Depreciable Capital Assets, Net	34,147,936	50,453,584	84,601,520
<b>Total Assets</b>	<b><u>189,468,488</u></b>	<b><u>69,805,268</u></b>	<b><u>259,273,756</u></b>
<b>Deferred Outflows of Resources</b>			
Deferred Charge On Refunding	1,505,033	134,380	1,639,413
Pension	2,373,561	154,519	2,528,080
<b>Total Deferred Outflows</b>	<b><u>3,878,594</u></b>	<b><u>288,899</u></b>	<b><u>4,167,493</u></b>
<b>Liabilities</b>			
Accounts Payable	383,706	40,495	424,201
Contracts Payable	259,624	5,080	264,704
Accrued Wages and Benefits	304,305	24,352	328,657
Compensated Absences Payable	1,475	-	1,475
Intergovernmental Payable	62,401	2,883,033	2,945,434
Interest Payable	57,357	6,732	64,089
Long-Term Liabilities			
Due within One Year	2,433,939	220,574	2,654,513
Due in More Than One Year			
Net Pension Liability	15,244,869	766,726	16,011,595
Other Due in More Than One Year	23,768,022	2,116,829	25,884,851
<b>Total Liabilities</b>	<b><u>42,515,698</u></b>	<b><u>6,063,821</u></b>	<b><u>48,579,519</u></b>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Subsequent Year	1,963,874	-	1,963,874
Revenue in Lieu of Taxes for the Subsequent Year	971,421	-	971,421
Pension	90,144	13,470	103,614
<b>Total Deferred Inflows of Resources</b>	<b><u>3,025,439</u></b>	<b><u>13,470</u></b>	<b><u>3,038,909</u></b>
<b>Net Position</b>			
Net Investment in Capital Assets	118,970,770	48,938,983	167,909,753
Restricted for			
Debt Service	1,376,617	-	1,376,617
Capital Projects	5,512,541	-	5,512,541
General Government	244,581	-	244,581
Security of Persons & Property	1,309,566	-	1,309,566
Community Environment	1,524,744	-	1,524,744
Transportation	5,200,963	-	5,200,963
Unrestricted	13,666,163	15,077,893	28,744,056
<b>Total Net Position</b>	<b><u>147,805,945</u></b>	<b><u>\$64,016,876</u></b>	<b><u>\$211,822,821</u></b>

The notes to the basic financial statements are an integral part of this statement.

City of Gahanna, Ohio  
 Statement of Activities  
 For the Fiscal Year Ended December 31, 2015

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services & Sales	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities</b>							
General Government	\$ 5,516,390	\$ 1,725,026	\$ -	\$ -	\$ (3,791,364)	\$ -	\$ (3,791,364)
Security of Persons & Property	10,219,622	183,274	185,256	-	(9,851,092)	-	(9,851,092)
Public Health & Welfare	258,421	-	-	-	(258,421)	-	(258,421)
Transportation	4,945,121	8,047	2,164,758	2,595,778	(176,538)	-	(176,538)
Community Environment	4,496,115	907,641	-	-	(3,588,474)	-	(3,588,474)
Leisure Time Activities	3,990,528	1,468,139	-	659,375	(1,863,014)	-	(1,863,014)
Utility Services	417,906	-	-	-	(417,906)	-	(417,906)
Interest & Fiscal Charges	545,747	-	-	-	(545,747)	-	(545,747)
<b>Total Governmental Activities</b>	<b>30,389,850</b>	<b>4,292,127</b>	<b>2,350,014</b>	<b>3,255,153</b>	<b>(20,492,556)</b>	<b>-</b>	<b>(20,492,556)</b>
<b>Business-type Activities</b>							
Water	7,204,101	7,560,244	-	-	-	356,143	356,143
Sewer	8,328,948	6,251,577	-	-	-	(2,077,371)	(2,077,371)
Storm Water	1,130,109	1,131,231	-	-	-	1,122	1,122
<b>Total Business-type Activities</b>	<b>16,663,158</b>	<b>14,943,052</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,720,106)</b>	<b>(1,720,106)</b>
<b>Total Primary Government</b>	<b>\$ 47,053,008</b>	<b>\$ 19,235,179</b>	<b>\$ 2,350,014</b>	<b>\$ 3,255,153</b>	<b>\$ (20,492,556)</b>	<b>\$ (1,720,106)</b>	<b>\$(22,212,662)</b>
<b>General Revenues</b>							
Income Taxes Levied For							
General Purposes					17,962,254	-	17,962,254
Property Taxes Levied For							
General Purposes					1,445,670	-	1,445,670
Debt Service					241,999	-	241,999
Police					239,628	-	239,628
Revenue in Lieu of Taxes					2,025,314	-	2,025,314
Other Local Taxes					495,884	-	495,884
Grants & Entitlements not Restricted to Specific Programs					1,238,661	-	1,238,661
Investment Earnings					435,926	-	435,926
Miscellaneous					269,126	39,586	308,712
Transfers					(565,458)	565,458	-
<b>Total General Revenues &amp; Transfers</b>					<b>23,789,004</b>	<b>605,044</b>	<b>24,394,048</b>
<b>Change in Net Position</b>					<b>3,296,448</b>	<b>(1,115,062)</b>	<b>2,181,386</b>
Net Position Beginning of Year (Restated)					144,509,497	65,131,938	209,641,435
Net Position End of Year					<b>147,805,945</b>	<b>\$64,016,876</b>	<b>\$211,822,821</b>

The notes to the basic financial statements are an integral part of this statement.

City of Gahanna, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2015

	General	Tax Incremental Equivalent	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash & Investments	\$ 23,527,566	\$ 1,504,959	\$ 4,433,448	\$ 8,827,377	\$ 38,293,350
Cash with Fiscal Agents	-	-	-	175,664	175,664
Receivables					
Income Taxes	4,370,376	-	-	-	4,370,376
Property Taxes	1,520,243	-	-	496,116	2,016,359
Other Local Taxes	30,784	-	-	-	30,784
Revenue in Lieu of Taxes	-	971,421	-	-	971,421
Accounts	1,298,313	-	-	1,000	1,299,313
Accrued Interest	85,693	-	-	-	85,693
Intergovernmental	525,045	19,785	306,791	891,629	1,743,250
Interfund	306,791	-	-	-	306,791
Prepayments	63,653	-	-	2,707	66,360
Materials & Supplies Inventory	321,937	-	-	-	321,937
<b>Total Assets</b>	<b>32,050,401</b>	<b>2,496,165</b>	<b>4,740,239</b>	<b>10,394,493</b>	<b>49,681,298</b>
<b>Liabilities</b>					
Accounts Payable	367,780	-	-	15,926	383,706
Contracts Payable	202,194	-	51,308	6,122	259,624
Accrued Wages & Benefits	293,309	-	-	10,996	304,305
Compensated Absences	1,475	-	-	-	1,475
Intergovernmental Payable	60,667	-	-	1,734	62,401
Due to Other Funds	6,745	-	-	269	7,014
Interfund Payable	-	-	306,791	-	306,791
<b>Total Liabilities</b>	<b>932,170</b>	<b>-</b>	<b>358,099</b>	<b>35,047</b>	<b>1,325,316</b>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for Subsequent Year	1,480,672	-	-	483,202	1,963,874
Revenue in Lieu of Taxes for the Subsequent Year	-	971,421	-	-	971,421
Unavailable Property Tax Revenue	39,571	-	-	12,914	52,485
Unavailable Income Tax Revenue	3,036,363	-	-	-	3,036,363
Unavailable Intergovernmental Revenue	424,744	19,785	14,462	748,778	1,207,769
Unavailable Interest Revenue	70,279	-	-	-	70,279
Unavailable License, Permits & Fees	1,143,215	-	-	-	1,143,215
Unavailable Other Revenue	9,448	-	-	-	9,448
<b>Total Deferred Inflow of Resources</b>	<b>6,204,292</b>	<b>991,206</b>	<b>14,462</b>	<b>1,244,894</b>	<b>8,454,854</b>
<b>Fund Balances</b>					
Nonspendable	415,987	-	-	39	416,026
Restricted	-	1,504,959	4,367,678	8,500,397	14,373,034
Committed	6,567,000	-	-	613,870	7,180,870
Assigned	6,794,860	-	-	246	6,795,106
Unassigned	11,136,092	-	-	-	11,136,092
<b>Total Fund Balances</b>	<b>24,913,939</b>	<b>1,504,959</b>	<b>4,367,678</b>	<b>9,114,552</b>	<b>39,901,128</b>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<b>\$ 32,050,401</b>	<b>\$ 2,496,165</b>	<b>\$ 4,740,239</b>	<b>\$10,394,493</b>	<b>\$ 49,681,298</b>

The notes to the basic financial statements are an integral part of this statement.

City of Gahanna, Ohio  
 Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2015

**Total Governmental Fund Balances** \$39,901,128

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 139,797,138

Other assets are not available to pay for current period expenditures and therefore are deferred in the funds. 5,519,559

An internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of position. 303,857

Long-Term liabilities, including bonds and loans payable, are not due and payable in the current period and therefore are not reported in the funds.

Compensated Absences	(2,102,128)
General Obligation Debt	(22,382,354)
Accrued Interest	(57,357)
Loans Payable	(1,508,909)
Capital Lease Obligations	(208,570)
	(26,259,318)

The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:

Deferred Outflows - Pension	2,373,561
Deferred Inflows - Pension	(90,144)
Net Pension Liability	(15,244,869)
	(12,961,452)

Deferred outflows of resources for deferred charges on refunding. In the funds, the difference between the proceeds received from the issuance of the refunding bonds, and the amount placed into escrow to pay the old bonds is reported when the debt is issued. This amount is deferred and amortized as a component of interest expense in the governmental activities 1,505,033

**Net Position of Governmental Activities** **\$147,805,945**

The notes to the basic financial statements are an integral part of this statement.

City of Gahanna, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended December 31, 2015

	General	Tax Incremental Equivalent	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Income Taxes	\$ 17,719,609	\$ -	\$ -	\$ -	\$ 17,719,609
Property Taxes	1,460,673	-	-	486,529	1,947,202
Other Local Taxes	495,884	-	-	-	495,884
Revenue in Lieu of Taxes	-	2,025,314	-	-	2,025,314
Charges for Services	1,809,242	116,601	-	-	1,925,843
Licenses, Permits & Fees	1,637,969	-	-	156,854	1,794,823
Fines & Forfeitures	541,602	-	-	107,825	649,427
Intergovernmental	1,119,809	35,643	2,743,275	2,886,980	6,785,707
Investment Income	424,715	-	-	5,741	430,456
Rental Income	19,495	-	-	-	19,495
Other	194,462	-	-	28,999	223,461
<b>Total Revenues</b>	<b>25,423,460</b>	<b>2,177,558</b>	<b>2,743,275</b>	<b>3,672,928</b>	<b>34,017,221</b>
<b>Expenditures</b>					
<b>Current</b>					
General Government	3,599,380	-	-	272,821	3,872,201
Security of Persons & Property	8,758,277	-	-	980,762	9,739,039
Public Health & Welfare	258,421	-	-	-	258,421
Transportation	917,636	-	1,067,752	2,877,023	4,862,411
Community Environment	2,996,137	955,508	10,010	-	3,961,655
Leisure Time Activity	3,487,845	-	9,900	-	3,497,745
Utility Services	405,354	-	-	13,391	418,745
<b>Capital Outlay</b>	<b>817,973</b>	<b>-</b>	<b>1,500,325</b>	<b>1,159,241</b>	<b>3,477,539</b>
<b>Debt Service</b>					
Principal Retirement	5,132	104,286	2,068,880	1,104,564	3,282,862
Interest & Fiscal Charges	1,059	-	24,836	702,663	728,558
<b>Total Expenditures</b>	<b>21,247,214</b>	<b>1,059,794</b>	<b>4,681,703</b>	<b>7,110,465</b>	<b>34,099,176</b>
<b>Excess (Deficiency) of Revenue Over Expenditures</b>	<b>4,176,246</b>	<b>1,117,764</b>	<b>(1,938,428)</b>	<b>(3,437,537)</b>	<b>(81,955)</b>
<b>Other Financing Sources (Uses)</b>					
Transfers In	561,401	19,312	1,333,529	2,224,457	4,138,699
Transfers Out	(2,427,455)	(1,705,400)	-	(493,244)	(4,626,099)
Proceeds From Sale of Capital Assets	15,656	-	-	33,500	49,156
Refunding Bonds Issued	-	-	-	6,078,400	6,078,400
Premium on Refunding Bonds Issued	-	-	-	548,176	548,176
Insurance Proceeds	58,272	-	-	210	58,482
General Obligation Bonds Issued	-	-	-	5,095,000	5,095,000
Premium on General Obligation Bonds Issued	-	-	-	224,673	224,673
Payment to Refunding Bond Escrow Agent	-	-	-	(6,489,837)	(6,489,837)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,792,126)</b>	<b>(1,686,088)</b>	<b>1,333,529</b>	<b>7,221,335</b>	<b>5,076,650</b>
<b>Net Change in Fund Balances</b>	<b>2,384,120</b>	<b>(568,324)</b>	<b>(604,899)</b>	<b>3,783,798</b>	<b>4,994,695</b>
Fund Balances, January 1	22,529,819	2,073,283	4,972,577	5,330,754	34,906,433
Fund Balances, December 31	<u>\$ 24,913,939</u>	<u>\$ 1,504,959</u>	<u>\$ 4,367,678</u>	<u>\$ 9,114,552</u>	<u>\$ 39,901,128</u>

The notes to the basic financial statements are an integral part of this statement.

City of Gahanna, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
 Fund Balances of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended December 31, 2015

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 4,994,695</b>
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
Capital Outlay	3,477,539
Depreciation	(2,309,541)
The sale, trade in, transfer or donation of capital assets is to increase/(decrease) net position as follows:	
Sale or Trade-in of Capital Assets	(1,140,310)
Transfer of Capital Assets	(78,058)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Income Taxes	242,645
Property Taxes	(19,905)
Charges for Services	(94,401)
License Permits & Fees	(3,060)
Intergovernmental	58,121
Investment Income	5,470
Other	(12,817)
Repayment of bond and loan principal and leases payable are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not result in an expense in the statement of activities.	
	9,772,699
Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities.	
	(11,946,249)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The amortization of the deferred charge on refunding is also amortized over the life of the bonds but is recognized at the time the debt is issued in the funds.	
	182,811
An internal service fund is used by management to charge the costs of insurance to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.	
	58,257
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	(8,566)
Contractually required contributions are reported as expenditures in governmental funds however the statement of net position reports as deferred outflows.	
	1,663,886
Except for amounts reported as deferred inflows/outflows changes in the net pension liability are reported as pension expense in the statement of activities.	
	(1,546,768)
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 3,296,448</b>

The notes to the basic financial statements are an integral part of this statement.

City of Gahanna, Ohio  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Year Ended December 31, 2015

Revenues	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive/(Negative)
Income Tax	17,332,538	17,389,100	17,600,048	210,948
Property Taxes	1,470,504	1,470,504	1,460,673	(9,831)
Other Local Taxes	460,800	460,800	495,572	34,772
Charges for Services	1,734,700	1,734,700	1,808,209	73,509
Licenses Permits & Fees	1,366,200	1,366,200	1,616,459	250,259
Fines & Forfeitures	489,900	489,900	548,873	58,973
Intergovernmental	383,479	383,479	1,121,369	737,890
Investment Income	475,000	475,000	459,940	(15,060)
Rent	42,000	42,000	19,495	(22,505)
Contributions & Donations	5,000	5,000	-	(5,000)
Other	100,000	100,000	147,950	47,950
<b>Total Revenues</b>	<b>23,860,121</b>	<b>23,916,683</b>	<b>25,278,588</b>	<b>1,361,905</b>
<b>Expenditures</b>				
General Government	5,490,698	5,524,930	4,993,053	531,877
Security of Persons & Property	8,758,868	8,766,600	8,645,169	121,431
Public Health & Welfare	238,928	258,928	258,673	255
Transportation	1,500,282	1,524,474	1,493,439	31,035
Community Environment	3,856,327	4,014,756	3,536,366	478,390
Leisure Time Activities	3,956,926	4,024,518	3,702,151	322,367
Utility Services	674,749	658,925	619,445	39,480
Capital Outlay	2,700,229	2,791,952	2,773,755	18,197
<b>Total Expenditures</b>	<b>27,177,007</b>	<b>27,565,083</b>	<b>26,022,051</b>	<b>1,543,032</b>
<b>Excess of Expenditures over Revenues</b>	<b>(3,316,886)</b>	<b>(3,648,400)</b>	<b>(743,463)</b>	<b>2,904,937</b>
<b>Other Financing Sources (uses)</b>				
Sale of Assets	26,000	26,000	44,216	18,216
Insurance Proceeds	5,000	5,000	59,397	54,397
Advance In	664,021	664,021	357,230	(306,791)
Advance Out	(664,021)	(664,021)	(664,021)	-
Transfer In	1,440,200	1,440,200	1,422,177	(18,023)
Transfer Out	(2,619,569)	(2,638,881)	(2,427,455)	211,426
<b>Total Other Financing Sources (uses)</b>	<b>(1,148,369)</b>	<b>(1,167,681)</b>	<b>(1,208,456)</b>	<b>(40,775)</b>
<b>Net Change in Fund Balance</b>	<b>(4,465,255)</b>	<b>(4,816,081)</b>	<b>(1,951,919)</b>	<b>2,864,162</b>
Fund balance at beginning of year	17,434,750	17,434,750	17,434,750	-
Prior Year Encumbrance Appropriated	3,257,556	3,257,556	3,257,556	-
<b>Fund balance at end of year</b>	<b>16,227,051</b>	<b>15,876,225</b>	<b>18,740,387</b>	<b>2,864,162</b>

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Tax Increment Equivalent Fund  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues				
Revenue in Lieu of Taxes	1,860,500	1,860,500	2,025,314	164,814
Intergovernmental	28,900	28,900	35,643	6,743
Charges for Services	113,500	113,500	116,601	3,101
Other	-	-	-	-
Total Revenues	<u>2,002,900</u>	<u>2,002,900</u>	<u>2,177,558</u>	<u>174,658</u>
Expenditures				
Community Environment	994,100	1,100,589	955,508	145,081
Capital Outlay	104,290	104,290	104,286	4
Total Expenditures	<u>1,098,390</u>	<u>1,204,879</u>	<u>1,059,794</u>	<u>145,085</u>
Excess of Expenditures over Revenues	<u>904,510</u>	<u>798,021</u>	<u>1,117,764</u>	<u>319,743</u>
Other Financing Sources (uses)				
Transfer In	-	-	19,312	19,312
Transfer Out	<u>(1,475,300)</u>	<u>(1,705,400)</u>	<u>(1,705,400)</u>	-
Total Other Financing Sources (uses)	<u>(1,475,300)</u>	<u>(1,705,400)</u>	<u>(1,686,088)</u>	<u>19,312</u>
Net Change in Fund Balance	(570,790)	(907,379)	(568,324)	339,055
Fund balance at beginning of year	2,073,286	2,073,286	2,073,286	-
Prior Year Encumbrance Appropriated	-	-	-	-
Fund balance at end of year	<u>1,502,496</u>	<u>1,165,907</u>	<u>1,504,962</u>	<u>339,055</u>

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio  
Statement of Net Position  
Proprietary Funds  
December 31, 2015

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	OEPA Federal Grant	Total	
<b>Assets</b>						
Current Assets						
Equity in Pooled Cash & Investments	\$ 7,555,228	\$ 4,492,033	\$ 2,277,751	\$ 111,200	\$ 14,436,212	321,834
Accounts Receivable	2,042,919	1,727,852	289,752	-	4,060,523	-
Intergovernmental Receivable	-	-	-	-	-	-
Due From Other Funds	78	-	-	-	78	7,562
Prepayments	6,296	418	298	-	7,012	-
Materials & Supplies Inventory	37,513	37,513	-	-	75,026	-
<b>Total Current Assets</b>	<b>9,642,034</b>	<b>6,257,816</b>	<b>2,567,801</b>	<b>111,200</b>	<b>18,578,851</b>	<b>329,396</b>
Non-current Assets						
Capital Assets						
Non-depreciable Capital Assets	6,000	12,665	729,255	-	747,920	-
Depreciable Capital Assets, Net	24,798,110	11,892,831	13,762,643	-	50,453,584	-
<b>Total non-current assets</b>	<b>24,804,110</b>	<b>11,905,496</b>	<b>14,491,898</b>	<b>-</b>	<b>51,201,504</b>	<b>-</b>
<b>Total Assets</b>	<b>34,446,144</b>	<b>18,163,312</b>	<b>17,059,699</b>	<b>111,200</b>	<b>69,780,355</b>	<b>329,396</b>
Deferred Outflows of Resources						
Deferred Charge on Refunding Pension	14,914	14,914	104,552	-	134,380	-
	59,211	59,211	36,097	-	154,519	-
<b>Total Deferred Outflows</b>	<b>74,125</b>	<b>74,125</b>	<b>140,649</b>	<b>-</b>	<b>288,899</b>	<b>-</b>
Liabilities						
Current Liabilities						
Accounts Payable	23,974	15,495	1,026	-	40,495	-
Contracts Payable	1,485	3,096	499	-	5,080	-
Accrued Wages & Benefits	9,328	9,328	5,696	-	24,352	-
Intergovernmental Payable	1,209,370	1,672,758	905	-	2,883,033	-
Due to Other Funds	239	239	148	-	626	-
Accrued Interest Payable	785	785	5,162	-	6,732	-
Current Portion of Compensated Absences Payable	29,390	29,390	16,102	-	74,882	-
Current Portion of General Obligation Bonds Payable	16,371	16,371	112,950	-	145,692	-
<b>Total Current Liabilities</b>	<b>1,290,942</b>	<b>1,747,462</b>	<b>142,488</b>	<b>-</b>	<b>3,180,892</b>	<b>-</b>
Long-term Liabilities						
Compensated Absences Payable	-	-	-	-	-	-
General Obligation Bonds Payable	249,779	249,779	1,617,271	-	2,116,829	-
Net Pension Liability	294,895	294,895	176,936	-	766,726	-
<b>Total Long-term Liabilities</b>	<b>544,674</b>	<b>544,674</b>	<b>1,794,207</b>	<b>-</b>	<b>2,883,555</b>	<b>-</b>
<b>Total Liabilities</b>	<b>1,835,616</b>	<b>2,292,136</b>	<b>1,936,695</b>	<b>-</b>	<b>6,064,447</b>	<b>-</b>
Deferred Inflows of Resources						
Pension	5,181	5,181	3,108	-	13,470	-
<b>Total Deferred Inflows</b>	<b>5,181</b>	<b>5,181</b>	<b>3,108</b>	<b>-</b>	<b>13,470</b>	<b>-</b>
Net Position						
Net Investment in Capital Assets	24,537,960	11,639,346	12,761,677	-	48,938,983	-
Unrestricted	8,141,512	4,300,774	2,498,868	111,200	15,052,354	329,396
<b>Total Net Position</b>	<b>32,679,472</b>	<b>15,940,120</b>	<b>15,260,545</b>	<b>111,200</b>	<b>63,991,337</b>	<b>329,396</b>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds					25,539	
<b>Net Position of Business type Activities</b>					<b>64,016,876</b>	

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio  
Statement of Revenues, Expenditures, and Changes in Net Position  
Proprietary Funds  
For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	OEPA Federal Grant	Total	
Operating Revenues						
Charges for Services	\$ 7,560,244	\$ 6,251,577	\$ 1,131,231	\$ -	\$ 14,943,052	\$ 244,379
Other	26,582	11,267	1,737	-	39,586	-
Total Operating Revenues	<u>7,586,826</u>	<u>6,262,844</u>	<u>1,132,968</u>	<u>-</u>	<u>14,982,638</u>	<u>244,379</u>
Operating Expenses						
Personal Services	520,717	520,712	321,523	-	1,362,952	-
Contract Services	5,099,151	6,807,293	85,309	-	11,991,753	121,324
Materials & Supplies	288,579	25,242	1,290	-	315,111	-
Claims Expense	-	-	-	-	-	59,852
Depreciation	638,389	370,648	368,414	-	1,377,451	-
Other	538,068	593,094	241,034	-	1,372,196	-
Total Operating Expenses	<u>7,084,904</u>	<u>8,316,989</u>	<u>1,017,570</u>	<u>-</u>	<u>16,419,463</u>	<u>181,176</u>
Operating Income/(Loss)	<u>501,922</u>	<u>(2,054,145)</u>	<u>115,398</u>	<u>-</u>	<u>(1,436,825)</u>	<u>63,203</u>
Nonoperating Revenues/(Expenses)						
Interest & Fiscal Charges	(13,851)	(13,852)	(88,362)	-	(116,065)	-
Loss on Sale of Capital Assets	(107,238)	-	(25,338)	-	(132,576)	-
Total Nonoperating Revenues/(Expenses)	<u>(121,089)</u>	<u>(13,852)</u>	<u>(113,700)</u>	<u>-</u>	<u>(248,641)</u>	<u>-</u>
Income/(Loss) Before Transfers	<u>380,833</u>	<u>(2,067,997)</u>	<u>1,698</u>	<u>-</u>	<u>(1,685,466)</u>	<u>63,203</u>
Contributed Capital	27,642	-	50,416	-	78,058	-
Transfer in	451,400	16,000	20,000	111,200	598,600	-
Transfer (out)	-	-	(111,200)	-	(111,200)	-
Change in Net Position	<u>859,875</u>	<u>(2,051,997)</u>	<u>(39,086)</u>	<u>111,200</u>	<u>(1,120,008)</u>	<u>63,203</u>
Net Position, January 1 (Restated)	<u>31,819,597</u>	<u>17,992,117</u>	<u>15,299,631</u>	<u>-</u>	<u>65,111,345</u>	<u>266,193</u>
Net Position, December 31	<u>\$32,679,472</u>	<u>\$15,940,120</u>	<u>\$15,260,545</u>	<u>\$ 111,200</u>		<u>\$ 329,396</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds					<u>4,946</u>	
Change in Net Position Business-type Activities					<u>(1,115,062)</u>	

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	OEPA Federal Grant		
Cash Flows from Operating Activities						
Cash Received From Customers	7,358,403	5,996,208	1,105,672	-	14,460,283	243,343
Other Operating Cash Receipts	49,778	10,468	-	-	60,246	-
Cash Payments for Personal Services	(528,981)	(528,976)	(326,494)	-	(1,384,451)	-
Cash Payments for Contractual Services	(4,825,696)	(6,702,307)	(84,295)	-	(11,612,298)	(112,911)
Cash Payments for Materials & Supplies	(293,603)	(27,018)	(1,174)	-	(321,795)	-
Cash Payments for Claims	-	-	-	-	-	(59,852)
Cash Payments for Other Operating Expenses	(570,588)	(698,733)	(249,823)	-	(1,519,144)	-
Net Cash Provided/(Used) by Operating Activities	1,189,313	(1,950,358)	443,886	-	(317,159)	70,580
Cash Flows From Capital and Related Financing Activities						
Capital Grants Received	-	-	182,625	-	182,625	-
Cash Payments for the Acquisition of Capital Assets	(1,009,898)	(309,335)	(299,898)	-	(1,619,131)	-
Principal Payments on Bonds	(14,612)	(14,612)	(101,800)	-	(131,024)	-
Interest Payments on Bonds	(11,146)	(11,146)	(72,960)	-	(95,252)	-
Net Cash Provided/(Used) by Capital & Related Financing Activities	(1,035,656)	(335,093)	(292,033)	-	(1,662,782)	-
Cash Flows From Noncapital Financing Activities:						
Transfers In	451,400	16,000	20,000	111,200	598,600	-
Transfers Out	-	-	(111,200)	-	(111,200)	-
Net Cash Provided/(Used) Noncapital Financing Activities	451,400	16,000	(91,200)	111,200	487,400	-
Net Increase/(Decrease) in Cash & Cash Equivalents	605,057	(2,269,451)	60,653	111,200	(1,492,541)	70,580
Cash & Cash Equivalents January 1, 2015	6,950,171	6,761,484	2,217,098	-	15,928,753	251,254
Cash & Cash Equivalents December 31, 2015	7,555,228	4,492,033	2,277,751	111,200	14,436,212	321,834
Reconciliation of Operating Income/(Loss) to Net Cash Provided by Operating Activities						
Operating Income/(Loss)	501,922	(2,054,145)	115,398	-	(1,436,825)	63,203
Adjustments						
Depreciation	638,389	370,648	368,414	-	1,377,451	-
Change in assets and liabilities						
(Increase)/Decrease in Materials & Supplies Inventory	(178)	(178)	-	-	(356)	-
(Increase)/Decrease in Accounts Receivable	(204,992)	(256,168)	(27,296)	-	(488,456)	-
(Increase)/Decrease in Due from Other Funds	957	-	-	-	957	(1,036)
(Increase)/Decrease in Prepayments	(2,018)	645	591	-	(782)	8,413
(Increase)/Decrease in Deferred Outflows	(43,476)	(43,476)	(26,656)	-	(113,608)	-
Increase/(Decrease) in Accounts Payable	(8,244)	(6,091)	(2,516)	-	(16,851)	-
Increase/(Decrease) in Contracts Payable	(91,423)	(132,197)	(5,734)	-	(229,354)	-
Increase/(Decrease) in Accrued Wages & Benefits	(1,076)	(1,076)	(555)	-	(2,707)	-
Increase/(Decrease) in Due to Other Governments	363,035	135,263	(61)	-	498,237	-
Increase/(Decrease) in Due to Other Funds	31	31	23	-	85	-
Increase/(Decrease) in Compensated Absences	4,189	4,189	2,961	-	11,339	-
Increase/(Decrease) in Net Pension Liability	32,197	32,197	19,317	-	83,711	-
Net cash provided/(used) by operating activities	1,189,313	(1,950,358)	443,886	-	(317,159)	70,580

Non-cash transactions

At December 31, 2015 and 2014, the Water fund purchased \$41,042 and \$16,510 respectively, in capital assets on account  
At December 31, 2015 and 2014, the Sewer fund purchased \$14,336 and \$0 respectively, in capital assets on account  
At December 31, 2015 and 2014, the Storm Water fund purchased \$50,416 and \$4,083, respectively, in capital assets on account

The notes to the basic financial statements are an integral part of this statement

City of Gahanna, Ohio  
Statement of Fiduciary Assets and Liabilities  
December 31, 2015

	<u>Agency</u>
Assets	
Equity in Pooled Cash & Investments	\$ 1,046,272
Cash in Segregated Accounts	58,758
Accounts Receivable	<u>495,363</u>
Total Assets	<u><u>\$ 1,600,393</u></u>
Liabilities	
Accounts Payable	-
Contracts payable	157,455
Intergovernmental Payable	43,000
Deposits Held & Due to Others	<u>1,399,938</u>
Total Liabilities	<u><u>\$ 1,600,393</u></u>

The notes to the basic financial statements are an integral part of this statement

**NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY**

The City of Gahanna (the “City”) is a home rule municipal corporation established under the laws of the State of Ohio which operates under its own Charter. The current Charter, which provides for a Mayor-Council form of government, was adopted by the electorate June 27, 1961, was completely renumbered by the Clerk of Council in January, 1992 and was amended as part of the Charter review process in 2011.

