



Dave Yost • Auditor of State



CITY OF PIQUA  
MIAMI COUNTY

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**CITY OF PIQUA  
MIAMI COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
<i>(Passed Through Ohio Department of Development):</i>			
Community Development Block Grants/States' Program and Nonentitlement Grants in Hawaii	A-F-11-2DF-1 NA	14.228 14.228	\$8,452 73,762
	A-F-12-2DF-1	14.228	86,549
	A-C-10-2DF-1	14.228	<u>10,036</u>
Total Community Development Block Grants/States' Program and Non-entitlement Grants in Hawaii			178,799
Home Investment Partnerships Program	A-C-10-2DF-2 NA	14.239 14.239	25,250 <u>74,330</u>
Total Home Investment Partnerships Program			<u>99,580</u>
Total U.S. Department of Housing and Urban Development			<u>278,379</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
<i>( Direct )</i>			
Bulletproof Vest Partnership Program	2012-BUBX-05029246 2013-BUBX-05029246	16.607 16.607	306 <u>1,384</u>
Total Bulletproof Vest Partnership Program			1,690
<i>(Passed Through Ohio Department of Public Safety )</i>			
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories, Recovery Act	2012-JG-LLE-5195	16.803	<u>6,344</u>
Total U.S. Department of Justice			<u>8,034</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
<i>(Passed through the Ohio Department of Transportation)</i>			
Highway Planning and Construction (Federal-Aid Highway Program)	PID 93747	20.205	<u>44,995</u>
Total U.S. Department of Transportation			<u>44,995</u>
<b>U.S. DEPARTMENT OF ENVIRONMENTAL PROTECTION AGENCY</b>			
<i>( Direct )</i>			
ARRA - Brownfields Assessment and Cleanup Cooperative Agreements	BF-00E01238	66.818	<u>3,215</u>
Total U.S. Department of Environmental Protection Agency			<u>3,215</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<i>( Direct )</i>			
Health Program for Toxic Substances and Disease Registry	N/A	93.161	<u>122,976</u>
Total U.S. Department of Health and Human Services			<u>122,976</u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
<i>(Passed Through the Ohio Emergency Management Agency</i>			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	FEMA-4077-DR-109	97.036	461
<i>( Direct )</i>			
Assistance to Firefighters Grant	EMW-2012FO-04519 EMW-2012FH-00278	97.044 97.044	58,146 <u>366,837</u>
Total Assistance to Firefighters Grant			<u>424,983</u>
Total U.S. Department of Homeland Security			<u>425,444</u>
Total Federal Assistance			<u><u>\$883,043</u></u>

*The accompanying notes to this schedule are an integral part of this schedule.*

**CITY OF PIQUA  
MIAMI COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**NOTE A – SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures presents the activity of all federal award programs of the City of Piqua, Ohio (the City). All federal awards received directly from federal agencies, as well as federal awards through other government agencies are included on the Schedule. The Schedule has been prepared on the modified accrual basis of Accounting.

**NOTE B –RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

Grant expenditures are reported in the City’s major and non-major special revenue funds.

**NOTE C –LOANS OUTSTANDING**

The City has a revolving loan fund (RLF) program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the City, passed through the Ohio Department of Development. The Schedule reports loans made and administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans.

At December 31, 2013, the City has the following amounts outstanding under federal loan programs:

HOME Investment Partnership Program – Rental Rehab program (CFDA #14.239)	\$69,613
Community Development Block Grant – Microenterprise program (CFDA #14.228)	14,122
HOME Investment Partnership Program – Private Rehabilitation (CFDA #14.239)	822,814
Rural Business Enterprise Grant (CFDA #10.769)	82,922
Less: Allowance for Uncollectable Accounts	<u>(982,322)</u>
Net Loans Outstanding	<u>\$7,149</u>

During 2013, the City issued \$21,500 in new loans under the HOME Investment Partnership. The City also issued \$10,000 in Microenterprise Loans and \$30,000 in Rural Business Enterprise loans. The Rental Rehab program requires the City continuing compliance requirements and therefore the loan balance is included in the Schedule of Federal Awards Expenditures. The loans are reported on the City’s financial statements within the special revenue funds.