**Reporting Entity**

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61 “The Financial Reporting Entity: Omnibus”. A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments and activities which are not legally separate from the City. They comprise the City’s legal entity which provides various services including public safety, street maintenance, parks and recreation, senior services, and engineering. The City of Gahanna is also responsible for the construction, maintenance, and repairs associated with the water and sewer lines. The City purchases water and sewer treatment services from the City of Columbus. Council and the Mayor have direct responsibility for these activities.

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; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the organization’s budget, the issuance of its debt or the levying of its taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the City and the organization is such that exclusion by the City would render the City’s financial statements incomplete or misleading. Based upon these criteria, the City has no component units.

The City appoints the Board members of the Community Improvement Corporation (CIC) of Gahanna, but the City’s accountability for the CIC does not extend beyond making the appointments. The CIC of Gahanna was formed in 1965 to advance, encourage and promote the industrial, economic, commercial and civic development of Gahanna and the territory surrounding Gahanna.

The City in conjunction with the Gahanna Area Chamber of Commerce, Olde Gahanna Community Partnership, Gahanna Jefferson Public Schools, Hospitality Advisory Committee and general managers or owner designees of all hotels/motels operating within the City of Gahanna have created the Gahanna Convention and Visitors Bureau (CVB). The Board of Directors is composed of four City representatives, one representative from each of the other groups and eight additional at large members elected by the preceding for a total of seventeen members on the Board of Directors. The Gahanna CVB was formed in 2008 for the purpose of marketing Gahanna as a visitor destination; planning promoting and executing public events; preparing and distributing promotional items about Gahanna’s public activities and spaces. The City has no equity interest in the Gahanna CVB.

The City is a member of the Central Ohio Health Care Consortium (the “Pool”), a risk sharing pool which provides health insurance (See Note 16). The City participates in a joint operation with the Gahanna Jefferson Public School District. These organizations jointly operate a maintenance facility (See Note 17). The City is a member of the Regional Income Tax Agency (RITA) a jointly governed organization established to administer and collect municipal income taxes (See Note 18).

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

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. 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 Position, Statement of Activities and Fund Financial Statements which provide a more detailed level of financial information.

*Government-wide Financial Statements*

The Statement of Net Position and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for Fiduciary Funds. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the Governmental and Business-type Activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's Governmental Activities and for the Business-type Activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business segment is self-financing or draws from the general revenues of the City.

*Fund Financial Statements*

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

**B. Fund Accounting**

The City uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain City functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds utilized by the City: Governmental, Proprietary and Fiduciary.

*Governmental Funds*

Governmental Funds are those through which most governmental functions are financed. Governmental Fund reporting focuses on the sources, uses and balances of current financial resources. Expendable

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

assets are assigned to the various Governmental Funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between Governmental Fund Assets plus Deferred Outflows of Resources and Liabilities plus Deferred Inflows of Resources is reported as Fund Balance. The following are the City's major Governmental Funds:

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

Tax Increment Equivalent Fund – This fund accounts for annual service payments in lieu of taxes related to Tax Increment Financing (TIF) projects within the City. The payments are distributed to the City by the County Treasurer. The payments are restricted for infrastructure in the City and other activities set forth in the individual TIF agreements.

Capital Improvement Fund – This fund accounts for resources and expenditures restricted for acquiring, purchasing, improving and/or constructing permanent improvements within the City.

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

*Proprietary Funds*

Proprietary Funds focus on the determination of operating income, changes in net position, and cash flows. The City's Proprietary Funds are Enterprise Funds and the Internal Service Fund.

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 following are the City's major Enterprise Funds:

Water Fund – This fund is used to account for the provision of water service to the residents and businesses within the City including capital maintenance and improvements.

Sewer Fund – This fund is used to account for the provision of sanitary sewer service to the residents and businesses within the City including capital maintenance and improvements.

Storm Water Fund – This fund is used to account for charges assessed to residents and businesses of the City for the improvement of the storm water system.

Internal Service Fund – The Internal Service Fund is used to account for the financing of goods or services provided by one department or agency or other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The only Internal Service Fund of the City accounts for interfund charges and claims payments applicable to the City's self-insurance program for workers' compensation.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

*Fiduciary Funds*

Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Fund category is split into four classifications: Pension Trust Funds, Investment Trust Funds, Private-purpose Trust Funds, and Agency Funds. The three types of trust funds should be used to report resources held and administered by the City when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has six Agency Funds which are used to account for money held for other governments, compliance with building codes, senior center programs, veterans' memorial, refuse collection and the distribution of mayor's court fines.

**C. Measurement Focus**

*Government-wide Financial Statements*

The Government-wide Financial Statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

*Fund Financial Statements*

All Governmental Funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the Governmental Activities of the Government-wide Financial Statements are prepared. The Governmental Fund Financial Statements therefore include reconciliations 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 Enterprise Funds are accounted for using a flow of economic resources measurement focus. All assets, all deferred outflows of resources, all liabilities and all deferred inflows of resources associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in total Net Position. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its Enterprise 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; Enterprise and Agency Funds also use the accrual basis of accounting. Governmental Funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows and outflows of resources, and in the presentation of expenses versus expenditures.

*Revenues – Exchange and Non-exchange Transactions*

Revenue resulting from exchange transactions, in which each party gives and receives 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.

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015*

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

“Measurable” means the amount of the transaction can be determined and “available” means 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 thirty-one days of year end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, includes income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income tax is recognized in the year in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

*Deferred Inflows and Outflows of Resources*

Deferred inflows and outflows of resources are defined by GASB Concepts Statement No. 4 and GASB Statements No. 63 and 65 requiring a reclassification of items previously reported as assets and liabilities as deferred outflows or inflows of resources. A deferred outflow of resources represents a consumption of net position that applies to future periods and will not be recognized as an expense/expenditure until then. The deferred charge on refunding, which results from the difference in the carrying value of the refunded debt and its reacquisition price, has been recorded as a deferred outflow of resources.

A deferred inflow of resources represents an acquisition of net position that applies to future periods and will not be recognized as revenue until that time. Property taxes and revenue in lieu of taxes for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance year 2015 operations, and lease revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as a deferred inflow of resources on the Governmental-wide Statement of Net Position and Governmental Funds Balance Sheet. In addition, the Governmental Funds Balance Sheet also includes receivables not collected within the available period as deferred inflows of resources, such as, income taxes, delinquent property taxes, grants and entitlements and other accounts receivable.

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

*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. Budgets and Budgetary Accounting**

All funds, other than Agency Funds, are legally required to be budgeted and appropriated. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources, and the Appropriation Ordinance, all of which are prepared on the budgetary basis of accounting. The Tax Budget demonstrates

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015*

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

a need for existing or increased tax rates. The Certificate of Estimated Resources establishes a limit on the amount Council may appropriate. The Appropriation Ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the fund, function and object level for all funds.

The Certificate of Estimated Resources may be amended during the year if projected increases or decreases in revenue are identified by the City. 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 final budgeted amounts represent estimates from the amended certificate in effect at the time final appropriations were passed by Council.

The Appropriation Ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first Appropriation Ordinance intended to cover the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year, including all supplemental appropriations.

**F. Cash and Cash Equivalents**

To improve cash management, cash received by the City is pooled. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "Equity in Pooled Cash & Investments" on the Financial Statements. The City has permissive motor vehicle license monies which are held by the Franklin County Engineer and are distributed to the City for approved projects. The balance in this account is presented as "Cash with Fiscal Agent". The Mayor's Court has its own checking account for the collection and distribution of court fines and forfeitures and is presented on the Fiduciary Statement of Assets and Liabilities – Agency Funds as "Cash in Segregated Accounts".

During the year, investments were limited to government and government sponsored entity bonds such as Federal Farm Credit Bank (FFCB) bonds, Federal Home Loan Bank (FHLB) bonds, Federal National Mortgage Association (FNMA) and Federal Home Loan Mortgage Credit (FHLMC) bonds. The City also invested in U.S. government money market mutual funds, negotiable certificates of deposit and STAR Ohio. All investments are reported at fair value which is based on quoted market prices. Mutual funds are reported at fair value which is determined by the mutual fund's current shares price.

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

Investment income is distributed to the funds according to Ohio constitutional and statutory requirements. Investment income credited to the general fund during 2015 amounted to \$424,715.

For purposes of the Statement of Cash Flows, investments with an original maturity of three months or less are considered to be cash equivalents. In addition, all cash and investments of the cash management pool are considered to be cash equivalents because they are sufficiently liquid to permit withdrawal by the Proprietary Funds on demand. Investments with maturities greater than three months that are not part of the cash management pool are not considered to be cash equivalents.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**G. Materials and Supplies Inventory**

Inventories are presented at cost on a first-in, first-out basis and are expensed/expensed when used. Inventory consists of expendable supplies held for consumption. On the Fund Financial Statements, reported materials and supplies inventory is equally offset by a nonspendable fund balance which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

**H. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2015, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed. At year end, because payments are not available to finance future Governmental Fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the Fund Financial Statements.

**I. Capital Assets**

General capital assets are those capital assets that are associated with Governmental Activities. These assets generally result from expenditures in Governmental Funds. These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but are not reported in the Fund Financial Statements. Capital assets used by the Enterprise Funds are reported in both the Business-type Activities column of the Government-wide Statement of Net Position and in the respective funds.

Capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market values on the date donated. 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 expensed.

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2015

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Descriptions	Estimated Life
Buildings	50 years
Improvements other than buildings	20 years
Machinery and equipment	
Machinery and equipment	5-30 years
Furniture and fixtures	20 years
Computers	5 years
Vehicles	5-8 years
Infrastructure	
Bridges and culverts	50 years
Sidewalks	20 years
Street lighting	15 years
Traffic control lighting	10 years
Alleys, fiber optics, etc.	20-65 years
Storm sewer lines	65 years
Sewer and water lines	65 years
Miscellaneous water and sewer infrastructure	25-65 years

The City has elected the modified approach for road infrastructure. Under the modified approach infrastructure assets that meet the following criteria are not depreciated.

1. The infrastructure assets are maintained by the City in an asset inventory system.
2. The City performs a condition assessment of the infrastructure assets using a rating methodology general accepted in the industry that considers all relevant factors affecting the overall condition and results in an overall single rating for each element (road segment) being considered.
3. The City estimates each year the annual budget requirements to maintain and preserve the infrastructure assets at a minimum condition level.

The City performs a condition assessment of all roads annually to determine that the roads are being maintained at approximately the condition level established by the City in accordance with the condition assessment policy. Costs for maintenance and preservation of the roads are expensed in the period incurred. Additions and improvements are capitalized.

**J. Compensated Absences**

Vacation benefits and compensatory time 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. The City records a liability for all accumulated unused vacation time and compensatory time when earned for all employees after six months of service. Compensatory time is accumulated by employees at the applicable overtime rate for each hour of overtime worked. City employees may carry over vacation and compensatory time in accordance with employment contracts or ordinances.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the City’s past experience of making termination payments.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**K. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the Government-wide Financial Statements. All payables, accrued liabilities, and long-term obligations payable from the Enterprise Funds are reported on the Enterprise Funds Financial Statements.

In general, Governmental Fund payables and accrued liabilities are reported, once incurred, as obligations of the funds, if they are paid in a timely manner and in full from current financial resources. However, compensated absences that will be paid from Governmental Funds are reported as liabilities on the Fund Financial Statements only to the extent that they are due for payment during the current year. Long-term bonds, loans and capital leases are recognized on the Governmental Fund Financial Statements when due.

**L. Unamortized Bond Premiums**

Premiums for Government-wide Statements and Enterprise Fund Statements are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond premiums are presented as an increase to the face amount of the bonds payable.

**M. Deferred Charge on Refunding**

On the Government-wide Financial Statements and Enterprise Fund Statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt is the deferred charge on refunding and is reported as a deferred outflow. The amount is amortized as a component of interest expense on a straight line basis, since the results are not significantly different from the effective interest rate method, over the shorter life of the new debt or old debt.

**N. Fund Balance**

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

*Nonspendable* - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or are legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

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

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In Governmental Funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by policies of City Council, which includes giving the Finance Director the authority to constrain monies for intended purposes.

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

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

**O. Budget Stabilization/General Fund Balance Reserve**

Under the Emergency Reserve policy, the General Fund is required to maintain a fund balance emergency reserve of 25% of planned General Fund operating expenditures and shall be communicated to City Council during the appropriations process. Formal action of City Council is required to use the reserve. As of December 31, 2015, the amount of the reserve was \$6,567,000. This amount is included in the committed fund balance of the General Fund.

**P. Internal Activity**

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund services provided and used are not eliminated on the Statement of Activities. Transfers between Governmental and Business-type Activities on the Government-wide Financial Statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in Governmental Funds and after nonoperating revenues/expenses in Enterprise Funds. Interfund transfers are eliminated on the Entity-wide Statement of Activities.

**Q. Due to/from other funds & Interfund Loans Payable/Receivable**

On Fund Financial Statements, outstanding interfund loans are reported as "Interfund Loans Receivable" and "Interfund Loans Payable." Unpaid amounts for interfund services are reported as "Due to Other Funds" and "Due from Other Funds". Interfund balances are eliminated on the Government-wide Statement of Net Position except for any net residual amounts due between Governmental and Business-type Activities, which are presented as "Internal Balances." The City had an interfund loan payable from the Capital Improvement Fund to the General Fund as of December 31, 2015. The loan was made from the General Fund for grant expenditures to be repaid with grant reimbursements received by the Capital Improvement Fund.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**R. Net Position**

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The Government-wide Statement of Net Position reports \$15,169,012 of restricted net position, none of which is restricted by enabling legislation.

**S. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the Enterprise Funds. For the City, these revenues are charges for services for water, sewer and storm water utility services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

**T. Contributions of Capital**

Contributions of capital in Governmental Activities and Proprietary Fund Financial Statements arise from outside contributions of capital assets, transfers of capital assets between Governmental and Proprietary Funds, or from grants or outside contributions of resources restricted to capital acquisition and construction.

**U. Estimates**

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**NOTE 3 – BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of Generally Accepted Accounting Principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual (non-GAAP Budgetary Basis) presented for the General Fund and the Tax Increment Equivalent Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2015

**NOTE 3 – BUDGETARY BASIS OF ACCOUNTING** (continued)

- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
- (e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,
- (f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the Fund Financial Statements) to the Budgetary Basis Statements for all Governmental Funds for which a Budgetary Basis Statement is presented:

**Net Change in Fund Balance**

	General	Tax Incremental Equivalent
	<u>                    </u>	<u>                    </u>
Budget basis	\$ (1,951,919)	\$ (568,324)
Net adjustment for revenue accruals	405,965	-
Net adjustment for expenditure accruals	(256,237)	-
Net adjustment for other sources/(uses)	(1,125)	-
Funds budgeted elsewhere	(149,337)	-
Adjustment for Encumbrances	4,336,773	-
GAAP basis	<u>\$ 2,384,120</u>	<u>\$ (568,324)</u>

Certain funds that are legally budgeted in separate Special Revenue Funds are considered part of the General Fund on a GAAP basis. This includes the Police Duty Weapon Fund, the Vending Machine Fund, Reserve for Sick/Vacation Fund and Unclaimed Monies Fund.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, or in money market deposit accounts.

Inactive deposits are public deposits that the City 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 in 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.

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 4 – DEPOSITS AND INVESTMENTS** (continued)

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. The State Treasurer's investment pool (STAR Ohio and STAR Plus). Any other investment pools operating in Ohio and available exclusively to public fund agencies of Ohio. The instruments of these pools must have the full faith and credit backing of the United States or be fully collateralized or insured;
6. Bonds and other obligations of any legally constituted taxing subdivision of the State of Ohio, such as but not limited to, counties, municipal corporations and school districts. At the time of investment the entity must not be in default of payment for any outstanding obligations and the securities must be general obligation backed by the full faith and credit of the government entity issuing the bonds rated at least second highest by any nationally recognized rating agency;
7. Commercial paper issued by companies incorporated under the laws of the United States and which are rated at the time of purchase in the single highest classification by two nationally recognized rating agencies;
8. Bankers acceptances which are eligible for purchase by the Federal Reserve System which are issued by institutions ranked nationally as one of the top fifty in asset and deposit size within the industry;
9. Corporate bonds or medium term notes issued by corporations incorporated under the laws of the United States and operating within the United States with assets in excess of \$500 million and rated at least second highest by at least two nationally recognized rating agencies at the time of purchase.
10. Money market funds consisting of investments described herein;
11. Any other investments not listed herein but that are otherwise eligible under Chapter 135 of the Ohio Revised Code.

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

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 4 – DEPOSITS AND INVESTMENTS** (continued)

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. In accordance with Ohio Revised Code, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. The City's investment policy limits security purchases to those that mature within five years of the settlement date. 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 Director of Finance or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

*Cash with Fiscal Agent:* At year end, the City had \$175,664 on deposit with the Franklin County Treasurer. The data regarding insurance and collateralization can be obtained from the Franklin County Comprehensive Annual Financial Report for the year ended December 31, 2015. This amount is not included in the City's depository balance below.

*Cash in Segregated Accounts:* At year end, the City had \$58,758 deposited with a financial institution for monies related to the Mayor's Court Agency Fund. This amount is included in the City's depository balance below.

**Deposits with Financial Institutions**

At December 31, 2015, the carrying amount of all City deposits was \$575,463, which excludes \$3,275 of petty cash on hand. The bank balance of all City deposits was \$1,334,672 of which \$305,096 was covered by FDIC insurance and \$1,029,576 was uninsured. Of the remaining uninsured bank balance, all was collateralized with securities held by the pledging institution's trust department, not in the City's name.

**Investments**

As of December 31, 2015, the City had the following investments and maturities:

Investment type	Fair Value	1 Year or Less	1 to 2 Years	2 to 3 Years	Greater Than 3 Years
Government & Government Sponsored Entity Bonds					
FFCB	\$ 5,724,110	\$ 998,055	\$ 2,236,750	\$ 2,489,305	\$ -
FHLB	8,970,140	-	993,620	6,736,520	1,240,000
FHLMC	15,936,445	1,997,320	2,986,620	7,975,275	2,977,230
FNMA	3,967,700	-	991,870	994,510	1,981,320
US Treasury Notes	7,690,565	2,991,600	2,242,530	-	2,456,435
Other Investments					
Negotiable CD's	5,078,472	3,497,508	1,334,690	246,274	-
U.S. Government Money Market	1,865,440	1,865,440	-	-	-
STAR Ohio	4,344,820	4,344,820	-	-	-
Total	<u>\$ 53,577,692</u>	<u>\$ 15,694,743</u>	<u>\$ 10,786,080</u>	<u>\$ 18,441,884</u>	<u>\$ 8,654,985</u>

The weighted average length to maturity of the investments is 1.90 years.

*Interest Rate Risk:* As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that, to the extent possible, investments will match anticipated cash flow requirements. No investment shall be made unless the Director of Finance, at the time of making the investment, reasonably expects it can be held to its maturity. Unless matched to a specific obligation or debt of the City, the City will not directly invest in securities maturing more than five years from the date of investment.

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2015

**NOTE 4 – DEPOSITS AND INVESTMENTS** (continued)

*Credit Risk:* The City's investments in government and government sponsored entity bonds carry a rating of Aaa by Moody's and AA+ by Standard and Poor's. STAROhio and the U.S. government money market mutual funds carry 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.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires all security transactions, including collateral for repurchase agreements, are entered into on a delivery-versus-payment basis. Should an independent third party custodian be used to hold securities the City's investment policy requires security transactions be evidenced by safekeeping receipts and that there be a written custodial agreement. Currently the City is not exposed to custodial credit risk as all investments are purchased on a delivery versus payment basis and are in the City's name.

*Concentration of Credit Risk:* The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. 100% may be invested in US Treasury Obligations, US Agency Securities, STAR Ohio or Other Ohio Investment Pools; up to 40% in Certificates of Deposit; up to 25% in Commercial Paper, Bankers Acceptance, Repurchase Agreements or State and Local Government Securities; up to 15% in Corporate Bonds or Money Market Funds. In regard to Local Government Securities and Corporate Bonds no more than 5% of the City's investment portfolio may be invested in any one single issuer.

The following table includes the percentage of each investment type held by the City at December 31, 2015:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
Government & Government Sponsored Entity Bonds		
FFCB	\$ 5,724,110	10.68%
FHLB	8,970,140	16.74%
FHLMC	15,936,445	29.75%
FNMA	3,967,700	7.41%
US Treasury Notes	7,690,565	14.35%
Total US Securities & Obligations	<u>42,288,960</u>	<u>78.93%</u>
Other Investments		
Negotiable CD's	5,078,472	9.48%
U.S. Government money market	1,865,440	3.48%
STAR Ohio	<u>4,344,820</u>	<u>8.11%</u>
Total	<u>\$ 53,577,692</u>	<u>100%</u>

**NOTE 5 – MUNICIPAL INCOME TAX**

The City levies and collects an income tax of one and one-half percent on all income earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of eighty-three and one-third percent of the tax paid to another municipality. The credit is applied to the lessor of the amount levied by the other municipality or the amount levied by the City. In no instance shall the credit exceed the amount levied by the City. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City monthly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. All proceeds go to the General Fund. The City has entered into an agreement with the Regional Income Tax Authority (RITA) for income tax administration (see Note 19)

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 6 – PROPERTY TAX**

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year proceeding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2015 public utility property taxes became a lien December 31, 2014, are levied after October 1, 2015, and are collected in 2015 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Gahanna. The County Treasurer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2015 and for which there is an enforceable legal claim. In the Governmental Funds and Governmental Activities, the current portion receivable has been offset by a deferred inflow of resources since current taxes were not levied to finance 2015 operations. The collection of delinquent taxes has been recorded as a receivable and revenue on the accrual basis and a deferred inflow of resources on the modified basis.

The full tax rate for all City operations for the year ended December 31, 2015 was \$2.40 per \$1,000 of assessed value. The assessed values of real and public utility upon which 2015 property tax receipts were based are as follows:

<u>Real property</u>	
Residential/agricultural	\$ 715,365,530
Commercial/industrial	185,917,790
 <u>Public utility</u>	
Real	83,990
Personal	11,611,250
	<hr/>
Total assessed value	<u>\$ 912,978,560</u>

**NOTE 7 – RECEIVABLES**

Receivables at December 31, 2015, are considered fully collectible and will be received within one year with the exception of property taxes and income taxes. Property and income taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. Water, sewer, and storm water charges receivable which, if delinquent, may be certified and collected as a special assessment, are subject to foreclosure for nonpayment.

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 8 – CAPITAL ASSETS**

Capital assets activity for the year ended December 31, 2015 was as follows:

	Balance 12/31/2014	Additions	Deletions	Balance 12/31/2015
<u>Governmental Activities</u>				
Non-depreciable Capital Assets				
Land & Land Improvements	\$ 27,608,757	\$ 412,300	\$ (1,045,741)	\$ 26,975,316
Right of Way Easements	6,295,511	-	-	6,295,511
Infrastructure	69,823,454	-	-	69,823,454
Construction in Progress	1,118,236	2,280,118	(843,433)	2,554,921
Total Non-depreciable Capital Assets	<u>104,845,958</u>	<u>2,692,418</u>	<u>(1,889,174)</u>	<u>105,649,202</u>
Depreciable Capital Assets				
Buildings	24,665,849	-	(18,318)	24,647,531
Improvements Other Than Buildings	16,166,136	716,468	-	16,882,604
Machinery & Equipment	4,358,507	280,129	(156,232)	4,482,404
Vehicles	3,320,698	484,259	(317,759)	3,487,198
Infrastructure	12,795,407	147,698	(78,058)	12,865,047
Total Depreciable Capital Assets	<u>61,306,597</u>	<u>1,628,554</u>	<u>(570,367)</u>	<u>62,364,784</u>
Less: Accumulated Depreciation				
Buildings	(5,248,203)	(495,710)	4,749	(5,739,164)
Improvements Other Than Buildings	(7,359,354)	(778,931)	-	(8,138,285)
Machinery & Equipment	(2,456,170)	(343,205)	126,398	(2,672,977)
Vehicles	(1,850,771)	(365,726)	266,593	(1,949,904)
Infrastructure:	(9,390,549)	(325,969)	-	(9,716,518)
Total Accumulated Depreciation	<u>(26,305,047)</u>	<u>(2,309,541)</u>	<u>397,740</u>	<u>(28,216,848)</u>
Governmental Activities Capital Assets, Net	<u>\$ 139,847,508</u>	<u>\$ 2,011,431</u>	<u>\$ (2,061,801)</u>	<u>\$ 139,797,138</u>

Depreciation expense was charged to governmental programs as follows:

General Government	\$ 682,631
Security of Persons & Property	302,584
Community Environment	575,473
Leisure Time Activities	643,856
Transportation	104,997
Total Depreciation Expense	<u>\$ 2,309,541</u>

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 8 – CAPITAL ASSETS** (continued)

	Restated Balance			Balance
	12/31/2014	Additions	Deletions	12/31/2015
<u>Business-type Activities</u>				
Non-depreciable Capital Assets				
Land & Land Improvements	\$ 208,762	\$ 509,643	\$ -	\$ 718,405
Right of Ways	12,665	-	-	12,665
Construction in Progress	1,727,377	1,163,489	(2,874,016)	16,850
Total Non-depreciable Capital Assets	<u>1,948,804</u>	<u>1,673,132</u>	<u>(2,874,016)</u>	<u>747,920</u>
Depreciable Capital Assets				
Buildings	2,044,403	2,234,612	(267,543)	4,011,472
Machinery & Equipment	242,336	107,333	(7,000)	342,669
Vehicles	716,980	26,799	-	743,779
Infrastructure				
Storm Sewer Lines	22,226,437	88,251	-	22,314,688
Water Lines & Other	37,321,208	80,737	-	37,401,945
Sewer Lines & Other	22,247,421	367,484	-	22,614,905
Total Depreciable Capital Assets	<u>84,798,785</u>	<u>2,905,216</u>	<u>(274,543)</u>	<u>87,429,458</u>
Less: Accumulated Depreciation				
Buildings	(932,484)	(39,645)	160,305	(811,824)
Machinery & Equipment	(144,022)	(16,348)	1,954	(158,416)
Vehicles	(631,578)	(58,907)	-	(690,485)
Infrastructure				
Storm Sewer Lines	(8,192,445)	(342,772)	-	(8,535,217)
Water Lines & Other	(14,904,571)	(575,379)	-	(15,479,950)
Sewer Lines & Other	(10,955,582)	(344,400)	-	(11,299,982)
Total Accumulated Depreciation	<u>(35,760,682)</u>	<u>(1,377,451)</u>	<u>162,259</u>	<u>(36,975,874)</u>
Business-type Activities Capital Assets, Net	<u>\$ 50,986,907</u>	<u>\$ 3,200,897</u>	<u>\$ (2,986,300)</u>	<u>\$ 51,201,504</u>

Depreciation expense was charged to the enterprise funds as follows:

Water	\$ 638,389
Sewer	370,648
Storm Water	368,414
Total Depreciation Expense	<u>\$ 1,377,451</u>

**NOTE 9 – DEFINED BENEFIT PENSION PLANS**

**A. Net Pension Liability**

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

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

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

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

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

**B. Plan Description – Ohio Public Employees Retirement System (OPERS)**

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

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

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 9 – DEFINED BENEFIT PENSION PLANS** (continued)

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

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Public Safety</b>	<b>Public Safety</b>	<b>Public Safety</b>
<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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

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

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2015

**NOTE 9 – DEFINED BENEFIT PENSION PLANS** (continued)

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

	State and Local	Public Safety	Law Enforcement
<b>2015 Statutory Maximum Contribution Rates</b>			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
<b>2015 Actual Contribution Rates</b>			
Employer:			
Pension	12.0 %	16.1 %	16.1 %
Post-employment Health Care Benefits	2.0	2.0	2.0
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.  
 \*\* This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2% greater than the Public Safety rate.

The City does not have any members in the Public Safety and Law Enforcement plans. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$842,970 for 2015.

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

Plan Description – City's full-time police participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. The City does not employ any firefighters. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2015

**NOTE 9 – DEFINED BENEFIT PENSION PLANS** (continued)

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

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3% of their base pension or disability benefit.

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

	<u>Police</u>	<u>Firefighters</u>
<b>2015 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %
 <b>2015 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
 Total Employer	<u><u>19.50 %</u></u>	<u><u>24.00 %</u></u>
 Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %

The City does not have any members in the Firefighter plan. Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$934,525 for 2015.

**D. PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

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

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 9 – DEFINED BENEFIT PENSION PLANS** (continued)

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$5,897,887	\$10,113,708	\$16,011,595
Proportion of the Net Pension Liability	0.048900%	0.1952296%	
Pension Expense	\$643,935	\$986,545	\$1,630,480

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

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$314,693	\$435,892	\$750,585
City contributions subsequent to the measurement date	<u>842,970</u>	<u>934,525</u>	<u>1,777,495</u>
Total Deferred Outflows of Resources	<u>\$1,157,663</u>	<u>\$1,370,417</u>	<u>\$2,528,080</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	<u>\$103,614</u>	<u>\$0</u>	<u>\$103,614</u>

\$1,777,495 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
2016	\$30,865	\$108,973	\$139,838
2017	30,865	108,973	139,838
2018	70,675	108,973	179,648
2019	<u>78,674</u>	<u>108,973</u>	<u>187,647</u>
Total	<u>\$211,079</u>	<u>\$435,892</u>	<u>\$646,971</u>

**E. ACTUARIAL ASSUMPTIONS - OPERS**

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation.

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2015

**NOTE 9 – DEFINED BENEFIT PENSION PLANS** (continued)

The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation		3.75%
Future Salary Increases, including inflation	4.25% to 10.05%	including wage inflation
COLA or Ad Hoc COLA		3%, simple
Investment Rate of Return		8%
Actuarial Cost Method		Individual Entry Age

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

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

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

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

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

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2015

**NOTE 9 – DEFINED BENEFIT PENSION PLANS** (continued)

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

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City’s proportionate share of the net pension liability	\$10,850,421	\$5,897,886	\$1,726,659

**F. Actuarial Assumptions – OPF**

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

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

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25%
Projected Salary Increases	4.25% to 11%
Payroll Increases	3.75%
Inflation Assumptions	3.25%
Cost of Living Adjustments	2.60% and 3.00%

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

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2015

**NOTE 9 – DEFINED BENEFIT PENSION PLANS** (continued)

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

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

\* levered 2x

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

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

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2015

**NOTE 9 – DEFINED BENEFIT PENSION PLANS** (continued)

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$13,988,787	\$10,113,707	\$6,832,693

**NOTE 10 - POSTRETIREMENT BENEFIT PLANS**

**A. Ohio Public Employees Retirement System**

Plan Description - OPERS maintains two cost-sharing multiple employer defined benefit post-employment healthcare trusts, which funds multiple health care plans including medical coverage, prescription drug coverage deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursement, to qualifying benefit recipients of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

To qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have twenty years or more 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 mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting [www.opers.org/investments/cafr.shtml](http://www.opers.org/investments/cafr.shtml), writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2015, local government employers contributed 14.00% of covered payroll (18.10% for public safety and law enforcement). These are the maximum employer contribution rates permitted by Ohio Revised Code. Active members do not make contributions to the post-employment healthcare plan.

OPERS maintains three health care trusts. The two cost-sharing, multiple employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member Directed Plan members. Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the health care plans. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional and Combined Plans for 2015 was 2.00%.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member Directed Plan for 2015 was 4.5%

**NOTE 10 - POSTRETIREMENT BENEFIT PLANS** (continued)

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2015, 2014, and 2013 were \$140,495, \$123,273, and \$63,926, respectively; which represent 100% of the required obligations for 2015, 2014 and 2013.

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

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

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

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

OPF issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OPF, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% of covered payroll for police and 24 % if the City had firefighters. The Ohio Revised Code states that the employer contribution may not exceed these percentages for police and fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2015, .5% of the employer contributions were allocated to health care. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OPF which were allocated to fund post-employment healthcare benefits for police officers for December 31, 2015, 2014 and 2013 were \$24,593, \$23,605, and \$165,918; which represent 100% of the required obligations for 2015, 2014 and 2013.

**NOTE 11 – EMPLOYEE BENEFITS**

**A. Compensated Absences**

Vacation leave is earned bi-weekly at a rate which varies depending upon negotiated agreements or employment ordinances, length of service and standard work week. Current policy allows the unused balance to be accumulated at levels which depend upon negotiated agreements and employment ordinances. City employees are paid for earned, unused vacation leave at the time of termination of employment.

Sick leave is earned bi-weekly at variable rates based on negotiated agreements or employment ordinances based on years of service worked and can be accumulated without limit. Each employee with the City is paid, according to contract or ordinance, a portion of their earned unused sick leave upon termination from the City. In lieu of payment, an employee may elect to transfer the full balance or a portion of earned unused sick leave to another governmental agency. In the event that an employee dies as the result of injuries sustained on the job, his or her estate will be paid the total allowable amount of all earned unused sick leave.

City employees working in excess of designated work hours are entitled to either overtime pay or compensatory time according to the Fair Labor Standards Act. Employees may elect to receive compensatory time in lieu of overtime pay. Current policy allows accumulation of compensatory time to levels established by negotiated agreements or employment ordinances and there are no timing restrictions on when accumulated compensatory time must be used. City employees are paid for earned, unused compensatory leave at the time of termination of employment.

All termination benefits are paid from the General Fund. Leave usage is paid from the same fund as the employee's regular wages.

**B. Deferred Compensation Plan**

Employees of the City may elect to participate in the Ohio Public Employees Deferred Compensation Program or other deferred compensation plans created in accordance with Internal Revenue Code Section 457. Under these programs, employees elect to defer a portion of their pay. Deferred pay and any income earned on it are not subject to Federal and State income taxation until actually received by the employee. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency.

**C. Health Care Benefits**

The City provides health care benefits through the Central Ohio Health Care Consortium (the "Pool"), a risk-sharing pool that provides basic hospital, surgical and prescription drug coverage. See Note 17 for further information. Dental, vision, and life insurance coverage is provided by Delta Dental, Vision Service Plan, and Cigna Insurance Company, respectively. For those employees covered under the labor contract with United Steel, Paper, Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International (USW), the City provides health care, dental, and vision insurance coverage through the Steelworker Health and Welfare Plan. Life insurance for employees covered under the labor contract with USW is provided by the Cigna Insurance Company.

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 12 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS**

**A. Bonded Debt and Other Long-Term Obligations**

Bonded debt and other long-term obligations payable activity for fiscal year 2015 follows:

Types / Issues	Restated Balance 12/31/2014	Issued	Retired	Balance 12/31/2015	Due Within One Year
<u>Governmental activities:</u>					
<u>General obligation bonds</u>					
2005 - Creekside Phase II and Morrison Road					
Serial Bonds 3.25% to 5.0%	\$ 1,474,400	\$ -	\$ (1,474,400)	\$ -	\$ -
Premium on Bonds Issued	143,516	-	(143,516)	-	-
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	6,524,299	-	(5,287,283)	1,237,016	389,058
Premium on Bonds Issued	134,476	-	(30,930)	103,546	-
2013 - Refunding Bonds					
Serial Bonds 2% to 3%	4,033,800	-	(72,750)	3,961,050	72,750
Term Bonds 3.5% to 4%	4,499,600	-	-	4,499,600	-
Premium on Bonds Issued	706,453	-	(44,153)	662,300	-
2015 - Refunding Bonds					
Serial Bonds 2% to 3%	-	5,435,450	-	5,435,450	527,500
Term Bonds 3.5% to 4%	-	642,950	-	642,950	-
Premium on Bonds Issued	-	548,176	(21,927)	526,249	-
2015 - Street Improvement Bonds					
Serial Bonds 2% to 3%	-	2,375,000	-	2,375,000	185,000
Term Bonds 3.5% to 4%	-	2,720,000	-	2,720,000	-
Premium on Bonds Issued	-	224,673	(5,480)	219,193	-
Total general obligations bonds	<u>17,516,544</u>	<u>11,946,249</u>	<u>(7,080,439)</u>	<u>22,382,354</u>	<u>1,174,308</u>
<u>Other long-term obligations</u>					
2006 - OPWC Loan 0% (CC13G)	239,283	-	(95,714)	143,569	95,714
2009 - OPWC Loan 0% (CC02L)	829,056	-	(51,816)	777,240	51,816
2011 - OPWC Loan 0% (CC16M)	624,856	-	(36,756)	588,100	36,756
Lease Purchase Agreement	312,856	-	(104,286)	208,570	104,286
SIB Loan 3%	2,070,181	-	(2,070,181)	-	-
Capital Lease	5,132	-	(5,132)	-	-
Compensated absences payable	2,093,562	1,138,517	(1,129,951)	2,102,128	971,059
<u>Net Pension Liability:</u>					
OPERS	5,015,265	115,896	-	5,131,161	-
OP&F	9,508,294	605,414	-	10,113,708	-
Total Net Pension Liability	<u>14,523,559</u>	<u>721,310</u>	<u>-</u>	<u>15,244,869</u>	<u>-</u>
Total other long-term obligations	<u>20,698,485</u>	<u>1,859,827</u>	<u>(3,493,836)</u>	<u>19,064,476</u>	<u>1,259,631</u>
Total governmental activities	<u>\$ 38,215,029</u>	<u>\$ 13,806,076</u>	<u>\$ (10,574,275)</u>	<u>\$ 41,446,830</u>	<u>\$ 2,433,939</u>

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 12 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS** (continued)

Types / Issues	Restated Balance			Balance 12/31/2015	Due Within One Year
	12/31/2014	Issued	Retired		
<u>Business-type activities:</u>					
<u>General obligation bonds</u>					
Water fund					
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	\$ 257,850	\$ -	\$ (208,859)	\$ 48,991	\$ 15,471
Premium on Bonds Issued	5,051	-	(1,263)	3,788	-
2015 - Refunding Bonds					
Serial Bonds 2% to 4%	-	171,900	-	171,900	900
Term Bonds 3% to 3.5%	-	25,050	-	25,050	-
Premium on Bonds Issued	-	17,105	(684)	16,421	-
Sewer fund					
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	257,850	-	(208,859)	48,991	15,471
Premium on Bonds Issued	5,050	-	(1,263)	3,787	-
2015 - Refunding Bonds					
Serial Bonds 2% to 4%	-	171,900	-	171,900	900
Term Bonds 3% to 3.5%	-	25,050	-	25,050	-
Premium on Bonds Issued	-	17,105	(684)	16,421	-
Storm water fund					
2005 - Creekside Phase II and Morrison Road					
Serial Bonds 3.25% to 5.0%	45,600	-	(45,600)	-	-
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	1,470,000	-	(1,190,000)	280,000	90,000
Premium on Bonds Issued	29,014	-	(7,254)	21,760	-
2013 - Refunding Bonds					
Serial Bonds 2% to 3%	106,200	-	(2,250)	103,950	2,250
Term Bonds 3.5% to 4%	65,400	-	-	65,400	-
Premium on Bonds Issued	13,744	-	(859)	12,885	-
2015 - Refunding Bonds					
Serial Bonds 2% to 4%	-	1,005,750	-	1,005,750	20,700
Term Bonds 3% to 3.5%	-	141,950	-	141,950	-
Premium on Bonds Issued	-	102,631	(4,105)	98,526	-
Total General Obligations Bonds	<u>2,255,759</u>	<u>1,678,441</u>	<u>(1,671,680)</u>	<u>2,262,520</u>	<u>145,692</u>
<u>Other long-term obligations</u>					
Compensated absences payable	63,543	83,506	(72,166)	74,883	74,882
Net Pension Liability:					
Water	288,234	6,661	-	294,895	-
Sewer	288,234	6,661	-	294,895	-
Storm Water	172,940	3,996	-	176,936	-
Total Net Pension Liability	<u>749,408</u>	<u>17,318</u>	<u>-</u>	<u>766,726</u>	<u>-</u>
Total other long-term obligations	<u>812,951</u>	<u>100,824</u>	<u>(72,166)</u>	<u>841,609</u>	<u>74,882</u>
Total business-type activities	<u>\$ 3,068,710</u>	<u>\$ 1,779,265</u>	<u>\$ (1,743,846)</u>	<u>\$ 3,104,129</u>	<u>\$ 220,574</u>

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 12 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS** (continued)

The City's overall voted legal debt margin (the ability to issue additional amounts of general obligation debt) was \$95,974,280, with an unvoted debt margin of \$48,976,805 at December 31, 2015.

Annual debt service requirements to maturity for Governmental Activities long-term obligations are:

Year Ending December 31,	Government-Type Activities					
	Serial Bonds		Term Bonds		OPWC Loan	Lease Purchase
	Principal	Interest	Principal	Interest	Principal	Principal
2016	1,174,308	688,282	-	-	184,286	104,286
2017	1,221,989	655,887	-	-	136,430	104,286
2018	1,269,670	622,022	-	-	88,572	-
2019	1,298,050	586,852	-	-	88,572	-
2020	1,339,000	547,443	-	-	88,572	-
2021-2025	5,234,500	1,596,306	2,114,600	483,424	442,861	-
2026-2030	1,471,000	204,865	4,142,950	583,838	442,861	-
2031-2035	-	-	1,605,000	169,650	36,756	-
Totals	\$ 13,008,517	\$ 4,901,657	\$ 7,862,550	\$ 1,236,912	\$ 1,508,910	\$ 208,572

Annual debt service requirements to maturity for Business-type Activities long term obligations are:

Year Ending December 31,	Business-Type Activities					
	Water General Obligation Bonds		Sewer General Obligation Bonds		Stormwater General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	16,371	9,424	16,371	9,424	112,950	61,945
2017	17,231	8,756	17,231	8,756	118,550	57,801
2018	18,090	8,049	18,090	8,049	119,150	53,429
2019	18,600	7,311	18,600	7,311	124,750	48,864
2020	19,050	6,567	19,050	6,567	127,900	44,261
2021-2025	107,550	21,335	107,550	21,335	715,800	148,739
2026-2030	49,050	2,463	49,050	2,463	277,950	13,957
Totals	\$ 245,942	\$ 63,905	\$ 245,942	\$ 63,905	\$ 1,597,050	\$ 428,996

The 2013 term bonds maturing on December 1, 2027 in the amount of \$3,310,000 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year Ending December 31,	Amount
2023	\$695,000
2024	725,000
2025	760,000
2026	555,000
Total	\$2,735,000

The remaining principal amount of \$575,000 will mature at stated maturity of December 1, 2027.

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2015

**NOTE 12 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS** *(continued)*

The 2013 term bonds maturing on December 1, 2030 in the amount of \$1,255,000 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year Ending December 31,	Amount
2029	\$620,000

The remaining principal amount of \$635,000 will mature at stated maturity of December 1, 2030.

The 2015 term bonds maturing on December 1, 2029 in the amount of \$1,660,000 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year Ending December 31,	Amount
2027	\$695,000
2028	725,000
Total	<u>\$1,420,000</u>

The remaining principal amount of \$285,000 will mature at stated maturity of December 1, 2029.

The 2015 term bonds maturing on December 1, 2031 in the amount of \$590,000 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year Ending December 31,	Amount
2030	\$290,000

The remaining principal amount of \$300,000 will mature at stated maturity of December 1, 2030.

The 2015 term bonds maturing on December 1, 2033 in the amount of \$630,000 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year Ending December 31,	Amount
2032	\$310,000

The remaining principal amount of \$320,000 will mature at stated maturity of December 1, 2033.

The 2015 term bonds maturing on December 1, 2035 in the amount of \$675,000 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2015

**NOTE 12 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS** *(continued)*

Year Ending December 31,	Amount
2034	\$330,000

The remaining principal amount of \$345,000 will mature at stated maturity of December 1, 2035.

**B. General Obligation Bonds**

During 2005, the City issued \$13,700,000 in general obligation bonds to provide funds for the infrastructure improvements of Morrison Road and the construction and improvements of Creekside. \$13,401,397 was issued as Governmental Activities general obligation bonds and \$298,603 was issued as Enterprise obligation bonds. All are direct obligations and pledge the full faith and credit of the City for repayment. The City obtained a financial guarantee insurance policy from Ambac Assurance Corporation (Ambac) to insure the payment of the principal and interest on the bonds when due. These bonds are 20 year serial bonds with varying amounts of principal maturing each year and a 25 year term bond. Bond payments relating to the Governmental Activities general obligation bonds are paid with property taxes from the Debt Service Fund as well as other non-income tax revenues. Bond payments relating to the Enterprise general obligation bonds are paid from revenues from the operations of the Storm Water system. The 2005 bonds maturing December 1, 2018 through December 31, 2030 were refunded during 2013. The remaining bonds maturing December 1, 2016 through December 1, 2017 were refunded during 2015.

During 2007, the City issued \$11,350,000 in general obligation bonds for various purposes including park improvements, street improvements, broadband strategic plan development, infrastructure improvements, and storm water system improvements. \$8,683,665 was issued as Governmental Activities general obligation bonds and \$2,666,335 was issued as Enterprise obligation bonds. All are direct obligations and pledge the full faith and credit of the City for repayment. The City obtained a financial guarantee insurance policy from MBIA Insurance Corporation (MBIA) to insure the payment of the principal and interest on the bonds when due. These bonds are 20 year serial bonds with varying amounts of principal maturing each year. Bond payments relating to the Governmental Activities general obligation bonds are paid with property taxes from the Debt Service Fund as well as other non-income tax revenues. Bond payments relating to the Enterprise general obligation bonds are paid from revenues from the operations of the Water, Sewer, and Storm Water systems. The 2007 bonds maturing December 1, 2019 through December 1, 2027 were refunded during 2015.

During 2013, the City issued \$8,975,000 of various purpose refunding bonds to advance refund a portion of the bonds issued during 2005. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old bonds of \$1,133,621. This is reported as a deferred outflow on the Entity-wide and Proprietary Statement of Net Position and is being amortized as interest and fiscal charges on a straight line basis through 2030. The bond proceeds were deposited in an irrevocable trust with an escrow agent and invested in obligations guaranteed as to both principal and interest by the United States Government. The principal and interest earned by the trust will be used to pay the principal and interest of the refunded bonds. The City completed the advance refunding to reduce debt service payments by \$1,059,470 over the life of the bonds and to obtain an economic gain of \$889,496. As of December 31, 2015 the refunded bonds have paid in full.

During 2015, the City issued \$7,620,000 of various purpose refunding bonds to advance refund the remaining 2005 bonds and a portion of the bonds issued during 2007. The 2005 and 2007 refunding resulted in a difference between the reacquisition price and the net carrying amount of the old bonds of \$22,146 and \$672,149 respectively. This is reported as a deferred outflow on the Entity-wide and Proprietary Statement of Net Position and is being amortized as interest and fiscal charges on a straight

**NOTE 12 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS** (continued)

line basis through 2027. The bond proceeds were deposited in an irrevocable trust with an escrow agent and invested in obligations guaranteed as to both principal and interest by the United States Government. The principal and interest earned by the trust will be used to pay the principal and interest of the refunded bonds. The City completed the advance refunding to reduce debt service payments by \$41,911 and \$540,821 over the life of the bonds and to obtain an economic gain of \$40,701 and \$460,539 for the 2005 and 2007 bonds respectively. As of December 31, 2015 the 2005 and 2007 refunded bonds have an outstanding balance of \$1,035,000 and \$6,405,000 respectively, not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

During 2015, the City issued \$5,095,000 of various purpose bonds for constructing, resurfacing and improving a portion of the City's Detroit streets. The bonds are un-voted general obligation debt of the City secured by a pledge of the full faith and credit of the City. The bonds are payable from lawfully available municipal income tax revenue.

**C. Ohio Public Works Commission (OPWC) Loans**

The 2006 OPWC Loan consists of \$957,137 borrowed from the Ohio Public Works Commission for the widening of Hamilton Road. The 10 year loan is payable with property taxes from the Debt Service Fund and transfers from the General Fund.

The 2009 OPWC Loan consists of \$1,036,320 borrowed from the Ohio Public Works Commission for U.S. Route 62 roadway improvements. The 20 year loan will be paid with property taxes from the Debt Service Fund and transfers from the General Fund.

The 2012 OPWC loan consists of \$735,124 borrowed from the Ohio Public Works Commission for U.S. 62 and Stygler Road improvements. The 20 year loan will be paid with property taxes from the Debt Service Fund and transfers from the General Fund.

**D. Lease Purchase Agreement**

During 2011, the City entered into a lease purchase agreement with the Gahanna Community Improvement Corporation (the CIC) to acquire land. The lease is interest free and the City agrees to make annual payments of \$104,286 for a period of seven years to the CIC beginning March 27, 2011. The CIC shall sell and convey the land on or before the eighth year anniversary and shall deliver said deed to the City at the time of closing. The lease will be paid with payments in lieu of taxes from the Tax Increment Equivalent Fund.

**E. State Infrastructure Bank (SIB) Loan**

During 2011, the City entered into a State Infrastructure Bank (SIB) Loan to assist with the construction of an overpass related to Tech Center Drive. The overpass is owned by the State of Ohio as it passes over Interstate 270. The proceeds of the loan totaled \$5,228,017 with an annual interest rate of 3% and final maturity of January 15, 2016. The City has received a pledge of Federal Surface Transportation Program grant funds from the Mid-Ohio Regional Planning Commission (MORPC) to pay a significant portion of the loan. MORPC has pledged \$5,226,017 for payment of loan principal and \$252,469 for payment of 80% of the interest. The amount pledged represents approximately 6.3% of MORPC Federal Surface Transportation projected grant revenues from State Fiscal Year 2013 to 2016 projected to be \$86,216,049. During 2015 the City received \$2,093,716 from MORPC to pay the loan in full, \$2,068,880 and \$24,836 was used to pay the SIB loan principal and interest respectively. The City also elected to pay its portion of the obligation in full during 2015.

**NOTE 12 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS** (continued)

**F. Capital Lease**

During 2013, the City entered into a capital lease for a microfilm reader. The 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.

The microfilm reader has been capitalized in the amount of \$9,287 on the Statement of Net Position which represents the present value of minimum lease payments at the time of acquisition. A corresponding long term liability was reported on the Statement of Net Position. The City paid the lease obligation of \$5,132 in full during 2015.

**G. Conduit Debt**

During 2015 the City authorized the issuance of \$15,000,000 of economic development revenue bonds for the acquisition, construction, renovation, installation and equipping of certain capital expenditures of the Columbus Academy. The Bonds are not general obligations of the City and do not represent a pledge of the faith and credit of the City. The bonds are collateralized by pledged revenue to be received under a loan agreement with the Columbus Academy. The City has no responsibility for the repayment of the bonds and the bonds do not create a liability to the City. As such, the bonds are not reported as a liability on the City's financial statements.

**NOTE 13 – OPERATING LEASE**

During 2015, the City entered into an operating lease for 30 golf carts. The City has the option to purchase the golf carts for \$1 after all lease obligations have been paid. The City paid \$29,864 in rental payments during 2015. Future minimum lease payments are as follows:

Fiscal Year Ending December 31,	Operating Lease Obligation
2016	\$ 29,864
2017	29,864
2018	29,864
2019	29,864
Total Minimum Lease Payments	119,456
Less: Amount Representing Interest	(9,910)
Present Value of Minimum Lease Payments	\$ 109,546

**NOTE 14 – RISK MANAGEMENT**

**A. Property and Liability**

The City maintains comprehensive insurance coverage with private carriers for real property, building contents, vehicles, general liability insurance and police professional liability insurance. The City also carries public official's liability insurance. Settlements have not exceeded coverage in any of the last three years. There has not been a significant reduction in coverage from the prior year.