**NOTE D- MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



# Dave Yost • Auditor of State

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

City of Piqua  
Miami County  
201 W. Water Street  
Piqua, Ohio 45356

To the City Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Piqua, Miami County, (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 19, 2014.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

### ***Compliance and Other Matters***

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

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

Columbus, Ohio

June 19, 2014



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

City of Piqua  
Miami County  
201 W. Water Street  
Piqua, Ohio 45356

To the City Commissioners:

### ***Report on Compliance for The Major Federal Program***

We have audited the City of Piqua's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the City of Piqua's major federal program for the year ended December 31, 2013. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

### ***Management's Responsibility***

The City's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

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

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the City's major program. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on the Major Federal Program***

In our opinion, the City of Piqua complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2013.

***Report on Internal Control Over Compliance***

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Federal Awards Expenditures Required by OMB Circular A-133**

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Piqua (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 19, 2014. We conducted our audit to opine on the City's basic financial statements. The accompanying schedule of federal awards expenditures presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule 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, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole



**Dave Yost**  
Auditor of State

Columbus, Ohio

June 19, 2014

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**CITY OF PIQUA  
MIAMI COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2013**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA #97.044 – Assistance to Firefighters Grant
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

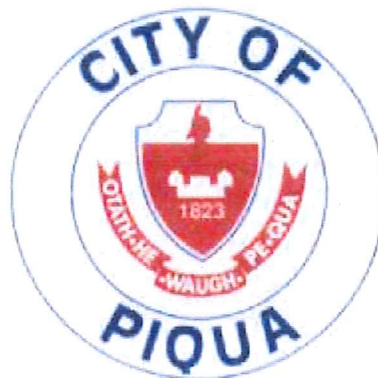
**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.

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**Comprehensive Annual Financial Report  
for the year ended December 31, 2013**



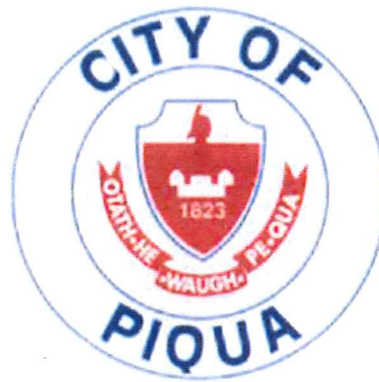
***CITY OF PIQUA, OHIO***

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Year Ended December 31, 2013**

**Prepared by:  
Department of Finance  
Cynthia A. Holtzapple, Director**

# Introductory Section



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## CITY OF PIQUA, OHIO

201 West Water Street • Piqua, Ohio 45356  
[www.piquaoh.org](http://www.piquaoh.org)

June 19, 2014

Honorable Mayor Lucinda L. Fess, City Commission Members  
and Citizens of the City of Piqua, Ohio:

This Comprehensive Annual Financial Report is for the year ended December 31, 2013. We believe this report, prepared by the Department of Finance, presents financial and operating information about the City's activities during the year that should be useful to citizens, taxpayers and investors. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief the enclosed data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

### **Reporting Entity**

This report includes all funds of the City. The City provides a full range of services including police and fire protection, parks, recreation and cultural facilities, street maintenance, health programs, planning, zoning and general governmental services. In addition, the City owns and operates business-type activities, with the major ones consisting of a power system, a sewer system, a water system, a stormwater system and a waste disposal system.

Piqua, founded in 1807, celebrated its Bicentennial in 2007. Piqua operates and is governed by the laws of the State of Ohio and its own charter which was adopted by the electorate in 1929. The Charter provides for a commission-manager form of government. Legislative authority is vested in a five-member commission. All members are elected from wards for four-year terms and serve in a part-time capacity. The Commission determines compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriations and borrowings, licensing and regulating of businesses and trades, and other municipal purposes. The City's Chief Executive and Administrative Officer is the City Manager who is appointed by the City Commission.

### **Local Economic Conditions and Outlook**

The City of Piqua is a community (2010 Census 20,522) in Miami County, located in the west central part of the state, twenty-five miles north of Dayton. Inter and intra state highways I-75, Route 36 and Route 66 serve as the City's major transportation arteries. Edison Community College, with over 5,212 students, is located on the east side of the city.

The City does not depend on one firm for local employment; as many as eight companies employ in excess of 200 people each, lending to the City's diversification. The City has four industrial parks with plenty of room for expansion. The City's emphasis on economic retention and development are significant factors affecting the future economic strength of the community. Promoting Piqua as a good place for all types of businesses, new and existing, will continue to be one of our highest priorities.