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2015

**NOTE 14 – RISK MANAGEMENT** (continued)

**B. Workers’ Compensation**

During 2011, the City was approved for self-insured status by the Ohio Bureau of Workers’ Compensation and administers its own worker’s compensation program. The City has established an employee benefits self-insurance internal service fund to account for assets set aside for claim settlements and related liabilities associated with the program. Liabilities of the fund are reported when an employee injury has occurred, it is probable that a claim will be filed under the program and the amount of the claim can be reasonably estimated. For 2013, 2014 and 2015 there were no transactions that met this criteria as a result the beginning and ending liability amount for both years is \$0. The City utilizes the services of a third party administrator to review, process, and pay employee claims.

**NOTE 15 – INTERFUND TRANSFERS**

Transfers made during the year ended December 31, 2015, were as follows:

		Transfers To								
		General	Tax Increment Equivalent	Capital Improvement	Nonmajor Governmental	Water	Sewer	Storm Water	OEPA Federal Grant	Total
Transfers From	General	\$ -	\$ 19,312	\$ 1,333,529	\$ 1,054,614	\$ -	\$ -	\$ 20,000	\$ -	\$ 2,447,455
	Tax Increment Equivalent	561,400	-	-	676,600	451,400	16,000	-	-	1,705,400
	Nonmajor Governmental	-	-	-	493,244	-	-	-	-	493,244
	Stormwater	-	-	-	-	-	-	-	111,200	111,200
	<b>Total</b>	<b>\$ 561,400</b>	<b>\$ 19,312</b>	<b>\$ 1,333,529</b>	<b>\$ 2,224,458</b>	<b>\$ 451,400</b>	<b>\$ 36,000</b>	<b>\$ 20,000</b>	<b>\$ 111,200</b>	<b>\$ 4,757,299</b>

Transfers were made to move unrestricted balances to support programs and projects accounted for in other funds or to meet grant matching requirements. The transfers from the General and Nonmajor Governmental Funds to the Bond Retirement Fund (a Nonmajor Governmental Fund) were made to service annual debt payments.

**NOTE 16 – SHARED RISK POOL**

On January 1, 1992, the City joined the Central Ohio Health Care Consortium (the “Pool”), a risk-sharing pool, which provides employee health care benefits for all full-time employees who wish to participate in the Pool. The Pool, which commenced business on January 1, 1992, has ten members consisting of various cities, villages and townships who pool risk for basic hospital, surgical and prescription drug coverage. The members originally entered into an irrevocable agreement to remain members of the Pool for a minimum of three years. This agreement was renewed for an additional three years on January 1, 2013. The Pool is governed by a Board of Directors consisting of one director appointed by each member. The Board elects a Chairman, a Vice Chairman, a Treasurer and a Secretary. The Board is responsible for its own financial matters and the Pool maintains its own books of account. Budgeting and financing of the Pool is subject to the approval of the Board. The City has no explicit and measurable equity interest in the Pool. The City has no ongoing financial responsibility other than the three year minimum membership. The City pays monthly contributions to the Pool, which are used to cover claims and administrative costs, purchase excess loss insurance for the Pool and establish adequate reserves.

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 16 – SHARED RISK POOL** (continued)

Each member's contribution rate is established based on the number of employees and officers enrolled in the plan and the prior loss experience of the respective member group. In total, the members' contributions represent 110% of the projected pool costs to allow for adequate funding to establish and maintain an excess reserve for future operational needs. The Pool also entered into an agreement with an independent plan supervisor to oversee the day to day operations of the Pool, such as administration and approval of submitted claims, the payment of operating expenses incurred by the Pool and the preparation of a monthly activity report which is presented to the Board. The funds held by the Pool are maintained in a bank trust account established for the sole purpose and benefit of the Pool operations. Financial information for the Pool can be obtained from Debra Miller, Treasurer of the Central Ohio Health Care Consortium, 47 Hall Street, Powell, Ohio 43065. The City's payment to the Pool for insurance coverage was \$1,613,464 during 2015.

The Pool has entered into an agreement for individual and aggregate excess loss coverage with a commercial insurance carrier. The individual excess loss coverage has been structured to indemnify the Pool for medical claims paid for an individual in excess of \$200,000 with an unlimited individual lifetime maximum. The aggregate excess loss coverage has been structured to indemnify the Pool for aggregate claims paid in excess of \$12,710,743 to a maximum of \$1,000,000 annually. In the event that the losses of the Pool in any year exceeds amounts paid to the Pool, together with all stop-loss, reinsurance and other coverage then in effect, then the payment of all uncovered losses shall revert to and be the sole obligation of the political subdivision against which the claim was made. No such loss has occurred in the past five years. In the event that an entity should withdraw from the plan, the withdrawing member is required to either reimburse the Pool for claims paid on its behalf or the member must pay the claims directly.

**NOTE 17 – UNDIVIDED INTEREST**

On February 21, 1996, a contract was entered into between the Gahanna Jefferson Public School District (the "District") and the City of Gahanna to construct and operate a vehicle maintenance facility. Based on the terms of the agreement, the entities equally bear the cost related to the construction and maintenance of the facility. In addition, the City received a credit of \$93,980 on the construction and maintenance of this facility, representing the fair value of the 4.699 acres of land that the City deeded to the District for this project. The City's undivided interest in this facility is being shown as a capital asset in the Government-wide Financial Statements.

**NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS**

In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) under the authority of Chapter 167 of the Ohio Revised Code to administer tax collection and enforcement concerns facing the Cities and Villages. The purpose of the RCOG is to foster cooperation between the municipalities through sharing facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal corporations who are members of the RCOG and for the purpose of collecting income taxes on behalf of each member municipality, doing all things allowed by law to accomplish such purpose. The first official act of the RCOG was to form the Regional Income Tax Agency (RITA). Today RITA serves as the income tax collection agency for 214 municipalities throughout the State of Ohio. During 2015, the City paid \$346,744, in income tax collection fees to RITA.

**NOTE 19 – CONTINGENT LIABILITIES**

**A. Litigation**

July 3, 2012 the City became party to a class action lawsuit concerning the application of the reduced credit on individual income tax forms for residents of the City who work in a different municipality with a higher

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 19 – CONTINGENT LIABILITIES** (continued)

income tax rate. In most Ohio municipalities, income taxes are levied on the income of residents as well as non-residents who work or provide services within the municipality. The collection of income taxes, for the most part, is performed through the residents' employer as a local income tax withholding based on the tax levied by the municipality where they are employed. Although taxes may be levied on an individual by multiple municipalities, they are only required to file an individual income tax form with the municipality they reside in. Some municipalities provide 100% credit for paying income taxes where a resident works and some municipalities provide a reduced credit. Gahanna provides a reduced credit under City Code Section 161.18(a).

At the time of the lawsuit, City Code Section 161.18(a) stated, in summary, that every individual taxpayer who resides in the City but has paid municipal income tax to another municipality shall be allowed a credit of 83-1/3% of the amount so paid to the other municipality to the extent of the tax assessed by this chapter. In no instance shall the allowable credit for tax paid to another municipality exceed the amount of tax imposed by this chapter.

The lawsuit claims that the individual income tax form does not apply the credit in accordance with City Code Section 161.18(a) and therefore the City has collected income taxes not owed to the City and the City has not refunded the overpayment to the residents of the City. The plaintiffs believe that in accordance with City code the credit of 83-1/3% should be applied to the amount paid to another municipality. If the amount of the credit is equal to or in excess of the resident's tax liability to the City, or 1.5% of the residents' income, then no amount is due to the City. However, the individual income tax form applies the 83-1/3% credit to the lesser of 1) the workplace tax paid or 2) the residency tax liability of 1.5% of income.

The City has consistently applied the credit to the lesser of the workplace tax paid or the residency tax liability since the establishment of the reduced credit and does not believe the City's individual income tax form misapplies the credit. Therefore the City has not over collected income taxes due from residents. September 11, 2014 a summary judgement was made in the Franklin County Court of Common Pleas in favor of the plaintiffs concluding that the plaintiffs' interpretation of City Code Section 161.18(a) is correct and the individual income tax form should be amended to reflect the court's ruling or should stop being used. The Court also approved the case to proceed as a class action lawsuit. November 7, 2014 an appeal was filed by the City regarding the Court's summary judgement.

During 2015, the appeals court upheld the trial court's decision and determined the class claims begin July of 2009. RITA and the City appealed to the Ohio Supreme Court, who decided not to hear the case and sent it back to the Court of Common Pleas. March 2016, the Common Pleas Court included tax year 2014 as part of the class. RITA and the City will continue to appeal all appealable decisions. As of May 13, 2016, RITA and the City were awaiting a trial court decision regarding RC 9.39. Once this decision is made the appeal process will begin. Should RITA and the City's appeal fail, the City may be liable for up to \$15 million dollars in damages and restitution. However, this figure has not been confirmed by RITA and is calculated based on the number of residents in the class, 12,000; estimated refund per resident of \$250; for \$3 million per year; times each year in the class is \$15 million. The likelihood of an unfavorable outcome for the City cannot be determined at this time.

**B. Federal And State Grants**

For the period January 1, 2015 to December 31, 2015, the City received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. 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.

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 20 – FUND BALANCE**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources in the Governmental Funds. The constraints placed on fund balance for the Major Governmental Funds and all Other Governmental Funds are presented below:

Fund balance	General	Tax Increment Equivalent	Capital Improvement	Governmental Funds	Governmental Funds
Nonspendable					
Materials & Supplies Inventory	\$ 321,937	\$ -	\$ -	\$ -	\$ 321,937
Prepays	63,653	-	-	39	63,692
Unclaimed Monies	30,397	-	-	-	30,397
Total Nonspendable	415,987	-	-	39	416,026
Restricted					
Debt Service	-	-	-	1,354,905	1,354,905
Capital Improvements	-	-	2,873,228	1,130,401	4,003,629
Hamilton Road Widening	-	-	1,494,450	-	1,494,450
General Government	-	-	-	655,256	655,256
Police Pension	-	-	-	885,786	885,786
Security of Persons & Property	-	-	-	401,319	401,319
Tax Increment Financing Districts	-	1,504,959	-	-	1,504,959
Transportation	-	-	-	799,265	799,265
Detroit Street Rebuilds	-	-	-	3,273,465	3,273,465
Total Restricted	-	1,504,959	4,367,678	8,500,397	14,373,034
Committed					
Capital Improvements	-	-	-	561,047	561,047
Emergency Reserve	6,567,000	-	-	-	6,567,000
Leisure Time Activities	-	-	-	10,796	10,796
Transportation	-	-	-	42,027	42,027
Total Committed	6,567,000	-	-	613,870	7,180,870
Assigned					
Capital Improvements	1,906,068	-	-	246	1,906,314
Subsequent Year Appropriations	2,964,320	-	-	-	2,964,320
General Government	743,696	-	-	-	743,696
Security of Persons & Property	90,300	-	-	-	90,300
Community Environment	381,048	-	-	-	381,048
Leisure Time Activities	244,863	-	-	-	244,863
Transportation	464,565	-	-	-	464,565
Total Assigned	6,794,860	-	-	246	6,795,106
Unassigned	11,136,092	-	-	-	11,136,092
Total Fund Balances	\$ 24,913,939	\$ 1,504,959	\$ 4,367,678	\$ 9,114,552	\$ 39,901,128

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015

**NOTE 21 – OTHER COMMITMENTS**

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

	Year-End
<u>Fund</u>	<u>Encumbrances</u>
General Fund	\$ 4,336,773
Capital Improvement	3,012,180
Other Governmental	<u>5,473,619</u>
Total	<u>\$ 12,822,572</u>

**NOTE 22 – CHANGE IN ACCOUNTING PRINCIPLES**

For 2015, the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68." GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported December 31, 2014:

	<u>Governmental Activities</u>	<u>Business -Type Activities</u>
Net Position December 31, 2014	\$157,588,067	\$65,787,512
Adjustments:		
Net Pension Liability	(14,523,559)	(749,408)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>1,444,989</u>	<u>93,834</u>
Restated Net Position December 31, 2014	<u>\$144,509,497</u>	<u>\$65,131,938</u>

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Stormwater Fund</u>	<u>Total Enterprise</u>
Net position December 31, 2014	\$32,071,741	\$18,244,261	\$15,450,917	\$65,766,919
Adjustments:				
Net Pension Liability	(288,234)	(288,234)	(172,940)	(749,408)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>36,090</u>	<u>36,090</u>	<u>21,654</u>	<u>93,834</u>
Restated Net Position December 31, 2014	<u>\$31,819,597</u>	<u>\$17,992,117</u>	<u>\$15,299,631</u>	<u>\$65,111,345</u>

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2015*

**NOTE 22 – CHANGE IN ACCOUNTING PRINCIPLES** *(continued)*

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

**NOTE 23 – CORRECTION OF AN ERROR**

The 2014 financial statements contained an error regarding the presentation of major funds within the Governmental Fund financial statements. Because of an unusually large accounts payable transaction the Street Fund met the criteria for a major fund based on total liabilities. Prior and subsequent to the 2014 financial statements the Street Fund does not meet the criteria for a major fund. The fluctuation of a fund as major or non-major has no impact on total Governmental Funds fund balance or Governmental Activities net position. In addition, when a fund moves from major to non-major or non-major to major no restatement or note disclosure is required as it is simply the application of an account principle. As a result, there is no restatement associated with this correction.



**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

*Required Supplementary Information  
Condition Assessment of the City's Infrastructure*

The City of Gahanna reports road infrastructure assets using the modified approach as outlined in Governmental Accounting Standards Board (GASB) Statement No. 34. The following disclosures pertain to the condition assessment and budgeted versus actual expenditures for the preservation of these assets.

The condition of road pavement is evaluated and measured using a pavement condition rating system. This approach assigns a numerical rating to each road, or section thereof, being evaluated for the presence of numerous distresses (14 in all) and the severity level of each (low, medium, high) for arterial roadways, and the 5 most critical distress factors for local roadways.

The physical condition rating is determined by the City's Service Department based on the criteria below:

Pavement Condition Index	Road Condition Rating	Description
90-100	Very Good	Pavement structure is stable with no cracking, no patching and no deformation evident. Roadways in this category are usually fairly new. Nothing is needed to improve the roadway.
75-89	Good	Pavement structure is stable, but may have surface erosion or minor cracking, which is generally hairline and hard to detect, minor patching and possibly some minor deformation. Riding qualities are good.
65-74	Fair	Pavement structure is generally stable with minor areas of structural weakness evident. Cracking is easier to detect. The pavement might be patched, but not excessively. Although riding qualities are fair, deformation is more pronounced and easily noticed.
55-64	Fair to Poor	Roadway has areas of instability, marked evidence of structural deficiency, large crack patterns, heavy and numerous patches and very noticeable deformation. Riding qualities range from acceptable to poor. Spot repair of the pavement base may be required.
54-40	Poor	Roadway has widespread areas of instability, marked evidence of structural deficiency, large crack patterns, heavy and numerous patches and usually widespread pavement base deformation/failure. Riding qualities are poor. Pavement base repair required.
0-39	Very Poor	Widespread loss of the pavement structural section that would typically require a complete reconstruction or replacement.

It is the City's current policy that 96% of all roads have a rating of 75 or better. Each roadway in the City is assessed on an annual basis.

*Required Supplementary Information*  
*Condition Assessment of the City's Infrastructure*

The following summarizes the physical condition assessment of City roads as of December 31, for 2015, 2014 and 2013:

Year	Paved Lane Miles Assessed	Average Pavement Condition Rating	Percent of Lane Miles Rated 75 or Better
2015	325.60	84.7	87.5%
2014	325.09	87.6	92.2%
2013	325.09	87.4	91.5%

The following is a five year comparison of budgeted and actual expenditures for preservation of the existing roadways and is reported on a cash-basis:

Year	Budget	Actual	Difference
2015	\$2,910,565	\$2,238,230	\$672,335
2014	\$884,591	\$859,256	\$25,335
2013	952,479	928,191	24,288
2012	922,902	832,484	90,418
2011	242,583	226,186	16,397

City of Gahanna, Ohio

Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net Pension Liability  
Ohio Public Employees Retirement System – Traditional Plan  
Last Two Years (1)

	2014	2013
City's Proportion of the Net Pension Liability	0.0489%	0.0489%
City's Proportionate Share of the Net Pension Liability	\$ 5,897,887	\$ 5,764,673
City's Covered Employee Payroll	\$ 6,681,899	\$ 6,911,988
City's Proportionate Share of the Net Pension Liability as a percentage of of its Covered Employee Payroll	88.27%	83.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

(1) Information not available prior to 2013

City of Gahanna, Ohio

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

	<u>2014</u>	<u>2013</u>
City's Proportion of the Net Pension Liability	0.1952296%	0.1952296%
City's Proportionate Share of the Net Pension Liability	\$ 10,113,708	\$ 9,508,294
City's Covered Employee Payroll	\$ 4,651,844	\$ 4,599,800
City's Proportionate Share of the Net Pension Liability as a percentage of its Covered Employee Payroll	217.41%	206.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) Information not available prior to 2013

City of Gahanna, Ohio

Required Supplementary Information  
 Schedule of City Contributions  
 Ohio Public Employees Retirement System – Traditional Plan  
 Last Three Years (1)

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 842,970	\$ 801,926	\$ 899,589
Contribution in Relation to the Contractually Required Contribution	\$ 842,970	\$ 801,926	\$ 899,589
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Employee Payroll	\$ 7,021,051	\$ 6,681,899	\$ 6,911,988
Contribution as a Percentage of Covered- Employee Payroll	12%	12%	13%

(1) Information not available prior to 2013

City of Gahanna, Ohio

Required Supplementary Information  
 Schedule of the City Contributions  
 Ohio Police and Fire Pension Fund  
 Last Three Years (1)

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 934,525	\$ 884,773	\$ 728,861
Contribution in Relation to the Contractually Required Contribution	\$ 934,525	\$ 884,773	\$ 728,861
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Employee Payroll	\$ 4,918,556	\$ 4,651,844	\$ 4,599,800
Contribution as a Percentage of Covered- Employee Payroll	19%	19%	16%

(1) Information not available prior to 2013



# **SUPPLEMENTAL DATA**

*City Of Gahanna, Ohio*

*Nonmajor Governmental Fund Descriptions*

**SPECIAL REVENUE FUNDS**

Special revenue funds are maintained to account for resources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The following describes the City's nonmajor special revenue funds.

**Street Fund**

The Street Fund receives a proportionate share of the State's Motor Vehicle Fuel Tax and the City's Permissive Motor Vehicle License Tax revenues restricted to expenditures for constructing, improving and maintaining public roads, highways, streets and maintenance and repair of bridges under Ohio Revised Code Chapter 5735 and 4504.

**State Highway Fund**

The State Highway Fund receives a portion of Franklin County's proportionate share of the State's Motor Vehicle Fuel Tax revenues and these funds are restricted to expenditures for constructing, improving and maintaining state highways and maintenance and repair of bridges within the City under Ohio Revised Code Chapter 5735.

**Law Enforcement Trust Fund**

The Law Enforcement Trust Fund receives a proportionate share of cash or proceeds resulting from the sale of contraband property seized or forfeited under the Contraband Seizure Forfeiture Act. Resources received by the fund are restricted for law enforcement purposes as defined by Ohio Revised Code Section 2981.13.

**Enforcement & Education**

The Enforcement & Education Fund receives a proportionate share of fines collected for motor vehicle infractions within the City of Gahanna. Resources received by the fund are restricted for law enforcement and law enforcement educational purposes as defined by City of Gahanna Code, section 133.092.

**Parks & Recreation Donation**

The Parks & Recreation Donation Fund receives cash and donations for use in programs for special needs of children in the community and is committed for this purpose under City of Gahanna Code, section 133.095.

**Permanent Improvement**

In 1978 the City established the Industrial Zone (TIZ) by purchasing 103 acres of land in the southwest area of town to spur business development and job creation in the community. Developable lots were leased through the City's Community Urban Redevelopment Corporation to individual businesses for a term of 30 years. Lease payments received are restricted under City of Gahanna Code, section 133.04 for permanent improvements, including debt payments for such improvements and maintenance and operating costs for public property not included within the TIZ.

**Court**

The Court Fund receives a proportionate share of cash or proceeds from cases heard in the Municipal Mayors Court and is restricted for court computer expenditures under City of Gahanna Code, section 133.093 and Auditor of State Bulletin 97-019.

*City Of Gahanna, Ohio*

*Nonmajor Governmental Fund Descriptions*

**County Permissive**

The County Permissive Fund receives a proportionate share of the County's Permissive Motor Vehicle License Tax revenues restricted to expenditures for planning, constructing, improving maintaining and repairing public roads, highways, streets, and for the maintaining and repair of bridges and viaducts under Ohio Revised Code Chapter 4504.

**Cul-De-Sac Maintenance**

The Cul-De-Sac Maintenance Fund receives fees from developers who plan to install cul-de-sac streets in their developments. The funds received are committed for equipment capable of repairing cul-de-sacs under City of Gahanna code section 905.03.

**Federal Law Enforcement Seizure**

The Federal Law Enforcement Seizure Fund receives a proportionate share of cash or proceeds from property seized or forfeited under the United States Department of Justice Asset Forfeiture Program and is restricted for law enforcement expenditures defined under CFDA (Catalog of Federal Domestic Assistance) 16.922.

**Treasury Equitable Sharing**

The Treasury Equitable Sharing Fund receives a proportionate share of cash or proceeds from property seized or forfeited under the United States Department of Treasury Equitable Sharing Program and is restricted for law enforcement expenditures defined under CFDA (Catalog of Federal Domestic Assistance) 21.000.

**AG Peace Officer Training**

The AG Peace Officer Training Fund receives a reimbursement from the State Attorney General's office for the costs of continuing professional training programs completed by the City's police officers. The funding is restricted for continuing professional training programs under Ohio Revised Code, section 109.802.

**Right of Way**

The Right of Way Fund receives permit fee payments from citizens or businesses to construct and/or complete minor maintenance in the rights of way, as well as, annual maintenance fee payments based on miles of right of way being utilized. Revenues received are committed by City of Gahanna Code, section 931 for costs associated with the administration of said code.

**Police Pension Fund**

The Police Pension Fund receives property tax revenue from a police pension property tax levy and is restricted for paying a share of the City's police pension obligation under Ohio Revised Code Chapter 5705.

**Public Landscape Trust**

The Public Landscape Trust fund receives donations, bequests and other funds for the specific purpose of constructing or materially improving public landscape areas and is committed for this purpose under City of Gahanna Code, section 133.098.

**CAPITAL PROJECTS FUNDS**

Capital Projects funds are maintained to account for resources that are restricted, committed or assigned for capital outlays, which includes the acquisition, construction or improvement of City capital assets. The following describes the City's nonmajor capital projects funds.

*City Of Gahanna, Ohio*

*Nonmajor Governmental Fund Descriptions*

**OPWC**

The OPWC Fund receives state grant funding from the Ohio Public Works Commission restricted for local transportation improvements under Ohio Revised Code, section 164.14.

**Bond Capital Improvement Fund**

The Bond Capital Improvement Fund receives bond proceeds restricted for specific capital improvements as identified in the official bond issuing statement.

**Park Improvement & Acquisition**

The Park Improvement & Acquisition Fund was created for the improvement or acquisition of land for parks, recreational facilities, playgrounds, trails wetlands or development of existing park and playground sites.

**Park**

The Park Fund receives fees from developers of platted residential subdivisions prior to the issuance of building permits pursuant to City of Gahanna Code, section 1109.08(k). Payments are committed for cost associated with improvement of recreational facilities within existing publicly owned and operated park facilities and the purchase of recreational equipment.

**Park In-Lieu of Fees**

The Park In-Lieu of Fees Fund receives fees from developers in-lieu of mandatory land dedication provisions per the City's Subdivision Regulations when it is determined that such dedication is inappropriate or unacceptable. The funds are committed under City of Gahanna Code, section 1109.08(b)(2) for the acquisition of land for parks, recreational facilities, playgrounds, trails wetlands or development of existing park and playground sites.

**Court Building Fund**

The Court Building Fund receives a proportionate share of cash or proceeds from cases heard in the Gahanna Municipal Mayor's Court and is committed to expenditures for acquisition of land and/or construction or renovation of a facility to house the Mayor's Court under City of Gahanna Code, section 133.099.

**DEBT SERVICE FUNDS**

Debt Service funds are maintained to account for resources that are restricted for repayment of the City's debt obligations and for costs associated with the issuance of new debt. The following describes the City's nonmajor debt service funds.

**General Bond Retirement Fund**

The General Bond Retirement Fund receives property tax revenue from a general bond retirement property tax levy and is restricted for the repayment of principal and interest of the City's general obligation debt in accordance with Ohio Revised Code Chapter 5705. The fund also receives proceeds from the issuance of new debt a portion of which is restricted for the cost of the issuance of the debt.

**Special Assessment Fund**

The Special Assessment Fund was established for the purpose of receiving special assessment payments from property owners for repayment of principal and interest on special assessment debt obligations of the City and is restricted for such purpose under Ohio Revised Code Chapter 5705.

City of Gahanna, Ohio  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2015

	SPECIAL REVENUE FUNDS				
	Street Fund	State Highway	Law Enforcement Trust	Enforcement & Education	Parks & Recreation Donation
<b>Assets</b>					
Equity in Pooled Cash & Investments	\$ 251,537	\$ 196,897	\$ 122,371	\$ 29,922	\$ 2,980
Cash with Fiscal Agents	-	-	-	-	-
Receivables					
Property Taxes	-	-	-	-	-
Accounts	-	-	-	-	-
Intergovernmental	800,603	54,508	-	194	-
Prepayments	39	-	-	-	-
<b>Total Assets</b>	<u>1,052,179</u>	<u>251,405</u>	<u>122,371</u>	<u>30,116</u>	<u>2,980</u>
<b>Liabilities</b>					
Accounts Payable	9,427	146	6,353	-	-
Contracts Payable	5,683	160	-	-	-
Accrued Wages & Benefits	10,996	-	-	-	-
Intergovernmental Payable	1,734	-	-	-	-
Due to Other Funds	269	-	-	-	-
<b>Total Liabilities</b>	<u>28,109</u>	<u>306</u>	<u>6,353</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for Subsequent Year	-	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-	-
Unavailable Intergovernmental Revenue	671,783	45,736	-	-	-
<b>Total Deferred Inflow of Resources</b>	<u>671,783</u>	<u>45,736</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Nonspendable	39	-	-	-	-
Restricted	352,248	205,363	116,018	30,116	-
Committed	-	-	-	-	2,980
Assigned	-	-	-	-	-
<b>Total Fund Balances</b>	<u>352,287</u>	<u>205,363</u>	<u>116,018</u>	<u>30,116</u>	<u>2,980</u>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<u>\$ 1,052,179</u>	<u>\$ 251,405</u>	<u>\$ 122,371</u>	<u>\$ 30,116</u>	<u>\$ 2,980</u>

City of Gahanna, Ohio  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2015

	SPECIAL REVENUE FUNDS				
	Permanent Improvement	Court	County Permissive	Cul-De-Sac Maintenance	Federal Law Enforcement Seizure
<b>Assets</b>					
Equity in Pooled Cash & Investments	\$ 1,130,401	\$ 239,072	\$ 65,990	\$ 42,027	\$ 245,892
Cash with Fiscal Agents	-	-	175,664	-	-
Receivables					
Property Taxes	-	-	-	-	-
Accounts	-	-	-	-	-
Intergovernmental	-	3,120	-	-	-
Prepayments	-	2,668	-	-	-
<b>Total Assets</b>	<u>1,130,401</u>	<u>244,860</u>	<u>241,654</u>	<u>42,027</u>	<u>245,892</u>
<b>Liabilities</b>					
Accounts Payable	-	-	-	-	-
Contracts Payable	-	279	-	-	-
Accrued Wages & Benefits	-	-	-	-	-
Intergovernmental Payable	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>279</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for Subsequent Year	-	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-	-
<b>Total Deferred Inflow of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Nonspendable	-	-	-	-	-
Restricted	1,130,401	244,581	241,654	-	245,892
Committed	-	-	-	42,027	-
Assigned	-	-	-	-	-
<b>Total Fund Balances</b>	<u>1,130,401</u>	<u>244,581</u>	<u>241,654</u>	<u>42,027</u>	<u>245,892</u>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<u>\$ 1,130,401</u>	<u>\$ 244,860</u>	<u>\$ 241,654</u>	<u>\$ 42,027</u>	<u>\$ 245,892</u>

City of Gahanna, Ohio  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2015

	SPECIAL REVENUE FUNDS					Total Nonmajor Special Revenue
	Treasury Equitable Sharing	AG Peace Officer Training	Right Of Way	Police Pension	Public Landscape Trust	
<b>Assets</b>						
Equity in Pooled Cash & Investments	\$ 4,733	\$ 4,560	\$ 410,675	\$ 885,786	\$ 7,816	3,640,659
Cash with Fiscal Agents	-	-	-	-	-	175,664
Receivables						
Property Taxes	-	-	-	252,262	-	252,262
Accounts	-	-	-	-	-	-
Intergovernmental	-	-	-	15,895	-	874,320
Prepayments	-	-	-	-	-	2,707
<b>Total Assets</b>	<u>4,733</u>	<u>4,560</u>	<u>410,675</u>	<u>1,153,943</u>	<u>7,816</u>	<u>4,945,612</u>
<b>Liabilities</b>						
Accounts Payable	-	-	-	-	-	15,926
Contracts Payable	-	-	-	-	-	6,122
Accrued Wages & Benefits	-	-	-	-	-	10,996
Intergovernmental Payable	-	-	-	-	-	1,734
Due to Other Funds	-	-	-	-	-	269
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,047</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes Levied for Subsequent Year	-	-	-	245,696	-	245,696
Unavailable Property Tax Revenue	-	-	-	6,566	-	6,566
Unavailable Intergovernmental Revenue	-	-	-	15,895	-	733,414
<b>Total Deferred Inflow of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>268,157</u>	<u>-</u>	<u>985,676</u>
<b>Fund Balances</b>						
Nonspendable	-	-	-	-	-	39
Restricted	4,733	4,560	410,675	885,786	-	3,872,027
Committed	-	-	-	-	7,816	52,823
Assigned	-	-	-	-	-	-
<b>Total Fund Balances</b>	<u>4,733</u>	<u>4,560</u>	<u>410,675</u>	<u>885,786</u>	<u>7,816</u>	<u>3,924,889</u>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<u>\$ 4,733</u>	<u>\$ 4,560</u>	<u>\$ 410,675</u>	<u>\$ 1,153,943</u>	<u>\$ 7,816</u>	<u>\$ 4,945,612</u>

City of Gahanna, Ohio  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2015

	CAPITAL PROJECTS FUNDS					
	Bond Capital Improvement	Park Improvement & Acquisition	Park	Park In-Lieu Of Fees	Court Building	Total Nonmajor Capital Projects
<b>Assets</b>						
Equity in Pooled Cash & Investments	\$ 3,273,465	\$ 246	\$ 258,757	\$ 68,477	\$ 230,868	3,831,813
Cash with Fiscal Agents	-	-	-	-	-	-
Receivables	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-
Accounts	-	-	1,000	-	-	1,000
Intergovernmental	-	-	-	-	1,945	1,945
Prepayments	-	-	-	-	-	-
<b>Total Assets</b>	<u>3,273,465</u>	<u>246</u>	<u>259,757</u>	<u>68,477</u>	<u>232,813</u>	<u>3,834,758</u>
<b>Liabilities</b>						
Accounts Payable	-	-	-	-	-	-
Contracts Payable	-	-	-	-	-	-
Accrued Wages & Benefits	-	-	-	-	-	-
Intergovernmental Payable	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes Levied for Subsequent Year	-	-	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-	-	-
<b>Total Deferred Inflow of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>						
Nonspendable	-	-	-	-	-	-
Restricted	3,273,465	-	-	-	-	3,273,465
Committed	-	-	259,757	68,477	232,813	561,047
Assigned	-	246	-	-	-	246
<b>Total Fund Balances</b>	<u>3,273,465</u>	<u>246</u>	<u>259,757</u>	<u>68,477</u>	<u>232,813</u>	<u>3,834,758</u>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<u>\$ 3,273,465</u>	<u>\$ 246</u>	<u>\$ 259,757</u>	<u>\$ 68,477</u>	<u>\$ 232,813</u>	<u>\$ 3,834,758</u>

City of Gahanna, Ohio  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2015

	DEBT SERVICE FUNDS			Total Nonmajor Governmental Funds
	General Bond Retirement	Special Assessment	Total Nonmajor Debt Service	
<b>Assets</b>				
Equity in Pooled Cash & Investments	\$ 1,354,883	\$ 22	1,354,905	8,827,377
Cash with Fiscal Agents	-	-	-	175,664
Receivables				
Property Taxes	243,854	-	243,854	496,116
Accounts	-	-	-	1,000
Intergovernmental	15,364	-	15,364	891,629
Prepayments	-	-	-	2,707
<b>Total Assets</b>	<b>1,614,101</b>	<b>22</b>	<b>1,614,123</b>	<b>10,394,493</b>
<b>Liabilities</b>				
Accounts Payable	-	-	-	15,926
Contracts Payable	-	-	-	6,122
Accrued Wages & Benefits	-	-	-	10,996
Intergovernmental Payable	-	-	-	1,734
Due to Other Funds	-	-	-	269
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,047</b>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for Subsequent Year	237,506	-	237,506	483,202
Unavailable Property Tax Revenue	6,348	-	6,348	12,914
Unavailable Intergovernmental Revenue	15,364	-	15,364	748,778
<b>Total Deferred Inflow of Resources</b>	<b>259,218</b>	<b>-</b>	<b>259,218</b>	<b>1,244,894</b>
<b>Fund Balances</b>				
Nonspendable	-	-	-	39
Restricted	1,354,883	22	1,354,905	8,500,397
Committed	-	-	-	613,870
Assigned	-	-	-	246
<b>Total Fund Balances</b>	<b>1,354,883</b>	<b>22</b>	<b>1,354,905</b>	<b>9,114,552</b>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<b>\$ 1,614,101</b>	<b>\$ 22</b>	<b>\$ 1,614,123</b>	<b>\$ 10,394,493</b>

City of Gahanna, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2015

	SPECIAL REVENUE FUNDS				
	Street Fund	State Highway	Law Enforcement Trust	Enforcement & Education	Parks & Recreation Donation
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits & Fees	-	-	-	-	-
Fines & Forfeitures	-	-	31,444	2,919	-
Intergovernmental	1,628,622	110,873	-	-	-
Investment Income	-	-	-	-	-
Rental Income	-	-	-	-	-
Other	28,999	-	-	-	-
Total Revenues	<u>1,657,621</u>	<u>110,873</u>	<u>31,444</u>	<u>2,919</u>	<u>-</u>
Expenditures					
Current					
General Government	-	-	-	-	-
Security of Persons & Property	-	-	8,085	-	-
Transportation	1,099,780	73,970	-	-	-
Utility Services	7,095	6,296	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal Retirement	-	-	-	-	-
Interest & Fiscal Charges	-	-	-	-	-
Total Expenditures	<u>1,106,875</u>	<u>80,266</u>	<u>8,085</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenue Over Expenditures	550,746	30,607	23,359	2,919	-
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	(493,244)	-	-	-	-
Proceeds From Sale of Capital Assets	33,500	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-	-
General Obligation Bonds Issued	-	-	-	-	-
Premium on General Obligation Bonds Issued	-	-	-	-	-
Insurance Proceeds	210	-	-	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(459,534)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	91,212	30,607	23,359	2,919	-
Fund Balances, January 1	261,075	174,756	92,659	27,197	2,980
Fund Balances, December 31	<u>\$ 352,287</u>	<u>\$ 205,363</u>	<u>\$ 116,018</u>	<u>\$ 30,116</u>	<u>\$ 2,980</u>

City of Gahanna, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2015

	SPECIAL REVENUE FUNDS				
	Permanent Improvement	Court	County Permissive	Cul-De-Sac Maintenance	Federal Law Enforcement Seizure
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits & Fees	-	-	-	18,500	-
Fines & Forfeitures	-	45,125	-	-	-
Intergovernmental	-	-	404,653	-	168,684
Investment Income	-	-	-	-	2,076
Rental Income	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	<u>-</u>	<u>45,125</u>	<u>404,653</u>	<u>18,500</u>	<u>170,760</u>
Expenditures					
Current					
General Government	-	23,195	-	-	-
Security of Persons & Property	-	-	-	-	9,779
Transportation	-	-	523,185	-	-
Utility Services	-	-	-	-	-
Capital outlay	-	-	-	-	11,179
Debt service					
Principal Retirement	-	-	-	-	-
Interest & Fiscal Charges	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>23,195</u>	<u>523,185</u>	<u>-</u>	<u>20,958</u>
Excess (Deficiency) of Revenue Over Expenditures	-	21,930	(118,532)	18,500	149,802
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Proceeds From Sale of Capital Assets	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-	-
General Obligation Bonds Issued	-	-	-	-	-
Premium on General Obligation Bonds Issued	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	21,930	(118,532)	18,500	149,802
Fund Balances, January 1	1,130,401	222,651	360,186	23,527	96,090
Fund Balances, December 31	<u>\$ 1,130,401</u>	<u>\$ 244,581</u>	<u>\$ 241,654</u>	<u>\$ 42,027</u>	<u>\$ 245,892</u>

City of Gahanna, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2015

	SPECIAL REVENUE FUNDS					
	Treasury Equitable Sharing	AG Peace Officer Training	Right Of Way	Police Pension	Public Landscape Trust	Total Nonmajor Special Revenue
<b>Revenues</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ 242,121	\$ -	\$ 242,121
Licenses, Permits & Fees	-	-	37,888	-	-	56,388
Fines & Forfeitures	-	-	-	-	-	79,488
Intergovernmental	4,733	4,560	-	31,933	-	2,354,058
Investment Income	-	-	-	-	-	2,076
Rental Income	-	-	-	-	-	-
Other	-	-	-	-	-	28,999
<b>Total Revenues</b>	<u>4,733</u>	<u>4,560</u>	<u>37,888</u>	<u>274,054</u>	<u>-</u>	<u>2,763,130</u>
<b>Expenditures</b>						
Current						
General Government	-	-	-	-	-	23,195
Security of Persons & Property	-	-	-	962,898	-	980,762
Transportation	-	-	-	-	-	1,696,935
Utility Services	-	-	-	-	-	13,391
Capital outlay	-	-	-	-	-	11,179
Debt service						
Principal Retirement	-	-	-	-	-	-
Interest & Fiscal Charges	-	-	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>962,898</u>	<u>-</u>	<u>2,725,462</u>
Excess (Deficiency) of Revenue Over Expenditures	4,733	4,560	37,888	(688,844)	-	37,668
<b>Other Financing Sources (Uses)</b>						
Transfers In	-	-	-	688,844	-	688,844
Transfers Out	-	-	-	-	-	(493,244)
Proceeds From Sale of Capital Assets	-	-	-	-	-	33,500
Refunding Bonds Issued	-	-	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-	-	-
General Obligation Bonds Issued	-	-	-	-	-	-
Premium on General Obligation Bonds Issued	-	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-	210
Payment to Refunding Bond Escrow Agent	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>688,844</u>	<u>-</u>	<u>229,310</u>
<b>Net Change in Fund Balance</b>	<u>4,733</u>	<u>4,560</u>	<u>37,888</u>	<u>-</u>	<u>-</u>	<u>266,978</u>
Fund Balances, January 1	-	-	372,787	885,786	7,816	3,657,911
<b>Fund Balances, December 31</b>	<u>\$ 4,733</u>	<u>\$ 4,560</u>	<u>\$ 410,675</u>	<u>\$ 885,786</u>	<u>\$ 7,816</u>	<u>\$ 3,924,889</u>

City of Gahanna, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2015

	CAPITAL PROJECTS FUNDS					
	OPWC	Bond Capital Improvement	Park Improvement & Acquisition	Park	Park In-Lieu Of Fees	Court Building
<b>Revenues</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits & Fees	-	-	-	100,466	-	-
Fines & Forfeitures	-	-	-	-	-	28,337
Intergovernmental	502,062	-	-	-	-	-
Investment Income	-	3,665	-	-	-	-
Rental Income	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total Revenues</b>	<u>502,062</u>	<u>3,665</u>	<u>-</u>	<u>100,466</u>	<u>-</u>	<u>28,337</u>
<b>Expenditures</b>						
Current						
General Government	-	168,020	-	-	-	-
Security of Persons & Property	-	-	-	-	-	-
Transportation	-	1,180,088	-	-	-	-
Utility Services	-	-	-	-	-	-
Capital outlay	502,062	646,000	-	-	-	-
Debt service						
Principal Retirement	-	-	-	-	-	-
Interest & Fiscal Charges	-	-	-	-	-	-
<b>Total Expenditures</b>	<u>502,062</u>	<u>1,994,108</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenue Over Expenditures	-	(1,990,443)	-	100,466	-	28,337
<b>Other Financing Sources (Uses)</b>						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Sale of Capital Assets	-	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-	-
Premium on Refunding Bonds Issued	-	57,975	-	-	-	-
General Obligation Bonds Issued	-	5,095,000	-	-	-	-
Premium on General Obligation Bonds Issued	-	110,933	-	-	-	-
Insurance Proceeds	-	-	-	-	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>5,263,908</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	3,273,465	-	100,466	-	28,337
Fund Balances, January 1	-	-	246	159,291	68,477	204,476
<b>Fund Balances, December 31</b>	<u>\$ -</u>	<u>\$ 3,273,465</u>	<u>\$ 246</u>	<u>\$ 259,757</u>	<u>\$ 68,477</u>	<u>\$ 232,813</u>

City of Gahanna, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2015

	DEBT SERVICE FUNDS				Total Nonmajor Governmental Funds
	Total Nonmajor Capital Projects	General Bond Retirement	Special Assessment	Total Nonmajor Debt Service	
<b>Revenues</b>					
Property Taxes	\$ -	\$ 244,408	\$ -	\$ 244,408	\$ 486,529
Licenses, Permits & Fees	100,466	-	-	-	156,854
Fines & Forfeitures	28,337	-	-	-	107,825
Intergovernmental	502,062	30,860	-	30,860	2,886,980
Investment Income	3,665	-	-	-	5,741
Rental Income	-	-	-	-	-
Other	-	-	-	-	28,999
<b>Total Revenues</b>	<b>634,530</b>	<b>275,268</b>	<b>-</b>	<b>275,268</b>	<b>3,672,928</b>
<b>Expenditures</b>					
Current					
General Government	168,020	81,606	-	81,606	272,821
Security of Persons & Property	-	-	-	-	980,762
Transportation	1,180,088	-	-	-	2,877,023
Utility Services	-	-	-	-	13,391
Capital outlay	1,148,062	-	-	-	1,159,241
Debt service					
Principal Retirement	-	1,104,564	-	1,104,564	1,104,564
Interest & Fiscal Charges	-	702,663	-	702,663	702,663
<b>Total Expenditures</b>	<b>2,496,170</b>	<b>1,888,833</b>	<b>-</b>	<b>1,888,833</b>	<b>7,110,465</b>
Excess (Deficiency) of Revenue Over Expenditures	(1,861,640)	(1,613,565)	-	(1,613,565)	(3,437,537)
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	1,535,613	-	1,535,613	2,224,457
Transfers Out	-	-	-	-	(493,244)
Proceeds From Sale of Capital Assets	-	-	-	-	33,500
Refunding Bonds Issued	-	6,078,400	-	6,078,400	6,078,400
Premium on Refunding Bonds Issued	57,975	490,201	-	490,201	548,176
General Obligation Bonds Issued	5,095,000	-	-	-	5,095,000
Premium on General Obligation Bonds Issued	110,933	113,740	-	113,740	224,673
Insurance Proceeds	-	-	-	-	210
Payment to Refunding Bond Escrow Agent	-	(6,489,837)	-	(6,489,837)	(6,489,837)
<b>Total Other Financing Sources (Uses)</b>	<b>5,263,908</b>	<b>1,728,117</b>	<b>-</b>	<b>1,728,117</b>	<b>7,221,335</b>
<b>Net Change in Fund Balance</b>	<b>3,402,268</b>	<b>114,552</b>	<b>-</b>	<b>114,552</b>	<b>3,783,798</b>
Fund Balances, January 1	432,490	1,240,331	22	1,240,353	5,330,754
<b>Fund Balances, December 31</b>	<b>\$ 3,834,758</b>	<b>\$ 1,354,883</b>	<b>\$ 22</b>	<b>1,354,905</b>	<b>\$ 9,114,552</b>

*City Of Gahanna, Ohio*

*Agency Fund Descriptions*

**AGENCY FUNDS**

Agency funds are maintained by the City in a fiduciary capacity on behalf of an outside third party. The following describes the City's agency funds.

**Senior Escrow**

The Senior Escrow Fund accounts for payments and donations made by citizens or other third parties expended by the Senior Center for activities or programs such as, memorial plaques, craft supplies, new appliances or other items for use by the members of the Senior Center.

**Veterans Memorial**

The Veterans Memorial Fund accounts for donations made by citizens or other third parties to purchase engraved bricks to be placed at the Veterans Memorial Park to honor veterans.

**Refuse Escrow**

The City belongs to a refuse consortium agreement with other Central Ohio municipalities to provide refuse collection services to its citizens. The cost of the refuse service is collected from the citizens as a component of their water/sewage utility bill. Amounts received from the collection of utility bills are held in the refuse escrow until payment is due to the service provider.

**Developers Escrow**

The Developers Escrow Fund accounts for payments made by real estate developers to be held by the City Engineer to cover the cost of inspections and potential site work related to private real estate development projects in the City. Cash received by the City for these purposes is held in the escrow fund until actual inspection and/or site work is completed.

**TIZ Real Estate Escrow**

In 1978 the City established the Industrial Zone (TIZ) by purchasing 103 acres of land in the southwest area of town to spur business development and job creation in the community. Developable lots were leased through the City's Community Urban Redevelopment Corporation to individual businesses for a term of 30 years. The City retains ownership of the property until the lease is paid in full and the property is transferred to the business, as a result, the City is responsible for payment of the property taxes. The City invoices the lease holders for the costs of the property taxes. Payments made by the businesses are placed in the TIZ Real Estate Escrow Fund until the taxes are due.

**Mayor's Court**

The Gahanna Mayor's Court provides judicial services for the City of Gahanna. This fund receives and disburses all fines and fees collected. The Mayor has fiduciary responsibility for the collection and distribution of court fines and fees.

City of Gahanna, Ohio  
 Combining Statement of Assets and Liabilities  
 Agency Funds  
 December 31, 2015

	Senior Escrow Fund	Vets Memorial Fund	Refuse Escrow Fund	Developers Escrow Fund	TIZ Real Estate Escrow Fund
<b>Assets</b>					
Equity in Pooled Cash & Investments	\$ 5,268	\$ 8,379	\$ 505,501	\$ 529,544	\$ (2,420)
Cash in Segregated Accounts	-	-	-	-	-
Accounts Receivable	-	-	492,943	-	2,420
<b>Total Assets</b>	<u>\$ 5,268</u>	<u>\$ 8,379</u>	<u>\$ 998,444</u>	<u>\$ 529,544</u>	<u>\$ -</u>
<b>Liabilities</b>					
Accounts Payable	-	-	-	-	-
Contracts payable	-	-	147,045	10,410	-
Intergovernmental Payable	-	-	-	1,091	-
Deposits Held & Due to Others	5,268	8,379	851,399	518,043	-
<b>Total Liabilities</b>	<u>\$ 5,268</u>	<u>\$ 8,379</u>	<u>\$ 998,444</u>	<u>\$ 529,544</u>	<u>\$ -</u>

City of Gahanna, Ohio  
 Combining Statement of Assets and Liabilities  
 Agency Funds  
 December 31, 2015

	<u>Mayors Court Fund</u>	<u>Total Agency Funds</u>
Assets		
Equity in Pooled Cash & Investments	\$ -	\$ 1,046,272
Cash in Segregated Accounts	58,758	58,758
Accounts Receivable	-	495,363
Total Assets	<u>\$ 58,758</u>	<u>\$ 1,600,393</u>
Liabilities		
Accounts Payable	-	-
Contracts payable	-	157,455
Intergovernmental Payable	41,909	43,000
Deposits Held & Due to Others	16,849	1,399,938
Total Liabilities	<u>\$ 58,758</u>	<u>\$ 1,600,393</u>

City of Gahanna, Ohio  
Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2015

	Beginning Balance January 1, 2015	Additions	Deductions	Ending Balance December 31, 2015
<b>Senior Escrow Fund</b>				
Assets				
Cash & Cash Equivalents	\$ 5,958	\$ -	\$ (690)	\$ 5,268
Total Assets	<u>\$ 5,958</u>	<u>\$ -</u>	<u>\$ (690)</u>	<u>\$ 5,268</u>
Liabilities				
Deposits Held & Due to Others	\$ 5,958	\$ -	\$ (690)	\$ 5,268
Total Liabilities	<u>\$ 5,958</u>	<u>\$ -</u>	<u>\$ (690)</u>	<u>\$ 5,268</u>
<b>Vets Memorial Fund</b>				
Assets				
Cash & Cash Equivalents	\$ 8,526	\$ -	\$ (147)	\$ 8,379
Total Assets	<u>\$ 8,526</u>	<u>\$ -</u>	<u>\$ (147)</u>	<u>\$ 8,379</u>
Liabilities				
Deposits Held & Due to Others	\$ 8,526	\$ -	\$ (147)	\$ 8,379
Total Liabilities	<u>\$ 8,526</u>	<u>\$ -</u>	<u>\$ (147)</u>	<u>\$ 8,379</u>
<b>Refuse Escrow Fund</b>				
Assets				
Cash & Cash Equivalents	\$ 413,915	\$ 91,586	\$ -	\$ 505,501
Accounts Receivable	479,130	492,943	(479,130)	492,943
Total Assets	<u>\$ 893,045</u>	<u>\$ 584,529</u>	<u>\$ (479,130)</u>	<u>\$ 998,444</u>
Liabilities				
Contracts Payable	\$ 161,819	\$ 147,045	\$ (161,819)	\$ 147,045
Deposits Held & Due to Others	731,226	851,399	(731,226)	851,399
Total Liabilities	<u>\$ 893,045</u>	<u>\$ 998,444</u>	<u>\$ (893,045)</u>	<u>\$ 998,444</u>
<b>Developers Escrow Fund</b>				
Assets				
Cash & Cash Equivalents	\$ 436,645	\$ 92,899	\$ -	\$ 529,544
Total Assets	<u>\$ 436,645</u>	<u>\$ 92,899</u>	<u>\$ -</u>	<u>\$ 529,544</u>
Liabilities				
Contracts Payable	\$ -	\$ 10,410	\$ -	\$ 10,410
Intergovernmental Payable	590	1,091	(590)	1,091
Deposits Held & Due to Others	436,055	81,988	-	518,043
Total Liabilities	<u>\$ 436,645</u>	<u>\$ 93,489</u>	<u>\$ (590)</u>	<u>\$ 529,544</u>
<b>TIZ Real Estate Escrow Fund</b>				
Assets				
Cash & Cash Equivalents	\$ 5,680	\$ -	\$ (8,100)	\$ (2,420)
Accounts Receivable	-	2,420	-	2,420
Total Assets	<u>\$ 5,680</u>	<u>\$ 2,420</u>	<u>\$ (8,100)</u>	<u>\$ -</u>
Liabilities				
Deposits Held & Due to Others	\$ 5,680	\$ 2,420	\$ (8,100)	\$ -
Total Liabilities	<u>\$ 5,680</u>	<u>\$ 2,420</u>	<u>\$ (8,100)</u>	<u>\$ -</u>

City of Gahanna, Ohio  
Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2015

	Beginning Balance January 1, 2015	Additions	Deductions	Ending Balance December 31, 2015
<b>Mayors Court Fund</b>				
Assets				
Cash in Segregated Accounts	\$ 74,844	\$ -	\$ (16,086)	\$ 58,758
Total Assets	<u>\$ 74,844</u>	<u>\$ -</u>	<u>\$ (16,086)</u>	<u>\$ 58,758</u>
Liabilities				
Intergovernmental Payable	\$ 50,495	\$ 41,909	\$ (50,495)	\$ 41,909
Deposits Held & Due to Others	24,349	-	(7,500)	16,849
Total Liabilities	<u>\$ 74,844</u>	<u>\$ 41,909</u>	<u>\$ (57,995)</u>	<u>\$ 58,758</u>
<b>Total Agency Funds</b>				
Assets				
Cash & Cash Equivalents	\$ 870,724	\$ 184,485	\$ (8,937)	\$ 1,046,272
Cash in Segregated Accounts	74,844	-	(16,086)	58,758
Accounts Receivable	479,130	495,363	(479,130)	495,363
Total Assets	<u>\$ 1,424,698</u>	<u>\$ 679,848</u>	<u>\$ (504,153)</u>	<u>\$ 1,600,393</u>
Liabilities				
Contracts Payable	161,819	157,455	(161,819)	157,455
Intergovernmental Payable	51,085	43,000	(51,085)	43,000
Deposits Held & Due to Others	1,211,794	935,807	(747,663)	1,399,938
Total Liabilities	<u>\$ 1,424,698</u>	<u>\$ 1,136,262</u>	<u>\$ (960,567)</u>	<u>\$ 1,600,393</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 General Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
<b>Revenues</b>			
Income Tax	17,389,100	17,600,048	210,948
Property Taxes	1,470,504	1,460,673	(9,831)
Other Local Taxes	460,800	495,572	34,772
Charges for Services	1,734,700	1,808,209	73,509
Licenses Permits & Fees	1,366,200	1,616,459	250,259
Fines & Forfeitures	489,900	548,873	58,973
Intergovernmental	383,479	1,121,369	737,890
Investment Income	475,000	459,940	(15,060)
Rent	42,000	19,495	(22,505)
Contributions & Donations	5,000	-	(5,000)
Other	100,000	147,950	47,950
<b>Total Revenues</b>	<b>23,916,683</b>	<b>25,278,588</b>	<b>1,361,905</b>
<b>Expenditures</b>			
<b>General Government</b>			
<b>Council Office</b>			
Salaries & Benefits	343,065	308,858	34,207
Contractual Services	232,198	105,487	126,711
Supplies & Materials	49,054	22,836	26,218
<b>Total Council Office</b>	<b>624,317</b>	<b>437,181</b>	<b>187,136</b>
<b>Finance</b>			
Salaries & Benefits	470,150	463,604	6,546
Contractual Services	974,205	876,158	98,047
Supplies & Materials	114,512	34,727	79,785
<b>Total Finance</b>	<b>1,558,867</b>	<b>1,374,489</b>	<b>184,378</b>
<b>Human Resources</b>			
Salaries & Benefits	299,447	289,532	9,915
Contractual Services	85,270	70,402	14,868
Supplies & Materials	29,670	28,094	1,576
<b>Total Human Resources</b>	<b>414,387</b>	<b>388,028</b>	<b>26,359</b>
<b>Office of the Mayor</b>			
Salaries & Benefits	528,534	521,852	6,682
Contractual Services	403,269	361,427	41,842
Supplies & Materials	13,928	10,640	3,288
<b>Total Office of the Mayor</b>	<b>945,731</b>	<b>893,919</b>	<b>51,812</b>
<b>Public Service</b>			
Salaries & Benefits	568,013	559,381	8,632
Contractual Services	579,015	545,878	33,137
Supplies & Materials	902,250	868,952	33,298
Capital Outlay	17,581	17,581	-
<b>Total Public Service</b>	<b>2,066,859</b>	<b>1,991,792</b>	<b>75,067</b>