In 2013, the City of Piqua saw continued recovery in our local economy. Construction activity totaled \$47.8 million, including two new schools. Piqua also saw industrial development and downtown revitalization. Scott Steel and NEC America opened new businesses while Nitto Denko expanded its local operations retaining 290 employees. Several businesses, located in downtown storefronts, are new to Piqua including Can't Stop Running, CJ's Pizza, Baby Bump and 311 Drafthouse.

## **Major Initiatives**

***Current Year Projects:*** During 2013 the City continued efforts to enhance and expand services provided to local residents. The City continued supporting the Future Piqua Strategic Plan recommendations; including public access television and a quarterly community newsletter (financial support is shared between the City and the Chamber of Commerce).

The City is continuing its commitment to provide assistance to low and moderate income property owners by continuing its eleventh round and applying for its twelfth round of Federal Comprehensive Housing Improvement Programs in which local housing rehabilitation loans and grants totaling \$4,899,948 were given to some 371 qualified low and moderate income property owners. The City is also making available an additional \$90,000 in small business assistance loans.

The following significant events took place in 2013:

- Redevelopment of the City's downtown and surrounding areas
- Neighborhood improvements through the Neighborhood Associations, City's Neighborhood Improvement Team and new Housing Enhancement League of Piqua (HELP)
- Continued study, assessment and grant application for demolishing the Electric Power Plant
- Initiated the Riverfront Redevelopment Project
- Began beautification project on East Ash Street and US 36
- Moved forward with new Water Plant design
- Began Phase II street reconstruction of North 25A
- Completed implementation of a City owned high speed fiber optic loop
- Began staffing for Adequate Fire and Emergency Response (SAFER) grant over \$1 million for 2013-14
- Redeveloped hospital site transferred to the Piqua City Schools for a new school building
- Implemented Adopt-A-Program for city facilities, Volunteer Park Ranger Program and created a Community Garden area
- Received the 2013 Healthiest Employer Award from the Dayton Business Journal

***Future Projects:*** The city anticipates the following significant events to take place in 2014:

- Continue the redevelopment of the City's downtown and surrounding areas. The redevelopment includes improved signage, sidewalks, brick pavers, traffic signals, and streetlights
- Continue neighborhood improvements through the Neighborhood Associations, City's Neighborhood Improvement Team and Housing Enhancement League of Piqua (HELP)
- Continue Phase II street reconstruction of North 25A
- Continue with new Water Plant design, obtain EPA approval and begin construction on new Water Plant
- Apply for Downtown redevelopment grant to continue façade improvements to downtown structures
- Continue the Riverfront Redevelopment Project
- Complete redevelopment of riverfront area adjacent to Power Plant with grant assistance
- Continue beautification project on East Ash Street and US 36
- Continue monitoring long range financial plan
- Continue ICMA performance benchmarks for all City departments
- Continue staffing for Adequate Fire and Emergency Response (SAFER) grant of over \$1 million for 2013-14

## Financial Information

Management of the City is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

**Budgetary System:** Detailed provisions regulating the City's budget, tax levies and appropriations are set forth in the City Charter and in the Ohio Revised Code. The City Manager is required to submit to the City Commission annually, an appropriation measure, which must be adopted by the first Commission meeting in January. The Miami County Auditor must certify that the City's appropriation measure does not exceed the amounts set forth in the County Budget Commission's Certificate of Estimated Resources.

The City maintains legal budgetary control utilizing GAAP at an object level (personnel/administrative support, operation and maintenance, capital expenditures and transfers) for all funds. Lower levels within each object level are accounted for and reported internally. Such lower levels are referred to as the suffix level. All purchases are properly approved through the legislative process or issuance of a purchase order.

Expenditures are controlled at the suffix level throughout the year and any budgetary adjustments (at the object level), if necessary, are with the approval of the City Commission.

**Accounting System:** The City's accounting system is organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The types of funds to be used are in accordance with GAAP and the number of individual funds established is determined by legal requirements and sound financial administration.

The City's records are maintained on modified accrual basis for all governmental and similar fiduciary fund types. Accordingly, revenues are recognized when susceptible to accrual (i.e. both measurable and available). Expenditures, other than interest on long-term debt, are recorded as liabilities when incurred. Proprietary funds utilize the accrual basis of accounting and the electric system employs the Federal Energy Commission's system of accounts. A more detailed explanation of the basis of accounting for the various funds is included in the Notes to the Combined Financial Statements, located in the Financial Section of this report.