City of Gahanna, Ohio  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Department of Law			
Salaries & Benefits	96,915	92,797	4,118
Contractual Services	320,976	318,443	2,533
Supplies & Materials	14,373	13,768	605
Total Public Service	<u>432,264</u>	<u>425,008</u>	<u>7,256</u>
Total General Government	<u>6,042,425</u>	<u>5,510,417</u>	<u>532,008</u>
Security of Persons & Property			
Office of the Mayor			
Salaries & Benefits	42,760	29,649	13,111
Contractual Services	56,600	55,897	703
Total Office of the Mayor	<u>99,360</u>	<u>85,546</u>	<u>13,814</u>
Public Safety			
Salaries & Benefits	7,978,883	7,911,637	67,246
Contractual Services	375,423	341,374	34,049
Supplies & Materials	313,635	306,612	7,023
Capital Outlay	1,082,310	1,081,688	622
Total Public Safety	<u>9,750,251</u>	<u>9,641,311</u>	<u>108,940</u>
Total Security of Persons & Property	<u>9,849,611</u>	<u>9,726,857</u>	<u>122,754</u>
Public Health & Welfare			
Public Safety			
Contractual Services	258,928	258,673	255
Total Public Safety	<u>258,928</u>	<u>258,673</u>	<u>255</u>
Total Public Health & Welfare	<u>258,928</u>	<u>258,673</u>	<u>255</u>
Transportation			
Public Service			
Salaries & Benefits	464,622	442,801	21,821
Contractual Services	18,535	17,954	581
Supplies & Materials	1,075,382	1,066,749	8,633
Capital Outlay	1,080,749	1,080,748	1
Total Public Service	<u>2,639,288</u>	<u>2,608,252</u>	<u>31,036</u>
Total Transportation	<u>2,639,288</u>	<u>2,608,252</u>	<u>31,036</u>
Community Environment			
Council Office			
Salaries & Benefits	59,360	44,738	14,622
Contractual Services	500	500	-
Supplies & Materials	10,149	2,975	7,174
Total Council Office	<u>70,009</u>	<u>48,213</u>	<u>21,796</u>
Finance			
Supplies & Materials	410,100	405,870	4,230
Total Finance	<u>410,100</u>	<u>405,870</u>	<u>4,230</u>
Information Technology			
Salaries & Benefits	367,810	323,221	44,589
Contractual Services	375,014	278,793	96,221
Supplies & Materials	412,402	320,754	91,648
Capital Outlay	166,500	162,000	4,500
Total Information Technology	<u>1,321,726</u>	<u>1,084,768</u>	<u>236,958</u>

City of Gahanna, Ohio  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Public Service			
Contractual Services	95,772	79,329	16,443
Supplies & Materials	75,690	67,613	8,077
Capital Outlay	182,816	182,816	-
Total Public Service	<u>354,278</u>	<u>329,758</u>	<u>24,520</u>
Planning & Development			
Salaries & Benefits	850,598	832,247	18,351
Contractual Services	487,733	480,743	6,990
Supplies & Materials	688,512	516,768	171,744
Capital Outlay	125,000	125,000	-
Total Planning & Development	<u>2,151,843</u>	<u>1,954,758</u>	<u>197,085</u>
Total Community Environment	<u>4,307,956</u>	<u>3,823,367</u>	<u>484,589</u>
Leisure Time Activities			
Parks & Recreation			
Salaries & Benefits	2,474,403	2,317,389	157,014
Contractual Services	571,225	548,091	23,134
Supplies & Materials	1,101,435	922,268	179,167
Capital Outlay	319,812	306,737	13,075
Total Parks & Recreation	<u>4,466,875</u>	<u>4,094,485</u>	<u>372,390</u>
Total Leisure Time Activities	<u>4,466,875</u>	<u>4,094,485</u>	<u>372,390</u>
Total Expenditures	<u>27,565,083</u>	<u>26,022,051</u>	<u>1,543,032</u>
Excess of Expenditures over Revenues	<u>(3,648,400)</u>	<u>(743,463)</u>	<u>2,904,937</u>
Other Financing Sources (uses)			
Sale of Assets	26,000	44,216	18,216
Insurance Proceeds	5,000	59,397	54,397
Advance In	664,021	357,230	(306,791)
Advance Out	(664,021)	(664,021)	-
Transfer In	1,440,200	1,422,177	(18,023)
Transfer Out	(2,638,881)	(2,427,455)	211,426
Total Other Financing Sources (uses)	<u>(1,167,681)</u>	<u>(1,208,456)</u>	<u>(40,775)</u>
Net Change in Fund Balance	(4,816,081)	(1,951,919)	2,864,162
Fund balance at beginning of year	17,434,750	17,434,750	-
Prior Year Encumbrance Appropriated	3,257,556	3,257,556	-
Fund balance at end of year	<u>15,876,225</u>	<u>18,740,387</u>	<u>2,864,162</u>

City of Gahanna, Ohio  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Tax Increment Equivalent Fund  
For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Revenue in Lieu of Taxes	1,860,500	2,025,314	164,814
Intergovernmental	28,900	35,643	6,743
Charges for Services	113,500	116,601	3,101
Total Revenues	<u>1,889,400</u>	<u>2,177,558</u>	<u>288,158</u>
Expenditures			
Community Environment			
Finance			
Contractual Services	1,100,589	955,508	145,081
Other	-	-	-
Capital Outlay	104,290	104,286	4
Total Expenditures	<u>1,204,879</u>	<u>1,059,794</u>	<u>145,085</u>
Excess of Expenditures over Revenues	<u>684,521</u>	<u>1,117,764</u>	<u>433,243</u>
Other Financing Sources (uses)			
Transfer In	-	19,312	19,312
Transfer Out	(1,705,400)	(1,705,400)	-
Total Other Financing Sources (uses)	<u>(1,705,400)</u>	<u>(1,686,088)</u>	<u>19,312</u>
Net Change in Fund Balance	(1,020,879)	(568,324)	452,555
Fund balance at beginning of year	2,073,286	2,073,286	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>1,052,407</u>	<u>1,504,962</u>	<u>452,555</u>

City of Gahanna, Ohio  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Capital Improvement Capital Projects Fund  
For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	664,021	357,230	(306,791)
Total Revenues	<u>664,021</u>	<u>357,230</u>	<u>(306,791)</u>
Expenditures			
Capital Improvement			
Finance			
Capital Outlay	5,607,757	5,574,493	33,264
Total Expenditures	<u>5,607,757</u>	<u>5,574,493</u>	<u>33,264</u>
Excess of Expenditures over Revenues	<u>(4,943,736)</u>	<u>(5,217,263)</u>	<u>(273,527)</u>
Other Financing Sources (uses)			
Sale of Assets			-
Advance In	664,021	664,021	-
Advance Out	(664,021)	(357,230)	306,791
Transfer In	1,333,529	1,333,529	-
Total Other Financing Sources (uses)	<u>1,333,529</u>	<u>1,640,320</u>	<u>306,791</u>
Net Change in Fund Balance	(3,610,207)	(3,576,943)	33,264
Fund balance at beginning of year	2,592,003	2,592,003	-
Prior Year Encumbrance Appropriated	2,406,207	2,406,207	-
Fund balance at end of year	<u>1,388,003</u>	<u>1,421,267</u>	<u>33,264</u>

City of Gahanna, Ohio  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Street Special Revenue Fund  
For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	1,599,634	1,636,020	36,386
Other	2,005	28,999	26,994
Total Revenues	<u>1,601,639</u>	<u>1,665,019</u>	<u>63,380</u>
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	699,432	661,671	37,761
Contractual Services	175,718	153,959	21,759
Supplies & Materials	365,510	336,668	28,842
Capital Outlay	318,440	317,545	895
Total Expenditures	<u>1,559,100</u>	<u>1,469,843</u>	<u>89,257</u>
Excess of Expenditures over Revenues	<u>42,539</u>	<u>195,176</u>	<u>152,637</u>
Other Financing Sources (uses)			
Sale of Assets	500	33,500	33,000
Insurance Proceeds	-	210	210
Transfer Out	(501,850)	(493,244)	8,606
Total Other Financing Sources (uses)	<u>(501,350)</u>	<u>(459,534)</u>	<u>41,816</u>
Net Change in Fund Balance	(458,811)	(264,358)	194,453
Fund balance at beginning of year	45,190	45,190	-
Prior Year Encumbrance Appropriated	<u>415,876</u>	<u>415,876</u>	<u>-</u>
Fund balance at end of year	<u><u>2,255</u></u>	<u><u>196,708</u></u>	<u><u>194,453</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 State Highway Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	108,000	111,408	3,408
Total Revenues	<u>108,000</u>	<u>111,408</u>	<u>3,408</u>
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	29,950	19,092	10,858
Contractual Services	46,708	35,786	10,922
Supplies & Materials	30,326	30,326	-
Capital Outlay	10,292	5,292	5,000
Total Expenditures	<u>117,276</u>	<u>90,496</u>	<u>26,780</u>
Net Change in Fund Balance	(9,276)	20,912	30,188
Fund balance at beginning of year	147,862	147,862	-
Prior Year Encumbrance Appropriated	23,926	23,926	-
Fund balance at end of year	<u><u>162,512</u></u>	<u><u>192,700</u></u>	<u><u>30,188</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Law Enforcement Trust Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Forfeitures	<u>7,500</u>	<u>31,445</u>	<u>23,945</u>
Total Revenues	<u>7,500</u>	<u>31,445</u>	<u>23,945</u>
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	<u>20,879</u>	<u>20,879</u>	<u>-</u>
Total Expenditures	<u>20,879</u>	<u>20,879</u>	<u>-</u>
Net Change in Fund Balance	(13,379)	10,566	23,945
Fund balance at beginning of year	92,658	92,658	-
Prior Year Encumbrance Appropriated	<u>9,039</u>	<u>9,039</u>	<u>-</u>
Fund balance at end of year	<u><u>88,318</u></u>	<u><u>112,263</u></u>	<u><u>23,945</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Enforcement & Education Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Forfeitures	3,700	2,850	(850)
Total Revenues	<u>3,700</u>	<u>2,850</u>	<u>(850)</u>
Expenditures			
Security of Persons & Property			
Public Safety			
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	3,700	2,850	(850)
Fund balance at beginning of year	27,072	27,072	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>30,772</u>	<u>29,922</u>	<u>(850)</u>

*City of Gahanna, Ohio*  
*Schedule of Revenues, Expenditures and Changes in*  
*Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)*  
*Parks & Recreation Donation Special Revenue Fund*  
*For the Year Ended December 31, 2015*

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	2,980	2,980	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>2,980</u>	<u>2,980</u>	<u>-</u>

*City of Gahanna, Ohio*  
*Schedule of Revenues, Expenditures and Changes in*  
*Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)*  
*Permanent Improvement Special Revenue Fund*  
*For the Year Ended December 31, 2015*

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	1,130,401	1,130,401	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>1,130,401</u>	<u>1,130,401</u>	<u>-</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Court Computer Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Forfeitures	40,900	45,568	4,668
Total Revenues	<u>40,900</u>	<u>45,568</u>	<u>4,668</u>
Expenditures			
General Government			
Supplies & Materials	29,027	22,965	6,062
Total Expenditures	<u>29,027</u>	<u>22,965</u>	<u>6,062</u>
Net Change in Fund Balance	11,873	22,603	10,730
Fund balance at beginning of year	211,380	211,380	-
Prior Year Encumbrance Appropriated	4,527	4,527	-
Fund balance at end of year	<u><u>227,780</u></u>	<u><u>238,510</u></u>	<u><u>10,730</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Permissive Tax Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	<u>196,600</u>	<u>250,000</u>	<u>53,400</u>
Total Revenues	<u>196,600</u>	<u>250,000</u>	<u>53,400</u>
Expenditures			
Transportation			
Public Service			
Capital Outlay	<u>326,562</u>	<u>322,561</u>	<u>4,001</u>
Total Expenditures	<u>326,562</u>	<u>322,561</u>	<u>4,001</u>
Net Change in Fund Balance	(129,962)	(72,561)	57,401
Fund balance at beginning of year	53,153	53,153	-
Prior Year Encumbrance Appropriated	<u>76,817</u>	<u>76,817</u>	<u>-</u>
Fund balance at end of year	<u>8</u>	<u>57,409</u>	<u>57,401</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Cul-De-Sac Maintenance Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget
	<u>Budget</u>	<u>Actual</u>	<u>Positive/(Negative)</u>
Revenues			
License Permits & Fees	-	18,500	18,500
Total Revenues	<u>-</u>	<u>18,500</u>	<u>18,500</u>
Expenditures	-	-	-
Net Change in Fund Balance	-	18,500	18,500
Fund balance at beginning of year	23,527	23,527	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>23,527</u>	<u>42,027</u>	<u>18,500</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Federal Law Enforcement Seizure Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	25,000	168,684	143,684
Investment Income	-	2,076	2,076
Total Revenues	<u>25,000</u>	<u>170,760</u>	<u>145,760</u>
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	10,300	10,300	-
Capital Outlay	117,065	117,065	-
Total Expenditures	<u>127,365</u>	<u>127,365</u>	<u>-</u>
Net Change in Fund Balance	(102,365)	43,395	145,760
Fund balance at beginning of year	96,089	96,089	-
Prior Year Encumbrance Appropriated	15,065	15,065	-
Fund balance at end of year	<u>8,789</u>	<u>154,549</u>	<u>145,760</u>

*City of Gahanna, Ohio*  
*Schedule of Revenues, Expenditures and Changes in*  
*Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)*  
*Treasury Equitable Sharing Special Revenue Fund*  
*For the Year Ended December 31, 2015*

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	4,733	4,733	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>4,733</u>	<u>4,733</u>	<u>-</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 AG Peace Officer Training Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	-	4,560	4,560
Total Revenues	-	4,560	4,560
Expenditures			
Security of Persons & Property			
Public Safety			
Contractual Services	4,560	4,560	-
Total Expenditures	4,560	4,560	-
Expenditures	-	-	-
Net Change in Fund Balance	(4,560)	-	-
Fund balance at beginning of year	-	-	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	(4,560)	-	-

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Right of Way Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
License Permits & Fees	25,000	52,888	27,888
Total Revenues	<u>25,000</u>	<u>52,888</u>	<u>27,888</u>
Expenditures	-	-	-
Net Change in Fund Balance	25,000	52,888	27,888
Fund balance at beginning of year	357,787	357,787	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u><u>382,787</u></u>	<u><u>410,675</u></u>	<u><u>27,888</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Police Pension Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Property Taxes	244,096	242,121	(1,975)
Intergovernmental	32,000	31,933	(67)
Total Revenues	<u>276,096</u>	<u>274,054</u>	<u>(2,042)</u>
Expenditures			
Security of Persons & Property			
Public Safety			
Salaries & Benefits	968,190	959,118	9,072
Contractual Services	4,700	3,781	919
Supplies & Materials	4,000	-	4,000
Total Expenditures	<u>976,890</u>	<u>962,899</u>	<u>13,991</u>
Excess of Expenditures over Revenues	<u>(700,794)</u>	<u>(688,845)</u>	<u>11,949</u>
Other Financing Sources (uses)			
Transfer In	717,550	688,844	(28,706)
Total Other Financing Sources (uses)	<u>717,550</u>	<u>688,844</u>	<u>(28,706)</u>
Net Change in Fund Balance	16,756	(1)	(16,757)
Fund balance at beginning of year	885,787	885,787	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u><u>902,543</u></u>	<u><u>885,786</u></u>	<u><u>(16,757)</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Police Duty Weapons Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Other	12,500	17,138	4,638
Total Revenues	<u>12,500</u>	<u>17,138</u>	<u>4,638</u>
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	18,760	17,444	1,316
Total Expenditures	<u>18,760</u>	<u>17,444</u>	<u>1,316</u>
Net Change in Fund Balance	(6,260)	(306)	5,954
Fund balance at beginning of year	14,557	14,557	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>8,297</u>	<u>14,251</u>	<u>5,954</u>

*City of Gahanna, Ohio*  
*Schedule of Revenues, Expenditures and Changes in*  
*Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)*  
*Public Landscape Trust Special Revenue Fund*  
*For the Year Ended December 31, 2015*

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	7,816	7,816	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>7,816</u>	<u>7,816</u>	<u>-</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Vending Machine Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	1,610	1,610	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>1,610</u>	<u>1,610</u>	<u>-</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Reserve for Sick & Vacation Special Revenue Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Total Revenues	-	-	-
Expenditures			
General Government			
Finance			
Salaries & Benefits	155,180	149,032	6,148
Total Expenditures	<u>155,180</u>	<u>149,032</u>	<u>6,148</u>
Net Change in Fund Balance	(155,180)	(149,032)	6,148
Fund balance at beginning of year	678,214	678,214	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u><u>523,034</u></u>	<u><u>529,182</u></u>	<u><u>6,148</u></u>

City of Gahanna, Ohio  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
OPWC Capital Projects Fund  
For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	<u>2,531,700</u>	<u>502,062</u>	<u>(2,029,638)</u>
Total Revenues	<u>2,531,700</u>	<u>502,062</u>	<u>(2,029,638)</u>
Expenditures			
Capital Improvement			
Finance			
Capital Outlay	<u>2,531,700</u>	<u>2,531,700</u>	<u>-</u>
Total Expenditures	<u>2,531,700</u>	<u>2,531,700</u>	<u>-</u>
Net Change in Fund Balance	-	(2,029,638)	(2,029,638)
Fund balance at beginning of year	-	-	-
Prior Year Encumbrance Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>-</u>	<u>(2,029,638)</u>	<u>(2,029,638)</u>

City of Gahanna, Ohio  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Bond Capital Improvement Capital Projects Fund  
For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Investment Income	-	3,665	3,665
Total Revenues	-	3,665	3,665
Expenditures			
General Government			
Finance			
Contractual Services	183,402	183,402	
Capital Improvement			
Finance			
Capital Outlay	5,095,000	5,095,000	-
Total Expenditures	5,278,402	5,278,402	-
Excess of Expenditures over Revenues	(5,278,402)	(5,274,737)	3,665
Other Financing Sources (uses)			
General Obligation Bonds Issued	5,095,000	5,095,000	-
Premium on Bonds Issued	110,933	183,402	72,469
Total Other Financing Sources (uses)	5,205,933	5,278,402	72,469
Net Change in Fund Balance	(72,469)	3,665	76,134
Fund balance at beginning of year	-	-	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	(72,469)	3,665	76,134

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Park Improvement & Acquisition Capital Projects Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	246	246	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>246</u>	<u>246</u>	<u>-</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Park Capital Projects Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
License Permits & Fees	<u>4,000</u>	<u>99,966</u>	<u>95,966</u>
Total Revenues	<u>4,000</u>	<u>99,966</u>	<u>95,966</u>
Expenditures	-	-	-
Net Change in Fund Balance	4,000	99,966	95,966
Fund balance at beginning of year	158,791	158,791	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u><u>162,791</u></u>	<u><u>258,757</u></u>	<u><u>95,966</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Park In-Lieu of Fees Capital Projects Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
License Permits & Fees	-	-	-
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	68,477	68,477	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>68,477</u>	<u>68,477</u>	<u>-</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Court Building Capital Projects Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Forfeitures	25,500	28,600	3,100
Total Revenues	<u>25,500</u>	<u>28,600</u>	<u>3,100</u>
Expenditures	-	-	-
Net Change in Fund Balance	25,500	28,600	3,100
Fund balance at beginning of year	202,268	202,268	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u><u>227,768</u></u>	<u><u>230,868</u></u>	<u><u>3,100</u></u>

City of Gahanna, Ohio  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
General Bond Retirement Debt Service Fund  
For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Property Taxes	235,960	244,408	8,448
Intergovernmental	30,900	30,860	(40)
Total Revenues	<u>266,860</u>	<u>275,268</u>	<u>8,408</u>
Expenditures			
General Government			
Finance			
Contractual Services	102,040	101,094	946
Supplies & Materials	4,000	-	4,000
Debt Service	2,033,504	2,033,502	2
Total Expenditures	<u>2,139,544</u>	<u>2,134,596</u>	<u>4,948</u>
Excess of Expenditures over Revenues	<u>(1,872,684)</u>	<u>(1,859,328)</u>	<u>13,356</u>
Other Financing Sources (uses)			
Transfer In	1,733,350	1,761,888	28,538
Transfer Out			-
Refunding Bonds Issued	7,620,000	7,620,000	-
Premium on Refunding Bonds Issued	798,757	726,287	(72,470)
Payment to Refunding Bond Escrow Agent	(8,134,296)	(8,134,295)	1
Total Other Financing Sources (uses)	<u>2,017,811</u>	<u>1,973,880</u>	<u>(43,931)</u>
Net Change in Fund Balance	145,127	114,552	(30,575)
Fund balance at beginning of year	1,233,995	1,233,995	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>1,379,122</u>	<u>1,348,547</u>	<u>(30,575)</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Special Assessment Debt Service Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	22	22	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u>22</u>	<u>22</u>	<u>-</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Workers Compensation Internal Service Fund  
 For the Year Ended December 31, 2015

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Charges for Services	<u>248,310</u>	<u>243,343</u>	<u>(4,967)</u>
Total Revenues	<u>248,310</u>	<u>243,343</u>	<u>(4,967)</u>
Expenditures			
General Government			
Human Resources			
Contractual Services	<u>196,778</u>	<u>172,763</u>	<u>24,015</u>
Total Expenditures	<u>196,778</u>	<u>172,763</u>	<u>24,015</u>
Net Change in Fund Balance	51,532	70,580	19,048
Fund balance at beginning of year	208,974	208,974	-
Prior Year Encumbrance Appropriated	<u>42,278</u>	<u>42,278</u>	-
Fund balance at end of year	<u>302,784</u>	<u>321,832</u>	<u>19,048</u>



# Statistical SECTION



City Of Gahanna, Ohio

Statistical Section

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

<b><u>Contents</u></b>	<b><u>Pages</u></b>
<b>Financial Trends</b>	<b>134-138</b>

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

<b>Revenue Capacity</b>	<b>139-147</b>
-------------------------	----------------

These schedules contain information to help the reader assess the City's most significant local revenue sources, municipal income tax and property taxes.

<b>Debt Capacity</b>	<b>148-151</b>
----------------------	----------------

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

<b>Demographic and Economic Information</b>	<b>152-153</b>
---	----------------

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

<b>Operating Information</b>	<b>154-156</b>
------------------------------	----------------

These schedules contain service 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.

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

City of Gahanna, Ohio  
 Net Position by Component  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

	2015	Restated 2014	Restated 2013	Restated 2012	Restated 2011	Restated 2010	Restated 2009	2008	2007	Restated 2006
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 118,970,770	\$ 118,249,600	\$ 116,148,500	\$ 63,455,491	\$ 68,285,441	\$ 64,354,828	\$ 61,259,010	\$ 60,042,672	\$ 57,581,230	\$ 54,932,564
Restricted	15,169,012	12,389,607	12,445,887	13,687,434	11,049,344	13,723,679	14,162,242	11,935,778	10,330,264	10,994,792
Unrestricted	13,666,163	13,870,290	24,788,995	21,235,666	17,947,623	21,249,773	21,997,293	25,220,459	29,950,475	24,721,514
Total Governmental Activities	\$ 147,805,945	\$ 144,509,497	\$ 153,383,382	\$ 98,378,591	\$ 97,282,408	\$ 99,328,280	\$ 97,418,545	\$ 97,198,909	\$ 97,861,969	\$ 90,648,870
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 48,938,983	\$ 48,731,148	\$ 48,345,728	\$ 49,068,153	\$ 49,960,158	\$ 50,158,280	\$ 49,292,971	\$ 49,865,655	\$ 49,756,999	\$ 51,247,249
Unrestricted	15,077,893	16,400,790	17,861,779	17,742,989	18,568,401	19,766,123	23,292,753	22,516,890	19,557,483	15,793,921
Total Business-Type activities	\$ 64,016,876	\$ 65,131,938	\$ 66,207,507	\$ 66,811,142	\$ 68,528,559	\$ 69,924,403	\$ 72,585,724	\$ 72,382,545	\$ 69,314,482	\$ 67,041,170
<b>Primary Government</b>										
Net Investment in Capital Assets	\$ 167,909,753	\$ 166,980,748	\$ 164,494,228	\$ 112,523,644	\$ 118,245,599	\$ 114,513,108	\$ 110,551,981	\$ 109,908,327	\$ 107,338,229	\$ 106,179,813
Restricted	15,169,012	12,389,607	12,445,887	13,687,434	11,049,344	13,723,679	14,162,242	11,935,778	10,330,264	10,994,792
Unrestricted	28,744,056	30,271,080	42,650,774	38,978,655	36,516,024	41,015,896	45,290,046	47,737,349	49,507,958	40,515,435
Total Primary Government	\$ 211,822,821	\$ 209,641,435	\$ 219,590,889	\$ 165,189,733	\$ 165,810,967	\$ 169,252,683	\$ 170,004,269	\$ 169,581,454	\$ 167,176,451	\$ 157,690,040

City of Gahanna, Ohio  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	2015	Restated 2014	2013	Restated 2012	Restated 2011	Restated 2010	Restated 2009	2008	2007	Restated 2006
<b>Expenses</b>										
Governmental Activities										
General Government	\$ 5,516,390	\$ 4,135,409	\$ 4,538,713	\$ 4,456,167	\$ 4,591,521	\$ 4,959,182	\$ 4,006,381	\$ 4,417,484	\$ 3,654,789	\$ 2,885,011
Security of Persons & Property	10,219,622	9,464,485	8,994,894	9,347,802	8,553,504	8,686,610	9,082,898	8,882,162	8,519,978	8,398,282
Public Health & Welfare	258,421	223,003	216,427	206,424	215,060	195,382	195,382	181,060	174,923	184,719
Transportation	4,945,121	2,961,415	4,659,802	4,059,871	5,610,420	3,571,469	4,198,845	4,880,366	4,533,474	4,533,474
Community Environment	4,496,115	4,926,795	4,224,762	4,517,023	5,790,535	4,376,125	5,168,287	5,574,128	5,597,590	4,873,258
Leisure Time Activities	3,990,528	3,658,521	3,949,682	3,591,675	2,643,767	3,285,193	3,238,751	3,004,206	2,564,826	2,384,657
Utility Services	417,906	478,318	562,939	504,919	474,867	2,253,385	2,295,336	1,691,119	1,468,799	16,946
Interest & Fiscal Charges	545,747	709,657	761,277	928,555	1,039,207	900,076	925,303	963,467	778,936	665,964
Total Governmental Activities Expenses	30,389,850	26,557,603	27,908,496	27,612,436	28,918,881	28,227,422	29,111,383	30,115,834	27,640,201	23,942,341
Business-Type Activities										
Water	7,204,101	6,030,998	6,403,114	6,748,836	5,903,450	6,385,501	5,080,513	4,293,663	4,186,573	4,409,294
Sewer	8,328,948	8,004,427	7,337,381	7,424,007	6,676,639	7,642,442	6,343,851	5,329,467	5,523,203	5,760,998
Storm Water	1,130,109	955,932	886,458	963,282	821,295	811,894	611,248	1,603,400	1,294,822	680,243
Total Business-Type Activities Expenses	16,663,158	14,991,357	14,626,953	15,136,125	13,401,384	14,839,837	12,036,612	11,226,530	11,004,598	10,850,535
Total Primary Government Expenses	\$ 47,053,008	\$ 41,548,960	\$ 42,535,449	\$ 42,748,561	\$ 42,320,265	\$ 43,067,259	\$ 41,146,995	\$ 41,342,364	\$ 38,644,799	\$ 34,792,876
<b>Program Revenues</b>										
Governmental Activities										
Charges for Services	\$ 1,725,026	\$ 1,779,433	\$ 1,944,536	\$ 799,150	\$ 1,062,848	\$ 663,857	\$ 553,735	\$ 649,653	\$ 720,829	\$ 536,924
Security of Persons & Property	183,274	183,739	207,783	354,525	154,552	178,005	546,423	151,581	156,602	47,127
Public Health & Welfare	-	-	-	-	-	-	-	-	-	-
Transportation	8,047	9,304	11,389	39,100	46,786	390,699	362,326	433,508	353,846	60,388
Community Environment	907,641	1,100,020	750,802	506,381	304,844	267,750	242,223	407,771	449,657	303,563
Leisure Time Activities	1,468,139	1,384,657	1,338,484	1,511,989	981,039	1,054,016	1,031,125	730,881	725,808	563,900
Utility Services	-	-	-	-	159,432	1,960,712	1,867,026	1,863,163	1,666,698	165,147
Interest & Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Operating Grants & Contributions	2,350,014	2,617,569	1,902,075	2,099,228	1,748,552	2,267,903	1,898,377	1,830,914	1,857,991	2,044,487
Capital Grants & Contributions	3,255,153	1,159,852	1,531,363	630,617	1,179,040	1,183,273	1,557,616	1,145,349	3,808,995	878,780
Total Governmental Activities	9,897,294	8,234,574	7,686,432	5,940,990	5,637,093	7,966,215	8,057,851	7,212,820	9,740,426	4,600,316
Business-Type Activities										
Charges for Services	7,560,244	7,571,853	7,189,091	6,722,456	5,788,248	5,587,024	4,274,932	4,552,582	4,243,182	3,356,937
Water	6,251,577	5,620,111	5,548,467	5,261,204	5,057,911	5,439,343	6,774,106	8,434,677	7,941,555	6,199,443
Sewer	1,131,231	1,079,371	1,088,246	987,008	980,800	934,765	923,661	1,006,822	902,136	634,475
Storm Water	-	-	-	-	-	-	-	-	-	-
Operating Grants & Contributions	-	202,917	60,000	-	-	45,000	-	-	-	-
Capital Grants & Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	14,943,052	14,474,252	13,885,804	12,970,688	11,826,959	12,006,132	11,972,699	13,994,081	13,086,873	10,190,855
Total Primary Government	24,840,346	22,708,826	21,572,236	18,911,658	17,464,052	19,972,347	20,030,550	21,206,901	22,827,299	14,791,171
<b>Net (Expense)/Revenue</b>										
Governmental Activities	(20,492,556)	(18,323,029)	(20,222,064)	(21,671,446)	(23,281,788)	(20,261,207)	(21,053,532)	(22,903,014)	(17,899,775)	(19,342,025)
Business-Type Activities	(1,720,106)	(517,105)	(741,149)	(2,165,457)	(1,574,425)	(2,833,705)	(62,913)	2,767,551	2,082,275	(659,680)
Total Primary Government	\$ (22,212,662)	\$ (18,840,134)	\$ (20,963,213)	\$ (23,836,903)	\$ (24,856,213)	\$ (23,094,912)	\$ (21,116,445)	\$ (20,135,463)	\$ (15,817,500)	\$ (20,001,705)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities										
Income Tax Levied For	\$ 17,962,254	\$ 16,504,593	\$ 16,798,204	\$ 16,531,571	\$ 14,415,698	\$ 12,902,689	\$ 13,037,720	\$ 13,434,476	\$ 15,124,934	\$ 14,709,010
General Purposes	1,445,670	1,408,366	1,415,106	1,444,786	1,532,042	1,612,081	1,586,545	1,602,232	1,529,731	1,518,194
Property Taxes Levied For										
General Purposes										

City of Gahanna, Ohio  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	2015	Restated 2014	2013	Restated 2012	Restated 2011	Restated 2010	Restated 2009	2008	2007	Restated 2006
Debt Service	241,999	234,525	237,652	240,742	260,652	258,003	251,693	251,353	245,512	243,095
Police	239,628	236,116	236,561	247,503	260,359	266,656	254,996	259,980	253,720	251,477
Revenue in Lieu of Taxes	2,025,314	1,699,552	1,435,780	1,908,942	1,002,203	2,661,218	67,885	1,420,967	1,052,840	1,552,505
Other Local Taxes	495,884	465,007	408,373	435,863	421,791	868,501	842,211	902,649	892,450	798,742
Grants & Entitlements not Restricted	1,238,661	1,208,215	1,453,288	741,106	1,991,744	2,413,448	3,395,583	2,287,655	2,078,691	4,388,915
Contributions & Donations	-	-	-	-	-	-	-	-	-	1,116
Investment Earnings	435,926	596,924	115,597	492,559	653,169	736,662	1,098,874	2,308,530	3,246,695	2,750,655
Increase/(Decrease) in FV of Investments	-	-	-	(35,400)	178,767	(27,004)	346,999	(492,910)	-	-
Gain on Sale of Capital Assets	-	-	-	-	-	-	95,995	11,055	-	-
Miscellaneous	269,126	194,416	535,882	1,004,594	539,491	43,977	339,393	300,967	738,301	92,750
Transfers	(565,458)	(20,000)	(145,754)	(244,637)	(20,000)	434,711	(44,726)	(47,000)	(50,000)	(81,298)
<b>Total Governmental Activities</b>	<b>23,789,004</b>	<b>22,527,714</b>	<b>22,490,689</b>	<b>22,767,629</b>	<b>21,235,916</b>	<b>22,170,942</b>	<b>21,273,168</b>	<b>22,239,954</b>	<b>25,112,874</b>	<b>26,225,161</b>
<b>Business Type Activities</b>										
Investment Earnings	-	-	-	-	28	63	2,383	40,404	49,601	5,233
Miscellaneous	39,586	77,110	42,728	203,403	158,553	-	218,983	213,108	91,436	59,566
Transfers	565,458	20,000	145,754	244,637	20,000	172,321	44,726	47,000	50,000	81,298
<b>Total Business-Type Activities</b>	<b>605,044</b>	<b>97,110</b>	<b>188,482</b>	<b>448,040</b>	<b>178,581</b>	<b>172,384</b>	<b>266,092</b>	<b>300,512</b>	<b>191,037</b>	<b>146,097</b>
<b>Total Primary Government</b>	<b>\$ 24,394,048</b>	<b>\$ 22,624,824</b>	<b>\$ 22,679,171</b>	<b>\$ 23,215,669</b>	<b>\$ 21,414,497</b>	<b>\$ 22,343,326</b>	<b>\$ 21,539,260</b>	<b>\$ 22,540,466</b>	<b>\$ 25,303,911</b>	<b>\$ 26,371,258</b>
<b>Change in Net Position</b>										
Governmental Activities	3,296,448	4,204,685	2,268,625	1,096,183	(2,045,872)	1,909,735	219,636	(663,060)	7,213,099	6,883,136
Business-Type Activities	(1,115,062)	(419,995)	(552,667)	(1,717,417)	(1,395,844)	(2,661,321)	203,179	3,068,063	2,273,312	(513,583)
<b>Total Primary Government</b>	<b>\$ 2,181,386</b>	<b>\$ 3,784,690</b>	<b>\$ 1,715,958</b>	<b>\$ (621,234)</b>	<b>\$ (3,441,716)</b>	<b>\$ (751,586)</b>	<b>\$ 422,815</b>	<b>\$ 2,405,003</b>	<b>\$ 9,486,411</b>	<b>\$ 6,369,553</b>

City of Gahanna, Ohio  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	2015	2014	2013	2012	2011	Restated * 2010	2009	2008	2007	Restated 2006
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,092,012	\$ 10,429,996	\$ 14,078,731	\$ 14,520,638
Unreserved	415,987	451,228	351,145	311,003	324,995	347,140	12,828,174	13,964,988	17,592,196	11,670,718
Nonspendable	6,567,000	7,590,692	1,190,692	1,190,692	1,274,618	1,611,494	-	-	-	-
Committed	6,794,860	4,251,908	3,314,438	6,156,546	3,661,298	5,254,630	-	-	-	-
Assigned	11,136,092	10,235,991	15,203,690	10,395,966	16,251,643	12,678,805	-	-	-	-
Total General Fund	\$ 24,913,939	\$ 22,529,819	\$ 20,059,965	\$ 18,054,207	\$ 21,512,554	\$ 19,892,069	\$ 18,920,186	\$ 24,394,984	\$ 31,670,927	\$ 26,191,356
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,257,799	\$ 2,986,118	\$ 3,117,288	\$ 1,845,686
Unreserved, reported in:										
Special Revenue Funds	-	-	-	-	-	-	5,419,456	4,349,271	4,114,356	3,412,810
Debt Service Fund	-	-	-	-	-	-	-	-	1,280,477	1,266,715
Capital Projects Funds	-	-	-	-	-	-	4,256,324	3,519,235	3,659,285	4,773,428
Nonspendable	39	5,760	2,164	3,784	2,335	3,027	-	-	-	-
Restricted	14,373,034	11,531,254	11,784,236	12,933,340	9,722,408	11,813,879	-	-	-	-
Committed	613,870	839,354	636,846	522,648	455,915	450,445	-	-	-	-
Assigned	246	246	246	246	246	246	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 14,987,189	\$ 12,376,614	\$ 12,423,492	\$ 13,460,018	\$ 10,180,904	\$ 12,267,597	\$ 12,933,579	\$ 10,854,624	\$ 12,171,406	\$ 11,298,639

\* - Restated for implementation of GASB 54 during fiscal year 2011. The City has elected to not restate prior fund balance amounts for fiscal years prior to implementation.

City of Gahanna, Ohio  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	Restated 2006
<b>Revenues</b>										
Income Taxes	\$ 17,719,609	\$ 17,066,389	\$ 16,540,915	\$ 15,176,200	\$ 14,405,894	\$ 13,838,380	\$ 12,973,103	\$ 14,131,280	\$ 14,448,528	\$ 14,560,379
Property Taxes	1,947,202	1,891,759	1,888,016	1,953,823	2,056,265	2,140,235	2,118,489	2,096,004	2,008,773	2,001,019
Other Local Taxes	495,884	465,007	408,373	435,863	421,791	901,175	841,659	878,774	865,751	754,481
Revenue in Lieu of Taxes	2,025,314	1,699,552	1,435,780	1,908,942	1,002,203	2,661,218	1,342,299	1,199,393	1,679,793	-
Charges for Services	1,925,843	1,803,476	1,604,154	1,147,643	1,224,707	3,542,692	3,290,260	3,101,067	2,712,026	659,451
Licenses Permits & Fees	1,794,823	1,875,386	1,876,445	1,114,882	896,537	343,701	308,831	459,019	620,923	363,541
Fines & Forfeitures	649,427	626,312	553,782	773,617	534,385	535,985	881,155	519,527	610,811	513,853
Intergovernmental	6,785,707	4,905,347	5,216,865	4,437,473	4,466,679	6,782,304	5,766,762	4,712,666	6,946,721	7,422,000
Investment Income	430,456	593,294	112,468	520,233	674,841	715,554	1,212,167	2,294,196	3,065,056	2,466,342
Rental Income	19,495	36,655	49,863	67,915	78,363	92,762	121,612	156,943	140,411	140,411
Contributions & Donations	-	-	10	2,615	26,510	2,560	1,560	17,000	4,800	12,062
Increase (Decrease) in Fair Value of Investments	223,461	146,442	509,907	(35,400)	178,767	(27,004)	346,999	(482,910)	249,771	206,803
Other	-	-	-	351,957	449,988	433,117	364,944	242,013	738,301	92,750
<b>Total Revenues</b>	<b>\$ 34,017,221</b>	<b>\$ 31,109,619</b>	<b>\$ 30,206,578</b>	<b>\$ 27,855,743</b>	<b>\$ 26,415,910</b>	<b>\$ 31,962,579</b>	<b>\$ 29,569,840</b>	<b>\$ 29,314,992</b>	<b>\$ 33,951,254</b>	<b>\$ 29,193,092</b>
<b>Expenditures</b>										
Current:										
General Government	3,872,201	3,408,521	3,825,471	3,402,233	4,065,930	4,303,225	3,787,165	3,847,668	3,292,378	2,386,973
Security of Persons & Property	9,739,039	9,120,846	8,755,192	9,065,929	8,580,044	8,528,510	8,427,575	8,384,841	7,887,657	7,777,684
Public Health & Welfare	258,421	223,003	216,427	206,424	215,060	195,382	195,382	181,060	174,923	184,719
Transportation	4,862,411	2,907,602	3,128,758	2,594,625	6,908,770	2,214,302	2,030,005	2,405,665	2,674,654	2,226,478
Community Environment	3,961,655	4,445,993	3,823,133	4,167,512	4,127,834	2,943,729	4,505,304	3,928,308	4,169,888	3,340,411
Leisure Time Activities	3,497,745	3,052,861	3,244,203	2,920,356	2,936,505	2,760,515	2,957,090	2,691,317	2,218,050	2,044,706
Utility Services	418,745	478,318	562,939	504,919	474,867	2,253,385	2,295,336	1,691,119	1,457,644	8,940
Capital Outlay	3,477,539	1,828,163	2,766,860	3,372,482	3,801,856	7,369,642	7,610,239	12,536,384	12,773,759	14,844,812
Debt Service	3,282,862	2,515,355	2,495,422	1,662,652	979,500	773,436	772,864	1,222,926	973,430	829,127
Principal Retirement	728,558	769,261	838,760	895,176	892,242	916,677	942,074	982,484	760,188	678,733
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	94,262	-
Issuance Costs	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 34,099,176</b>	<b>\$ 28,749,923</b>	<b>\$ 29,663,165</b>	<b>\$ 28,792,308</b>	<b>\$ 32,662,668</b>	<b>\$ 32,258,803</b>	<b>\$ 33,523,034</b>	<b>\$ 37,871,772</b>	<b>\$ 36,476,833</b>	<b>\$ 34,322,583</b>
Excess (deficiency) of revenue over (under) expenditures	\$ (81,955)	\$ 2,359,696	\$ 543,413	\$ (936,565)	\$ (6,246,758)	\$ (296,224)	\$ (3,953,194)	\$ (8,556,780)	\$ (2,525,579)	\$ (5,129,491)
Other Financing Sources (Uses)										
Transfers In	4,138,699	4,325,720	3,321,151	4,983,806	3,076,136	2,012,348	4,346,478	3,352,331	2,403,837	4,401,890
Transfers (out)	(4,626,099)	(4,345,720)	(3,327,522)	(4,983,806)	(3,096,136)	(2,012,348)	(4,391,204)	(3,399,331)	(2,453,837)	(4,781,791)
Lease Purchase Transaction	-	-	9,287	-	730,000	-	-	-	-	100,346
Insurance Recovery	58,482	40,053	49,236	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	49,156	43,227	37,293	42,711	28,799	43,977	123,905	11,055	29,090	-
Premium and interest on Bonds Sold	772,849	-	772,683	-	-	-	-	-	-	-
Bonds Issued	5,095,000	-	8,795,300	-	-	-	-	-	215,162	-
Refunding Bonds Issued	6,078,400	-	206,769	714,621	5,041,751	558,148	478,172	-	8,683,665	-
Issuance of Loans	-	-	-	-	-	-	-	-	-	-
Payments to Refunded Bond Escrow	(6,489,837)	-	(9,438,376)	-	-	-	-	-	-	967,137
Total Other Financing (Sources) Uses	5,076,650	63,280	425,819	757,332	5,780,550	602,125	557,351	(95,945)	8,877,917	677,582
Net Change in Fund Balance	\$ 4,894,695	\$ 2,422,676	\$ 969,232	\$ (179,233)	\$ (466,208)	\$ 305,801	\$ (3,395,843)	\$ (8,592,725)	\$ 6,352,338	\$ (4,451,909)
Debt Service as a Percentage of Noncapital Expenditures	13.10%	12.20%	12.40%	10.06%	6.49%	6.79%	6.62%	8.70%	7.31%	7.74%

City of Gahanna, Ohio  
 Income Tax Revenue by Payer Type, Net of Refunds  
 Cash Basis Last Ten Fiscal Years

Year	Income Tax Rate	Withholding	% of Total	Individual	% of Total	Net Profit	% of Total	Total
2015	1.50%	\$ 12,106,831	68.95%	\$3,542,776	20.18%	\$1,909,759	10.88%	\$17,559,366
2014	1.50%	11,773,903	69.43%	3,148,912	18.57%	2,035,352	12.00%	16,958,167
2013	1.50%	11,394,114	69.35%	3,513,214	21.38%	1,522,423	9.27%	16,429,751
2012	1.50%	10,858,782	72.37%	3,337,927	22.25%	806,921	5.38%	15,003,630
2011	1.50%	9,843,007	65.32%	3,272,454	21.72%	1,952,819	12.96%	15,068,280
2010	1.50%	9,206,203	68.65%	3,213,644	23.96%	990,298	7.38%	13,410,145
2009	1.50%	9,139,894	68.47%	3,109,729	23.30%	1,098,749	8.23%	13,348,372
2008	1.50%	9,502,622	66.86%	3,162,712	22.25%	1,547,741	10.89%	14,213,075
2007	1.50%	10,094,925	69.18%	3,085,567	21.14%	1,412,734	9.68%	14,593,226
2006	1.50%	9,415,484	65.30%	3,505,531	24.31%	1,497,121	10.38%	14,418,136

City of Gahanna, Ohio  
 Top Income Tax Payers - Withholder Accounts  
 Current Year and Nine Years Ago

Range of Amount Withheld	2015		2006	
	Number of Withholding Accounts	Percent of Total Withholding Received	Number of Withholding Accounts	Percent of Total Withholding Received
\$500,000 and higher	2	13.84%	3	22.43%
\$499,999 - \$100,000	17	22.96%	7	9.90%
\$99,999 - \$75,000	6	4.25%	5	4.61%
\$74,999 - \$50,000	-	0.00%	6	4.02%
\$49,999 - \$25,000	-	0.00%	4	1.93%
Total	25	41.04%	25	42.90%
All Others	3,503	58.96%	2,773	57.10%
Total	<u>3,528</u>	<u>100%</u>	<u>2,798</u>	<u>100%</u>

Source: RITA and Income Tax Revenue by Payer Type, Net of Refunds Table

Note: Due to confidentiality the names of the top withholders cannot be reported. The above serves as an alternative to the top principal revenue payers.

City of Gahanna, Ohio  
 Top Income Tax Payers - Individual Accounts  
 Current Year and Nine Years Ago

Range of Income Assessed	2015		2006	
	Number of Individuals	Percent of Total Individuals	Number of Individual Accounts	Percent of Total Individuals
\$500,000 and higher	46	0.61%	83	0.69%
\$499,999 - \$400,000	38	0.51%	64	0.53%
\$399,999 - \$300,000	88	1.17%	94	0.78%
\$299,999 - \$200,000	350	4.65%	358	2.99%
\$199,999 - \$100,000	<u>1,778</u>	<u>23.63%</u>	<u>2,201</u>	<u>18.38%</u>
Total	2,300	30.57%	2,800	23.38%
All Others	5,224	69.43%	9,177	76.62%
Total	<u><u>7,524</u></u>	<u><u>100%</u></u>	<u><u>11,977</u></u>	<u><u>100%</u></u>

Source: RITA

Note: The above tables are useful to understand the income thresholds of which income taxes are assessed and is not a complete number of all individual accounts on file. RITA provides this information from individual income tax filings they have reconciled as of the date of the information request and not from total individual filings received.

City of Gahanna, Ohio  
 Assessed Valuation and Estimated Actual Value of Taxable Property  
 Last Ten Collection Years

Collection Year	Real Property (a)		Tangible Personal Property (b)		Public Utility (c)		Total		Direct Tax Rate
	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	
2015	\$ 901,367,310	\$ 2,575,335,171	\$ -	\$ -	\$ 11,611,250	\$ 33,175,000	\$ 912,978,560	\$ 2,608,510,171	2.40
2014	\$ 892,421,180	\$ 2,549,774,800	\$ -	\$ -	\$ 10,344,730	\$ 29,556,371	\$ 902,765,910	\$ 2,579,331,171	2.40
2013	890,838,100	2,545,251,714	-	-	9,768,120	27,908,914	900,606,220	2,573,160,628	2.40
2012	894,928,870	2,556,939,629	-	-	9,701,520	27,718,629	904,630,390	2,584,658,258	2.40
2011	950,816,350	2,716,618,143	-	-	11,572,850	33,065,286	962,389,200	2,749,683,429	2.40
2010	941,679,190	2,690,511,971	460,083	460,083	13,067,930	37,336,943	955,207,203	2,728,308,997	2.40
2009	937,586,400	2,678,818,286	920,167	920,167	11,751,890	33,576,829	950,258,457	2,713,315,282	2.40
2008	925,152,780	2,643,293,657	11,683,301	186,932,816	10,352,920	29,579,771	947,189,001	2,859,806,244	2.40
2007	910,588,030	2,601,680,086	18,119,579	144,956,632	10,674,100	30,497,429	939,381,709	2,777,134,147	2.40
2006	902,627,910	2,578,936,886	25,821,091	137,712,485	11,528,550	32,938,714	939,977,551	2,749,588,085	2.40

Source : Franklin County Auditor

- (a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.
- (b) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 until it reached 25% in 1993. The rate decreased by 6.25% to 18.75% in 2006 and by an additional 6.25% to 12.5% in 2007. The rate continued to decrease by 6.25% in 2008 and reached 0 in 2009. Personal property assessed for collection year 2009-2010 is for delinquent taxes outstanding.
- (c) Assumes public utilities are assessed at 35% of true value.

City of Gahanna, Ohio  
 Real Property Tax Rates - Direct and Overlapping  
 Last Ten Years  
 City of Gahanna-Gahanna Jefferson SD (District #025)  
 (Per \$1000 Assessed Value)

Collection Year	City of Gahanna	Franklin County	Gahanna Jefferson School District	Columbus Metropolitan Library	Eastland Career Center	Township	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2015	2.40	18.47	72.61	2.80	2.00	14.50	112.78	81.780925	89.676388
2014	2.40	18.47	72.10	2.80	2.00	14.50	112.27	81.526464	87.852181
2013	2.40	18.47	72.10	2.80	2.00	14.50	112.27	81.437803	87.746158
2012	2.40	18.07	72.10	2.80	2.00	14.50	111.87	80.346654	86.988447
2011	2.40	18.07	66.73	2.80	2.00	10.70	102.70	68.378701	76.810544
2010	2.40	18.07	66.73	2.20	2.00	10.70	102.10	66.132253	74.823675
2009	2.40	18.02	66.78	2.20	2.00	10.70	102.10	64.714526	74.080299
2008	2.40	18.49	65.80	2.20	2.00	10.70	101.59	61.707361	73.615481
2007	2.40	18.44	66.95	2.20	2.00	10.70	102.69	62.684601	75.462045
2006	2.40	18.44	59.24	2.20	2.00	10.70	94.98	54.169740	67.051683

Note: The City of Gahanna consists of three taxing Districts:  
 City of Gahanna - Gahanna Jefferson School District (District #025)  
 City of Gahanna - Columbus City School District (District #026)  
 City of Gahanna - Jefferson Township/Gahanna Jefferson School District (District #027)

Source: Office of the County Auditor, Franklin County, Ohio

Real Property Tax Rates - Direct and Overlapping  
 Last Ten Years  
 City of Gahanna-Columbus City School District (District #026)  
 (Per \$1000 Assessed Value)

<b>Collection Year</b>	<b>City of Gahanna</b>	<b>Franklin County</b>	<b>Columbus City School District</b>	<b>Columbus Metropolitan Library</b>	<b>Township</b>	<b>Total Rate</b>	<b>Residential/ Agriculture Effective Rate</b>	<b>Commercial/ Industrial Effective Rate</b>
2015	2.40	18.47	76.10	2.80	14.50	114.27	82.268192	93.908604
2014	2.40	18.47	76.00	2.80	14.50	114.17	81.325141	92.797438
2013	2.40	18.47	76.15	2.80	14.50	114.32	81.296732	92.451919
2012	2.40	18.07	75.85	2.80	14.50	113.62	79.826491	91.239815
2011	2.40	18.07	75.50	2.80	10.70	109.47	72.249939	85.773798
2010	2.40	18.07	75.50	2.20	10.70	108.87	69.950174	83.543560
2009	2.40	18.02	75.50	2.20	10.70	108.82	68.404347	82.468688
2008	2.40	18.49	67.65	2.20	10.70	101.44	58.343956	75.461416
2007	2.40	18.44	67.65	2.20	10.70	101.39	58.169705	75.546499
2006	2.40	18.44	66.47	2.20	10.70	100.21	56.157498	73.821293

Note: The City of Gahanna consists of three taxing Districts:  
 City of Gahanna - Gahanna Jefferson School District (District #025)  
 City of Gahanna - Columbus City School District (District #026)  
 City of Gahanna - Jefferson Township/Gahanna Jefferson School District (District #027)

Source: Office of the County Auditor, Franklin County, Ohio

City of Gahanna, Ohio  
 Real Property Tax Rates - Direct and Overlapping  
 Last Ten Years  
 City of Gahanna-Jefferson Township/Gahanna Jefferson SD (District #027)  
 (Per \$1000 Assessed Value)

Collection Year	City of Gahanna	Franklin County	Gahanna Jefferson School District	Columbus Metropolitan Library	Eastland Career Center	Township	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2015	1.63	18.47	72.61	2.80	2.00	13.57	111.08	78.833316	87.975055
2014	1.63	18.47	72.10	2.80	2.00	12.57	109.57	77.504360	85.401273
2013	1.63	18.47	72.10	2.80	2.00	9.57	106.57	74.407900	82.391582
2012	1.63	18.07	72.10	2.80	2.00	9.54	106.14	73.293370	81.642260
2011	1.63	18.07	66.73	2.80	2.00	9.54	100.77	65.334279	74.459773
2010	1.63	18.07	66.73	2.20	2.00	9.54	100.17	63.044436	72.519424
2009	1.63	18.02	66.78	2.20	2.00	9.54	100.17	61.632338	71.822031
2008	1.63	18.49	65.80	2.20	2.00	9.49	99.61	59.339024	71.738044
2007	1.63	18.44	66.95	2.20	2.00	10.46	101.68	60.101102	73.719136
2006	1.63	18.44	59.24	2.20	2.00	10.58	94.09	51.769608	65.399110

Note: The City of Gahanna consists of three taxing Districts:  
 City of Gahanna - Gahanna Jefferson School District (District #025)  
 City of Gahanna - Columbus City School District (District #026)  
 City of Gahanna - Jefferson Township/Gahanna Jefferson School District (District #027)

Source: Office of the County Auditor, Franklin County, Ohio

City of Gahanna, Ohio  
 Principal Property Taxpayers  
 Current Year and Nine Years Ago

December 31, 2015		
	Total Assessed Valuation	% of Total Assessed Valuation
<b>Public Utilities</b>		
1 . Ohio Power Company	\$13,529,690	1.48%
<b>Real Estate</b>		
1 . Stoneridge Plaza Shops LLC	10,424,510	1.14%
2 . Vista at Rocky Fork LP	7,910,010	0.87%
3 . Central Park LLC	6,300,010	0.69%
4 . Columbus Southern Power Co	5,585,210	0.61%
5 . AERC Christopher Wren Inc.	5,330,500	0.58%
6 . Cole of Phoenix AZ LLC	4,577,910	0.50%
7 . McGraw Hill Education LLC	3,885,010	0.43%
8 . Creekside Equity Partners LLC	3,746,370	0.41%
9 . Meritex Properties LLC	3,465,020	0.38%
10 . 825 Techcenter Drive LLC	3,388,130	0.37%
ALL OTHERS	844,836,190	92.54%
<b>TOTAL ASSESSED VALUATION</b>	<b>\$912,978,560</b>	<b>100.00%</b>

December 31, 2006		
	Total Assessed Valuation	% of Total Assessed Valuation
<b>Public Utilities</b>		
1 . Columbus Southern Power Co	\$7,249,680	0.77%
2 . Ohio Bell Telephone Co	2,156,810	0.23%
3 . Columbia Gas of Ohio Inc	1,468,930	0.16%
<b>Real Estate</b>		
1 . Morse & Hamilton L P	10,390,070	1.11%
2 . Vista at Rocky Fork L P	7,470,930	0.79%
3 . AERC Christopher Wren Inc	4,620,000	0.49%
4 . Continental/Eagle IV LLC	3,288,400	0.35%
5 . Gahanna Realty LLC	3,283,000	0.35%
6 . Morrison Arbors LLC	3,232,810	0.34%
7 . Gahanna Retirement	3,220,010	0.34%
8 . McGraw Hill Inc	3,218,990	0.34%
9 . HPT CW Properties Trust	2,310,000	0.25%
10 . Provident Hunters	2,268,000	0.24%
<b>Tangible Personal Property *</b>		
1 . Mc Graw Hill Companies Inc	3,670,923	0.39%
2 . Amerigraph LLC	1,184,426	0.13%
3 . American Electric Power Service	1,029,039	0.11%
4 . Tamarkin Company	844,213	0.09%
5 . ADS Alliance Data Systems Inc	759,599	0.08%
6 . J R Grote Company Inc	743,995	0.08%
7 . Basell USA Inc	586,612	0.06%
8 . Time Warner Entertainment Company LP	564,957	0.06%
9 . Kroger Co	544,683	0.06%
10 . Ometek Inc	537,916	0.06%
ALL OTHERS	882,583,238	93.89%
<b>TOTAL ASSESSED VALUATION</b>	<b>\$939,977,551</b>	<b>100.00%</b>

Source : Franklin County Auditor's Office

Assessed Values are for the valuation year of 2014 and 2005 respectively

\* House Bill 66 (the State's biennial budget) began the phase out of Tangible Personal Property Tax (TPP) in FY 2006, which will continue over three years. The rate decreased by 6.25% to 18.75% in 2006 and by an additional 6.25% to 12.5% in 2007. The rate will continued to decrease by 6.25% in 2008 and will reach 0 in 2009.