**Financial Reporting:** Beginning in 2002, the City has prepared financial statements following GASB Statement 34, "Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments." As part of this new reporting model, management is responsible for preparing a Management's Discussion and Analysis of the City. This discussion follows the Report of Independent Auditor's Report, providing an assessment of the City's finances for 2013.

## General Government

**General Governmental Revenues:** The 2013 municipal income tax revenue of \$8,935,319 increased 11% as the economy started to bounce back. Property and other tax revenues dropped slightly based on property valuations and the end of inheritance tax. Interest revenue dropped and is expected to be similar in 2014 as rates remain low. Municipal income tax revenue is down slightly through May 2014 but is expected to be similar to 2013 levels. Grants were significantly higher in 2012 based on one time projects, dropped in 2013 and are expected to continue at the 2013 level in 2014.

**General Governmental Expenditures:** The 2013 General Governmental expenditures and other financing uses increased 6.4% compared with 2012. In 2013, more capital, community development, and public safety projects were completed.

**General Fund Balances:** Current year activity contributed to a \$234,210 increase in the unassigned fund balance from 2012.

### **Business-Type Funds**

The City's utility operations, consisting of a power system, a water system, a wastewater system, a stormwater system, and a solid refuse system, account for over half of the total City revenues. The City also operates smaller enterprises such as a golf course, a swimming pool and a banquet/conference center.

**Power System:** Total customer revenues were \$23.6 million with usage up 0.9% compared to 2012 levels. Revenues remained stable based on increased industrial use. Operating and capital grants of \$.1 million were received in 2013. With operating costs slightly higher, expenses exceeded revenues in 2013 by \$1,155,729. A rate study, currently underway, will likely recommend slight rate increases in 2014.

The system supplies electricity to more than 10,500 accounts within its service area. The power system, established in the 1930's, purchases power from power wholesalers, while supplementing power needs with fuel oil generation. The system is responsible for purchasing and generating power, transmitting and distributing electricity and providing all related services.

The City of Piqua obtains its power supply from various sources. Two megawatts of Power is available from the New York Power Authority (NYPA). A twenty-year transmission agreement with the Dayton Power & Light Company guarantees supply access. Alternative contracts and projects are being considered by the Power system. During 2006, the City entered into a contract with Dayton Power & Light and AMP Ohio to provide power at an economic price. Piqua Power participates in the American Public Power Association's Reliable Public Power Provider (RP3) program. In 2012 and 2013 Piqua achieved Platinum status, one of only fifty-six municipal electric systems in the country, representing less than 3% of all eligible electric systems for its superior reliability, safety, workforce development and system improvement programs.

**Water System:** Customer revenues of \$4.9 million were higher than 2012 levels due to a rate increase while usage dropped 2.3%. Operating expenses of \$3.1 million were similar to 2012 increasing the net revenue from operations to \$1,774,480. More than 8,600 accounts are serviced by Piqua's municipal water system.

**Wastewater System:** Customer revenues of \$3.5 million were similar to 2012 levels with usage up 1.3%. Operating expenses of \$3.3 million were down slightly. Net revenue from operations was \$248,989 in 2013.

**Refuse System:** System revenues of \$1.8 million were similar to 2012 levels. Operating expenses of \$1.6 million remained near 2012 levels. Net revenue from operations was slightly higher at \$187,983. Refuse service is provided to more than 7,800 customers.

**Stormwater System:** Customer revenues of \$887,558 represented the third full year of operations and were up slightly due to a rate increase. Stormwater service received a capital grant of \$88,271 for a project. Operating expenses of \$707,322 were up significantly as staff was added. Net revenue from operations was \$268,507 in 2013. Stormwater service is provided to approximately 7,900 customers.

### **The Independent Audit**

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. The State Auditor's Office has completed an audit of the 2013 financial statements. The 2012 audit was completed by Clark, Schaefer, Hackett & Co. All State of Ohio compliance and federal grant audit requirements are included as part of the independent annual engagement. See page 9 of the Financial Section of this report for their unmodified opinions.

## Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded for the twenty-third consecutive year a Certificate of Achievement for Excellence in Financial Reporting to the City of Piqua, Ohio, for its comprehensive annual financial report for the fiscal year ended December 31, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Piqua, Ohio has received a Certificate of Achievement for twenty-three consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

## Acknowledgments

To the many conscientious people who have contributed so much of their time and effort to the preparation of this report our sincere appreciation is extended. The Finance Department staff is commended for their commitment to professional excellence once again exemplified by the contents of this report. Timely preparation of this report was accomplished by the diligent efforts and contributions of the entire Finance Department. Finally, contributions to the financial condition of the City of Piqua by the Mayor, members of City Commission, and Department Directors and Managers cannot be overlooked. Their support and guidance are invaluable factors necessary for the City to continue to successfully manage the financial affairs and reporting requirements of municipal government within the Piqua Community.

Respectfully submitted,



Gary A. Huff  
City Manager



Cynthia A. Holtzapple,  
Director of Finance

**Department of Finance Staff:** Lisa R. Cavender - Accounting Manager, Michael J. Fischbach - Accountant, Stacy L. McClain, Candace L. Etter, and Beverly M. Yount



## **CITY OF PIQUA, OHIO**

### **CITY OFFICIALS**

Lucinda L. Fess, Mayor  
John J. Martin, Commissioner  
Julia A. Terry, Commissioner  
William D. Vogt, Commissioner  
Joseph H. Wilson, Commissioner