City of Gahanna, Ohio  
 Property Tax Levies and Collections  
 Last Ten Years

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2015	\$ 2,188,637	\$ 2,145,670	98.04	\$ 53,312	\$ 2,198,982	100.47	\$ 54,058	2.47
2014	2,164,785	2,053,384	94.85	45,268	2,098,652	96.95	72,390	3.34
2013	2,224,429	1,941,685	87.29	49,069	1,990,754	89.50	85,142	3.83
2012	2,230,058	2,126,685	95.36	60,926	2,187,611	98.10	93,839	4.21
2011	2,363,365	2,256,672	95.49	47,912	2,304,584	97.51	133,898	5.67
2010	2,358,218	2,206,189	93.55	63,634	2,269,823	96.25	117,843	5.00
2009	2,349,651	2,217,000	94.35	62,031	2,279,031	96.99	121,338	5.16
2008	2,337,158	2,208,843	94.51	58,246	2,267,089	97.00	146,594	6.27
2007	2,293,450	2,165,583	94.42	53,578	2,219,161	96.76	129,032	5.63
2006	2,288,056	2,066,694	90.33	52,572	2,119,266	92.62	108,843	4.76

Note: The information above is for real estate, public utilities and tangible personal property collections and levies.

Source: Office of the County Auditor, Franklin County, Ohio

City of Gahanna, Ohio  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Year	Governmental Activities			Business-type Activities		Total Primary Government	(b) Percentage of Personal Income	(b) Per Capita
	(a) Bonded Debt	(a) Loans	(a) Capital Lease	(a) Bonded Debt	(a) Loans			
2015	\$ 22,382,354	\$ 1,508,909	\$ 208,570	\$ 2,262,520	\$ -	\$ 26,362,353	1.89%	\$ 790.26
2014	17,516,544	3,763,376	317,988	2,255,759	-	23,853,667	1.76%	716
2013	17,426,526	5,276,923	425,369	2,328,474	-	25,457,292	1.96%	765
2012	17,951,420	6,466,036	521,428	2,418,580	12,349	27,369,813	2.15%	823
2011	18,708,521	6,552,680	625,714	2,531,479	24,277	28,442,671	2.24%	825
2010	19,436,206	1,658,458	-	2,638,794	35,798	23,769,256	2.06%	715
2009	20,095,598	1,196,024	18,330	2,744,402	46,926	24,101,280	2.04%	700
2008	20,745,576	813,566	45,502	2,844,424	57,675	24,506,743	1.13%	323
2007	21,890,554	861,423	75,593	3,144,446	62,911	26,034,927	0.98%	279
2006	14,056,350	957,137	103,848	678,650	73,115	15,869,100	0.60%	170

Sources :

(a) Notes to the Financial Statements

(c) See Schedule "Demographic and Economic Statistics, Last Ten Years" for personal income, and population

City of Gahanna, Ohio  
 Ratios of Net General Bonded Debt Outstanding  
 Last Ten Fiscal Years

Year	(a) Assessed Value	Governmental Activities			Business-Type Activities	Total Primary Government	% of Net Bonded Debt to Assessed Valuation	(d) Net Bonded Debt Per Capita
		(b) Gross Bonded Debt	(c) Less Debt Service	Net Bonded Debt	(b) Gross Bonded Debt	Net Bonded Debt		
2015	\$ 912,978,560	\$ 22,382,354	\$ 1,354,883	\$ 21,027,471	\$ 2,262,520	\$ 23,289,991	2.55%	\$ 630
2014	902,765,910	17,516,544	1,240,331	16,276,213	2,255,759	18,531,972	2.05%	488
2013	900,606,220	17,426,526	1,240,353	16,186,173	2,328,474	18,514,647	2.06%	486
2012	904,630,390	17,951,420	1,183,758	16,767,662	2,418,580	19,186,242	2.12%	504
2011	962,389,200	18,708,521	1,186,778	17,521,743	2,531,479	20,053,222	2.08%	508
2010	955,207,203	19,436,206	1,104,011	18,332,195	2,638,794	20,970,989	2.20%	551
2009	950,258,457	20,095,598	1,153,618	18,941,980	2,744,402	21,686,382	2.28%	550
2008	947,189,001	20,745,576	1,153,617	19,591,959	2,844,424	22,436,383	2.37%	570
2007	939,381,709	21,890,554	1,090,455	20,800,099	3,144,446	23,944,545	2.55%	609
2006	939,977,551	14,056,350	1,076,693	12,979,657	678,650	13,658,307	1.45%	381

Sources :

- (a) County Auditor
- (b) General Obligation debt outstanding per notes to the financial statements
- (c) Balance of Debt Service fund at end of fiscal year
- (d) See Schedule "Demographic and Economic Statistics, Last Ten Years" for population and enrollment information

*City of Gahanna, Ohio*  
*Computation of Direct and Overlapping General Obligation Bonded Debt*  
*as of December 31, 2015*

Governmental Unit	Gross Debt Outstanding	Percent Applicable to City	Amount Applicable to City
City of Gahanna (a)	\$ 1,615,000	100.000%	\$1,615,000
Franklin County	222,905,000	3.480%	7,757,094
Jefferson Township	753,000	0.690%	5,196
Mifflin Township	975,000	96.400%	939,900
Columbus City School District	407,836,556	0.090%	367,053
Gahanna-Jefferson School District	8,110,109	64.270%	5,212,367
Eastland Fairfield Career Center	<u>2,100,000</u>	12.250%	<u>257,250</u>
Total Direct	1,615,000		1,615,000
Total Overlapping	642,679,665		14,538,860
Total Direct and Overlapping	<u>\$ 644,294,665</u>		<u>\$16,153,860</u>

Note: Overlapping governments with no outstanding debt are not reflected

(a) - Debt secured by revenue other than property taxes is excluded from the computation.

Source: Ohio Municipal Advisory Council

City of Gahanna, Ohio  
 Legal Debt Margin Information  
 Last Ten Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Assessed Valuation	912,979,560	902,765,910	900,606,220	904,630,390	962,389,200	955,207,203	950,258,457	947,189,001	939,381,709	939,977,551
Overall Debt Limit - 10.5% of Assessed Valuation	95,862,749	94,790,421	94,563,653	94,986,191	101,050,866	100,296,756	99,777,138	99,454,845	98,635,079	98,697,643
Net Indebtedness (a)	21,027,471	16,276,213	16,186,173	16,767,662	17,521,743	18,332,195	18,941,980	19,591,959	20,800,099	12,979,657
Exempt (b)	(21,027,471)	-	16,186,173	16,767,662	17,521,743	18,332,195	18,941,980	19,591,959	20,800,099	12,979,657
Net Indebtedness Subject to Limitation	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	95,862,749	78,514,208	78,377,480	78,218,529	83,529,123	81,964,561	80,835,158	79,862,886	77,834,980	85,717,986
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	0%	17%	17%	18%	17%	18%	19%	20%	21%	13%
Unvoted Debt Limit - 5.5% of Assessed Valuation (General Limitation)	50,213,821	49,652,125	49,533,342	49,754,671	52,931,406	52,536,396	52,264,215	52,095,395	51,665,994	51,698,765
Unvoted Net Indebtedness	-	16,276,213	16,186,173	16,767,662	17,521,743	18,332,195	18,941,980	19,591,959	20,800,099	12,979,657
Legal Debt Margin	50,213,821	33,375,912	33,347,169	32,987,009	35,409,663	34,204,201	33,322,235	32,503,436	30,865,895	38,719,108
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	0%	33%	33%	34%	33%	35%	36%	38%	40%	25%

Note: Ohio Bond Law sets a limit of 10.5% for all debt and 5.5% for unvoted debt exclusive of certain exemptions and exceptions.

(a) - See schedule of Ratios of Net General Bonded Debt Outstanding

(b) - Debt secured by revenue other than property taxes is not subject to the limitation.

Source: Franklin County Auditor and Bond Counsel

*City of Gahanna, Ohio  
Demographic and Economic Statistics  
Last Ten Years*

<u>Year</u>	<u>(a) Estimated Population</u>	<u>(b) Per Capita Income</u>	<u>Personal Income</u>	<u>(c) Unemployment Rate</u>	<u>(d) School Enrollment</u>
2015	33,359	41,840	1,395,727,613	3.30%	7,243
2014	33,323	40,582	1,352,300,085	4.10%	7,190
2013	33,288	39,058	1,300,172,983	5.60%	7,019
2012	33,262	38,199	1,270,569,650	5.30%	7,073
2011	34,468	36,765	1,267,216,020	6.50%	7,075
2010	33,248	34,782	1,156,445,336	7.70%	7,142
2009	34,443	34,235	1,179,144,003	7.20%	7,147
2008	34,355	34,988	1,202,006,244	4.80%	7,036
2007	34,170	34,953	1,194,339,160	4.10%	6,997
2006	34,098	34,675	1,182,363,645	3.90%	6,926

Sources :

- (a) Population for the City is estimated based on estimates from Mid-Ohio Regional Planning Commission
- (b) US Department of Commerce, Bureau of Economic Analysis, Franklin County & US Census Bureau
- (c) Ohio Labor Market Information
- (d) Gahanna Jefferson School District CAFR

City of Gahanna, Ohio  
 Principal Employers  
 Current Year and Nine Years Ago

2015	
Employer	Type of Business
American Electric Power	Public Utility
Gahanna-Jefferson Schools	Public School District
JP Morgan Chase	Financial Institution
McGraw-Hill Education LLC	Education Materials Supplier
Ohio Power Company	Public Utility
Columbus Academy	Private School K-12
City of Gahanna	Municipality
Ohio Health Physicians Group	Healthcare Provider
Donatos Pizzeria LLC	Food Service
ADP Total Source III Inc	Service Provider

2006	
Employer	Type of Business
American Electric Power	Public Utility
Alliance Data Systems	Marketing Services
Gahanna-Jefferson Schools	Public School District
McGraw-Hill	Education Materials Supplier
City of Gahanna	Municipality
State of Ohio	State Government
Columbus Academy	Private School K-12
Donatos Pizzeria LLC	Food Service
The Kroger Company	Grocery
Columbus Southern Power	Public Utility

Note: Number of employees not available. As a result the top employers were based on the top income tax withholders for the City. Due to confidentiality the amount withheld cannot be reported.

Source: RITA, City Tax

City of Gahanna, Ohio  
 Staffing Statistics - Head Count by Type and Function  
 Last Nine Fiscal Years

	2015 ***	2014 ***	2013	2012	2011	2010	2009 **	2008	2007 *
<b>General Government</b>									
Council Elected Officials	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Council Office Full-Time	3.00	3.00	2.40	2.80	2.80	2.80	2.80	3.10	3.10
Council Office Part-Time	1.00	-	3.00	2.00	2.00	2.00	1.00	1.00	1.00
Council Office Appointed Board Member	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Office of the Mayor Elected Officials	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Office of the Mayor Full-Time	4.05	4.00	6.00	6.00	5.00	5.00	5.00	4.00	4.00
Office of the Mayor Part-Time	3.00	3.00	2.00	2.00	4.00	3.00	4.00	4.00	4.00
Department of Law Elected Officials	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Department of Law Full-Time	-	-	0.10	0.30	-	0.30	0.30	0.30	0.30
Department of Law Part-Time	-	1.00	1.00	-	-	-	-	-	-
Human Resources Full-Time	3.00	3.00	3.00	3.00	2.00	3.00	2.00	3.00	2.00
Human Resources Part-Time	-	-	-	-	1.00	1.00	1.00	1.00	1.00
Finance Full-Time	4.95	4.00	5.00	5.00	5.00	6.00	5.50	4.00	4.00
Finance Part-Time	1.00	1.00	-	-	-	-	1.00	1.00	1.00
Income Tax Full-Time	-	-	-	-	-	-	3.50	4.00	5.00
Income Tax Part-Time	-	-	-	-	-	-	-	3.00	3.00
Public Service Full-Time	5.45	5.45	6.95	7.95	7.95	9.25	10.25	10.25	10.25
Public Service Part-Time	2.00	2.00	2.00	2.00	-	1.00	2.00	2.00	2.00
<b>Total</b>	<b>42.45</b>	<b>41.45</b>	<b>46.45</b>	<b>46.05</b>	<b>45.05</b>	<b>48.35</b>	<b>56.35</b>	<b>55.65</b>	<b>55.65</b>
<b>Security of Persons &amp; Property</b>									
Police Full-Time	60.00	62.00	55.00	61.00	59.00	62.00	64.00	64.00	66.00
Police Part-Time	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00
Police Appointed Member	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Emergency Management Part-Time	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Dispatch	11.00	10.00	10.00	10.00	10.00	9.00	9.00	9.00	8.00
<b>Total</b>	<b>76.00</b>	<b>78.00</b>	<b>71.00</b>	<b>77.00</b>	<b>75.00</b>	<b>77.00</b>	<b>79.00</b>	<b>79.00</b>	<b>81.00</b>
<b>Transportation</b>									
Fleet Full-Time	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Fleet Part-Time	-	-	-	-	-	-	1.00	2.00	1.00
Streets Full-Time	6.42	6.25	6.25	6.25	6.68	7.25	7.25	7.25	7.25
Streets Part-Time	-	-	-	-	-	-	1.00	1.00	-
Streets Seasonal	1.50	2.00	2.00	2.00	-	-	1.00	1.00	-
<b>Total</b>	<b>12.92</b>	<b>13.25</b>	<b>13.25</b>	<b>13.25</b>	<b>11.68</b>	<b>12.25</b>	<b>15.25</b>	<b>16.25</b>	<b>13.25</b>
<b>Community Environment</b>									
Planning & Development Full-Time	9.00	9.00	9.50	9.90	9.90	9.90	10.90	9.60	10.60
Planning & Development Part-Time	2.00	2.00	1.00	1.00	1.00	2.00	5.00	7.00	6.00
Appointed Board Members	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Information Technology Full-Time	4.00	5.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00
Information Technology Part-Time	1.00	-	-	1.00	1.00	1.00	2.00	3.00	1.00
<b>Total</b>	<b>28.00</b>	<b>28.00</b>	<b>27.50</b>	<b>28.90</b>	<b>28.90</b>	<b>28.90</b>	<b>33.90</b>	<b>35.60</b>	<b>33.60</b>
<b>Leisure Time Activity</b>									
Parks & Facilities Full-Time	6.97	6.85	6.85	6.85	6.85	7.85	7.85	7.85	6.00
Parks & Facilities Part-Time	36.00	36.00	31.98	34.90	30.93	28.14	35.08	32.49	23.00
Parks & Facilities Seasonal	1.00	3.00	2.37	2.00	4.52	2.00	10.00	10.00	4.00
Parks & Facilities Appointed Board Member	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Recreation Full-Time	2.88	2.00	3.00	3.40	3.10	3.15	3.40	2.10	1.90
Recreation Part-Time	5.50	6.00	3.75	4.70	2.72	2.00	5.02	4.29	6.00
Recreation Seasonal	43.00	27.00	41.45	39.40	37.98	38.00	36.56	27.00	7.00
Golf Course Full-Time	0.15	0.15	0.15	0.45	0.60	0.45	0.45	0.45	2.30
Golf Course Part-Time	5.00	5.00	7.73	7.40	7.35	5.86	5.90	6.22	6.00
Golf Course Seasonal	11.00	9.00	8.37	7.00	8.00	8.00	9.00	13.00	-
Senior Center Full-Time	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Senior Center Part-Time	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00
Senior Center Seasonal	-	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00
Pools Full-Time	-	-	-	0.30	0.45	0.55	0.30	0.60	0.80
Pools Part-Time	1.50	1.00	1.00	2.00	2.00	4.00	2.00	1.00	-
Pools Seasonal	63.00	6.00	85.35	80.60	68.50	78.00	101.44	30.00	-
<b>Total</b>	<b>191.00</b>	<b>119.00</b>	<b>209.00</b>	<b>206.00</b>	<b>190.00</b>	<b>197.00</b>	<b>236.00</b>	<b>154.00</b>	<b>76.00</b>
<b>Business-Type Activities</b>									
Water Full-Time	5.86	5.60	5.34	5.34	5.60	5.88	5.38	5.37	4.87
Water Part-Time	-	-	-	0.33	0.66	0.66	0.33	0.33	0.83
Water Seasonal	0.50	-	0.66	0.33	0.33	1.83	2.15	1.33	0.50
Sewer Full-Time	5.86	5.60	5.35	5.35	5.61	5.88	5.38	5.38	4.88
Sewer Part-Time	-	-	-	0.34	0.66	0.66	0.33	0.33	0.83
Sewer Seasonal	0.50	-	0.68	0.34	0.33	1.83	2.19	1.33	0.50
Storm Water Full-Time	3.41	3.10	3.11	3.11	3.16	2.75	2.75	2.75	2.75
Storm Water Part-Time	-	-	-	0.33	0.68	0.68	0.34	1.34	1.34
Storm Water Seasonal	0.50	1.00	0.66	0.33	0.34	1.33	1.65	3.34	1.00
<b>Total</b>	<b>16.63</b>	<b>15.30</b>	<b>15.80</b>	<b>15.80</b>	<b>17.37</b>	<b>21.50</b>	<b>20.50</b>	<b>21.50</b>	<b>17.50</b>
<b>Total Elected Officials</b>	<b>9.00</b>								
<b>Total Full-Time</b>	<b>142.00</b>	<b>141.00</b>	<b>139.00</b>	<b>148.00</b>	<b>145.00</b>	<b>151.01</b>	<b>156.01</b>	<b>153.00</b>	<b>154.00</b>
<b>Total Part-Time</b>	<b>62.00</b>	<b>64.00</b>	<b>60.46</b>	<b>65.00</b>	<b>61.00</b>	<b>60.00</b>	<b>78.00</b>	<b>79.00</b>	<b>67.00</b>
<b>Total Seasonal</b>	<b>121.00</b>	<b>48.00</b>	<b>141.54</b>	<b>132.00</b>	<b>120.00</b>	<b>130.99</b>	<b>163.99</b>	<b>87.00</b>	<b>13.00</b>
<b>Total Appointed</b>	<b>31.00</b>								
<b>Total All Employees</b>	<b>367.00</b>	<b>295.00</b>	<b>383.00</b>	<b>387.00</b>	<b>368.00</b>	<b>385.00</b>	<b>441.00</b>	<b>362.00</b>	<b>277.00</b>

\* - The City purchased new accounting and Human Resources software in 2007 which became operational in October 2007. Any staffing information prior to this date is not available. In addition due to the October implementation date, seasonal staff for 2007 is not complete.

\*\* - The City acquired the Gahanna Swim Club in 2008 opening for operations in 2009 explaining the large fluctuation in pool seasonal staff from 2009 to current.

\*\*\* - The City hired a third party to operate the pools for 2014 explaining the decrease in leisure time activity and seasonal staffing. 2015 The City took back over the operations of the pool explaining the increase

Note - Unless otherwise indicated staff reported are full-time. Staff allocated to more than one function are allocated above by the same percentage. Head-count for part-time and full-time is as of the December 31. Head-count for seasonal is as of August 31.

Source - Payroll Records

Function	2015	2014	2013	2012	2011	2010	2009 **	2008	2007	2006
<b>Governmental Activities</b>										
General Government										
Active Income Tax Accounts										
Withholding	3,528	3,265	3,154	3,094	2,978	2,801	2,683	N/A	N/A	N/A
Individual	23,542	21,940	21,141	21,178	20,138	19,262	15,206	N/A	N/A	N/A
Business	2,197	2,075	2,132	2,383	2,329	2,246	1,905	N/A	N/A	N/A
Security of Persons & Property										
Dispatched Calls	40,490	38,750	39,317	37,589	41,809	39,225	34,279	33,695	31,152	30,938
Violent Crimes	248	227	211	239	163	195	242	277	335	227
Property Crimes	707	680	736	824	830	779	927	955	933	880
Traffic Citations & Accidents	6,919	6,649	5,870	4,577	4,916	4,693	4,194	4,637	4,346	3,662
Arrests	1,019	1,090	1,281	1,205	1,216	1,109	1,106	1,192	1,149	996
Leisure Time Activities										
Special Event Participation	19,950	19,609	26,520	30,986	23,005	20,890	22,717	N/A	N/A	N/A
Recreation Program Participation	4,170	4,747	3,386	3,105	2,809	3,078	3,190	2,780	2,540	2,653
Swimming Pool Admissions	40,533	37,460	38,809	38,885	35,630	33,196	30,474	N/A	N/A	N/A
Golf Course Admissions	18,992	20,281	19,362	22,518	15,837	19,602	22,846	20,348	15,174	18,443
Senior Center Members	427	460	576	N/A	N/A	590	N/A	657	670	670
Community Environment										
Commercial Permits Issued	554	512	979	612	433	319	352	577	510	N/A
Residential Permits Issued	1,047	901	884	840	734	798	664	727	725	N/A
Code Enforcement Complaints	682	666	727	705	672	597	595	684	493	1,268
Code Enforcement Violations	857	849	838	826	859	846	920	703	654	1,095
Jobs Created/Retained Through Economic Development Incentives *	1,436	3,188	3,385	4,393	4,324	2,965	3,070	3,423	4,257	4,530
Private Investment Leveraged Per Dollar of Public Investment Incentives	\$ 118.07	\$ 15.18	\$ 33.82	\$ 29.04	\$ 40.02	\$ 39.84	\$ 38.35	\$ 40.80	\$ 44.86	\$ 45.24
Transportation										
Lane Miles of Street Rebuild	1.60	0.62	0.78	0.70	-	-	0.50	0.48	1.35	-
Lane Miles of Street Overlay	5.82	1.60	3.53	3.07	0.77	8.19	2.74	5.34	2.05	7.44
Lane Miles of Street Maintenance	8.76	16.80	24.11	15.41	-	-	3.71	3.99	0.30	2.76
Average Pavement Condition Rating	84.70%	87.60%	87.40%	86.20%	87.60%	89.70%	92.80%	92.00%	91.60%	91.50%
<b>Business-Type Activities</b>										
Residential Utility Accounts	10,095	10,164	10,031	10,023	10,017	10,017	10,016	10,013	10,008	10,001
Commercial Utility Accounts	621	630	628	625	620	617	616	614	606	600

\* - Prior to 2012, Jobs Created and Retained through Economic Development Incentives were only tracked for Community Reinvestment Areas. After 2012 Office & Industrial Incentives are also included.

\*\* - Transition year to RITA. Data not available prior to transition.

N/A - Data Not Available

Source - RITA, Department Records

City of Gahanna, Ohio  
Capital Asset Statistics  
Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Governmental Activities</b>										
<b>General Government</b>										
City Hall	1	1	1	1	1	1	1	1	1	1
Fleet	6	6	6	7	N/A	N/A	N/A	N/A	N/A	N/A
Security of Persons & Property	1	1	1	1	1	1	1	1	1	1
Police Station	37	37	42	50	N/A	N/A	N/A	N/A	N/A	N/A
Police Fleet										
Transportation										
Service Garage	1	1	1	1	1	1	1	1	1	1
Joint Maintenance Facility	1	1	1	1	1	1	1	1	1	1
Street Lane Miles	325.84	325.09	325.09	324.89	321.05	318.67	318.67	317.55	317.07	317.07
Street Lights	1,752	1,740	1,740	N/A						
Traffic Signals	41	41	41	40	38	37	37	37	36	35
Fleet	16	16	17	18	N/A	N/A	N/A	N/A	N/A	N/A
<b>Community Environment</b>										
Office Building	1	1	1	1	1	1	1	1	1	1
Parking Garage	1	1	1	1	1	1	1	1	1	1
Miles of Fiber	14.58 **	14.42 **	20.26	18.75	15.12	13.75	12.60	7.42	7.42	7.24
<b>Leisure Time Activities</b>										
Park Acreage	768	759.2	759.13	759.13	759.13	702.25	693.35	651.18	651.90	645.00
Number of Parks	52	52	51	51	51	49	49	34	34	34
Rentable Shelters	8	8	6	6	6	6	6	4	4	4
Playgrounds	13	13	15	15	15	13	13	12	12	11
Senior Center	1	1	1	1	1	1	1	1	1	1
Herb Education Center	1	1	1	1	1	1	1	1	1	1
Golf Course	1	1	1	1	1	1	1	1	1	1
Dog Park	1	1	1	1	1	1	1	1	1	1
Skate Park	1	1	1	1	1	1	1	1	1	1
Pools	2	2	2	2	2	2	2	1	1	1
Parks Garage	1	1	1	1	1	1	1	1	1	1
Trail Miles	13 *	12 *	17.10	16.60	16.60	14.80	13.70	12.90	10.10	9.60
Fleet	28	30	35	43	N/A	N/A	N/A	N/A	N/A	N/A
<b>Business-Type Activities</b>										
Water Main Miles	152.76 **	152.37 **	177.42	175.00	174.69	173.21	170.39	170.03	165.44	165.33
Sanitary Sewer Miles	151.38 **	150.94 **	161.94	160.00	159.43	158.48	156.97	156.43	155.26	155.05
Storm Sewer Miles	126.04 **	125.46 **	148.59	145.00	144.86	142.01	137.13	135.07	127.95	124.34
Fleet	13	13	16.00	15.00	N/A	N/A	N/A	N/A	N/A	N/A

\* - Prior to 2014 golf course cart paths and unpaved trails were included for trail miles.

\*\* - Prior to 2014 privately owned portions of these utilities were included. 2014 accurately reflects what is owned by the City.

Source: Capital Asset System, Departmental Records

N/A - Information Not Available