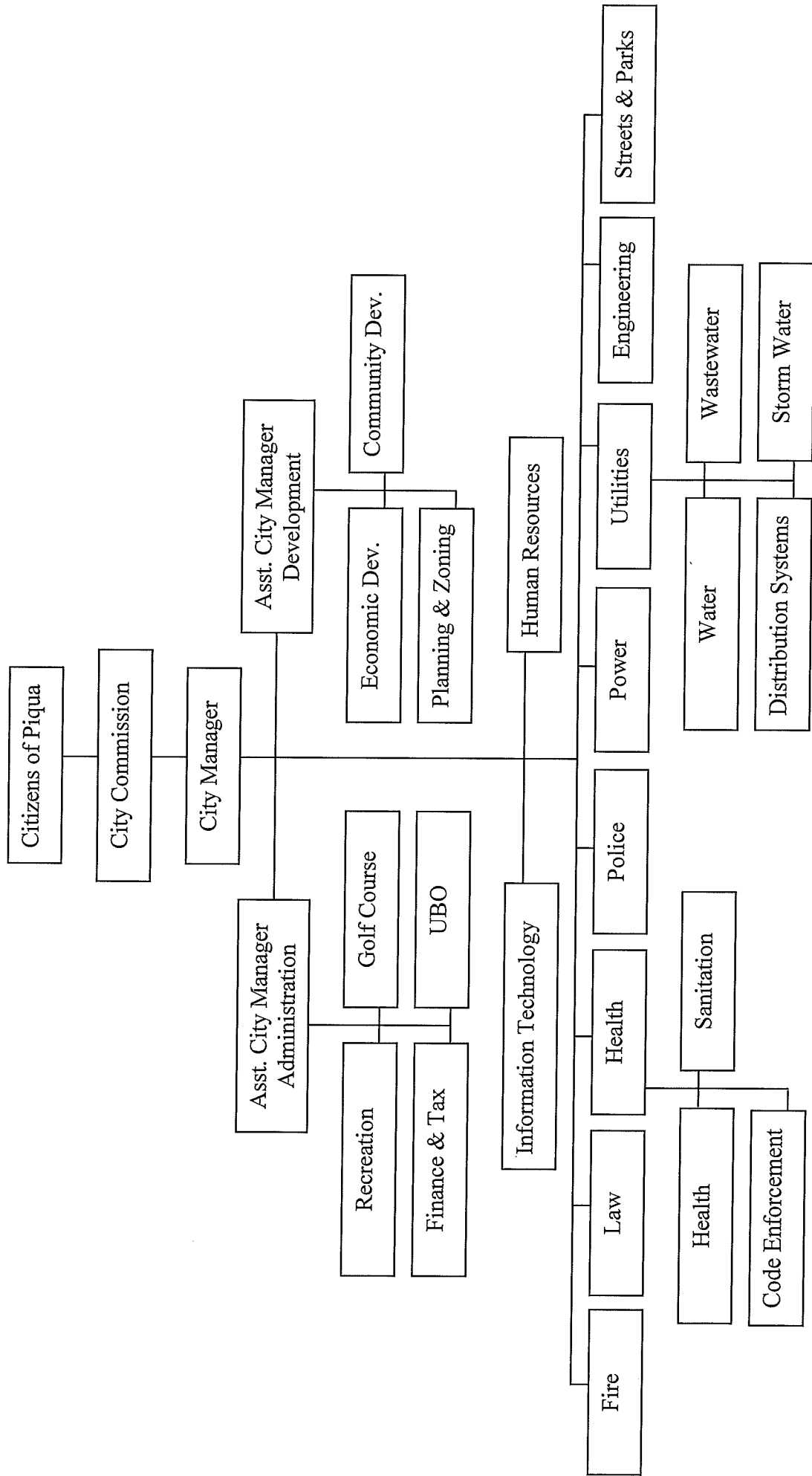
### **CITY MANAGER**

Gary A. Huff

### **INDEPENDENT AUDITORS**

Ohio Auditor of State

# City of Piqua 2013 City Organization Chart





Government Finance Officers Association

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

Presented to

**City of Piqua  
Ohio**

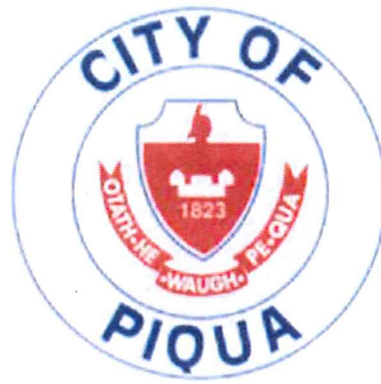
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO



# Financial Section



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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of Piqua  
Miami County  
201 W. Water Street  
Piqua, Ohio 45356

To the City Commissioners:

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Piqua, Miami County, Ohio (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Piqua, Miami County, Ohio, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* and *required budgetary comparison schedules* 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 19, 2014, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



**Robert R. Hinkle, CPA, CGFM**  
Deputy Auditor  
Auditor of State Dave Yost  
Columbus, Ohio

June 19, 2014

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2013*  
*(Unaudited)*

The discussion and analysis of the City of Piqua's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2013. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

**Financial Highlights**

- The assets of the City exceeded its liabilities and deferred inflows of resources at December 31, 2013 by \$151.5 million (net position). Of this amount, \$48.2 million is considered unrestricted. The unrestricted net position of the City's governmental activities is \$30.1 million and may be used to meet the government's on-going obligations. The unrestricted net position of the City's business-type activities are \$18.1 million and may be used to meet the on-going obligations of the City's business-type activities, including the water, wastewater, refuse, stormwater, and electricity enterprises.
- The City's total net position increased by \$4.3 million in 2013. Net position of the governmental activities increased \$2.9 million, which represents a 4.0 percent increase from 2012.
- The total cost of the City's programs increased \$2.3 million or 4.8 percent. The cost of governmental activities decreased \$0.8 million or 5.0 percent, while the cost of business-type activities increased \$3.0 million or 9.5 percent.
- At the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$27.8 million. The combined governmental funds fund balance increased \$0.6 million from the prior year's ending fund balance. Approximately \$6.9 million of the \$27.8 million fund balance is considered unassigned at December 31, 2013.
- The general fund reported a fund balance of \$20.9 million at the end of the current fiscal year. The unassigned fund balance for the general fund was \$6.9 million or 63 percent of total general fund expenditures (including transfers out). There was a \$0.2 million increase in the total general fund balance for the year ended December 31, 2013.
- The City had \$0.5 million more in debt of bonds and notes outstanding at December 31, 2013 than at December 31, 2012.
- Total costs of governmental services decreased by \$0.8 million, while net costs of services for governmental activities increased by \$0.2 million.

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2013*  
*(Unaudited)*

## **Using This Annual Financial Report**

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City of Piqua's financial situation as a whole and also give a detailed view of the City's fiscal condition.

The Statement of Net Position and the Statement of Activities (on pages 23-24) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major fund financial statements provide the next level of detail and start on page 25. For governmental funds, these statements tell how services were financed in the short term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

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

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

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and asks the question, "How did we do financially during 2013?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows, liabilities and deferred inflows using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

- **Governmental Activities** – Most of the City's programs and services are reported here, including general government, public safety, street and maintenance, parks and recreation, and community development. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.
- **Business-Type Activities** – These services are provided on a fee basis to recover all of the expenses of the goods or services provided. The City's electric, water, refuse, wastewater, stormwater, golf, municipal pool and Fort Piqua Plaza activities are reported here.

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2013*  
*(Unaudited)*

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

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

The fund financial statements begin on page 25 and provide detailed information about the City's major funds – not the City as a whole. Some funds are required by State law and bond covenants. Funds are established to help control and manage money for particular purposes or to show that the City is meeting legal responsibilities for using certain taxes, grants, and other money. The City of Piqua's two kinds of funds – *governmental* and *proprietary* – use different accounting approaches.

- *Governmental funds* – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. On the government-wide statements, these funds are reported using the accrual method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of timing of related cash flows. The governmental fund statements, using a modified accrual system of accounting, provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements or on an accompanying schedule.
- *Proprietary funds* – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Piqua uses enterprise funds to account for its electric, water, refuse, wastewater, stormwater services, golf, municipal pool and Fort Piqua Plaza. Internal service funds are an accounting method used to accumulate and allocate costs internally among the City's various functions. The City of Piqua uses an internal service fund to account for its information technology and insurance activities. As these activities predominantly benefit governmental rather than business-type functions, they are shown within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric, water, wastewater, refuse, and stormwater systems as well as golf, municipal pool and Fort Piqua Plaza, which are considered to be major funds of the City.
- *Fiduciary funds* – Funds used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements as the resources of those funds are not available to support the City's own programs.

### ***Notes to the basic financial statements***

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 33 through 52 of this report.



**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2013*  
*(Unaudited)*

**Other information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's general fund budget. The City adopts an annual appropriation budget for its general fund and other major funds. A budgetary comparison statement has been provided for the general fund and other major funds to demonstrate compliance with this budget. Required supplementary information can be found on pages 53 through 58 of this report.

The combining statements in connection with non-major governmental funds and internal service funds are presented immediately following the required supplemental information. Combining and individual fund statements and schedules can be found on pages 59 through 73 of this report.

**The City of Piqua as a Whole**

Recall that the analysis of the Statement of Net Position looks at the City as a whole. One of the most important questions to consider is, "Is the City as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information to help answer this question. The Net Position statement shows the difference between assets with deferred outflows and liabilities with deferred inflows, which is one way to measure the City's financial position. As reviewed over time, increases or decreases in the City's net position are an indicator of whether the City's financial health is improving or deteriorating. However, other non-financial factors must also be considered such as changes in the property tax base of the city, the condition of the City's roads and neighborhoods, and the reputation of the public schools in order to assess the overall health of the City. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities for both 2013 and 2012.

The amount by which the City's assets and deferred outflows exceed its liabilities and deferred inflows is called net position. Net position may serve over time as a useful indicator of a government's financial position. At year-end, the City's net position were \$151.5 million compared to \$147.2 million in 2012, an increase of \$4.3 million. Net Position for governmental activities increased \$2.9 million, while business-type activities increased \$1.4 million.

**Table 1**  
**Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 35,225,516	\$ 34,612,005	\$ 25,235,559	\$ 22,679,758	\$ 60,461,075	\$ 57,291,763
Capital assets	45,872,770	44,117,335	64,810,312	61,928,404	110,683,082	106,045,739
<i>Total assets</i>	<u>81,098,286</u>	<u>78,729,340</u>	<u>90,045,871</u>	<u>84,608,162</u>	<u>171,144,157</u>	<u>163,337,502</u>
Total deferred outflows of resources			12,625	25,249	12,625	25,249
Long-term liabilities	3,220,051	3,403,006	10,605,198	7,511,265	13,825,249	10,914,271
Other liabilities	828,441	1,196,710	3,326,994	2,414,484	4,155,435	3,611,194
<i>Total liabilities</i>	<u>4,048,492</u>	<u>4,599,716</u>	<u>13,932,192</u>	<u>9,925,749</u>	<u>17,980,684</u>	<u>14,525,465</u>
Total deferred inflows of resources	1,667,701	1,632,410			1,667,701	1,632,410
Net position:						
Net investment in capital assets,	44,845,328	42,875,580	57,929,193	55,839,322	102,774,521	98,714,902
Restricted for other purpose	11,077	10,894	-	-	11,077	10,894
Restricted for debt service	439,460	430,978	50,000	50,000	489,460	480,978
Unrestricted	30,086,228	29,179,762	18,147,111	18,818,340	48,233,339	47,998,102
<i>Total net position</i>	<u>\$ 75,382,093</u>	<u>\$ 72,497,214</u>	<u>\$ 76,126,304</u>	<u>\$ 74,707,662</u>	<u>\$ 151,508,397</u>	<u>\$ 147,204,876</u>

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2013*  
*(Unaudited)*

Of that amount, in 2013 approximately \$102.8 million (68%) was invested in capital assets, net of debt related to those assets. At year-end 2012 that amount was approximately \$98.7 million (67%). The largest portion of the City's net position (68%) reflects investments in net capital assets (e.g. land, construction in progress, buildings, improvements, machinery and equipment, vehicles, and infrastructure), less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

During the period 2007 – 2009 the City loaned \$4.3 million to the Piqua Investment Fund, LLC and \$3.975 million to the Fort Piqua Redevelopment Corporation for the hotel restoration project. The loan is for a period of thirty years making these funds unavailable for use in the near future. The outstanding loan to the Fort Piqua Redevelopment Corporation at December 31, 2013 was \$1.293 million.

For 2013 another \$.5 million (.3%) was subject to legislative and external restrictions upon its use. The remaining \$48.2 million (31.8%) in 2013 was unrestricted and available for future use. For 2012 \$.5 million (.3%) was subject to external restrictions and \$48.0 million (32.6%) was unrestricted.

At the end of the current year, the City of Piqua 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.

Our total net position of the City's governmental activities increased \$2.9 million during the current year, primarily due to an increase in net investment in capital assets. Unrestricted net position increased by \$0.9 million, while restricted net position increased slightly.

Total net position of the City's business-type activities increased \$1.4 million during the current year; \$2.1 million due to increased net investment in capital assets and \$0.7 million due to a decrease in unrestricted net position.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for the current year.

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2013*  
*(Unaudited)*

**Table 2**  
**Changes in Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for Services	\$ 1,705,548	\$ 1,646,862	\$ 35,430,033	\$ 34,790,778	\$ 37,135,581	\$ 36,437,640
Operating Grants/Contributions	1,215,686	2,052,279	110,719	142,603	1,326,405	2,194,882
Capital Grants/Contributions	1,732,241	1,890,719	89,599	540,523	1,821,840	2,431,242
General revenues:						
Property Taxes	1,211,844	1,271,907			1,211,844	1,271,907
Income Taxes	8,935,319	8,024,044			8,935,319	8,024,044
Other Taxes	2,941,131	3,373,350			2,941,131	3,373,350
Investment Earnings & Misc.	84,533	116,475	54,021	78,751	138,554	195,226
<b>Total Revenues</b>	<b>17,826,302</b>	<b>18,375,636</b>	<b>35,684,372</b>	<b>35,552,655</b>	<b>53,510,674</b>	<b>53,928,291</b>
Program Expenses						
General Government	1,931,289	1,878,876			1,931,289	1,878,876
Public Safety	7,855,812	7,778,195			7,855,812	7,778,195
Street and Maintenance	3,340,057	3,081,248			3,340,057	3,081,248
Parks and Recreation	502,923	475,706			502,923	475,706
Community Development	766,933	1,944,480			766,933	1,944,480
Interest on long-term debt	61,006	68,013			61,006	68,013
Electric			24,897,844	22,146,622	24,897,844	22,146,622
Wastewater			3,253,677	3,369,098	3,253,677	3,369,098
Water			3,116,383	3,051,979	3,116,383	3,051,979
Refuse			1,606,035	1,594,550	1,606,035	1,594,550
Stormwater			707,322	398,234	707,322	398,234
Golf			678,050	683,046	678,050	683,046
Ft. Piqua Plaza			301,409	277,319	301,409	277,319
Pool			188,413	203,742	188,413	203,742
<b>Total Expenses</b>	<b>14,458,020</b>	<b>15,226,518</b>	<b>34,749,133</b>	<b>31,724,590</b>	<b>49,207,153</b>	<b>46,951,108</b>
Increase (Decrease) in Net Position before Transfers & Proceeds	3,368,282	3,149,118	935,239	3,828,065	4,303,521	6,977,183
Transfers	(483,403)	(393,284)	483,403	393,284	-	-
Increase(Decrease) in Net Position	\$ 2,884,879	\$ 2,755,834	\$ 1,418,642	\$ 4,221,349	\$ 4,303,521	\$ 6,977,183
Net Position Beginning	72,497,214	69,741,380	74,707,662	70,486,313	147,204,876	140,227,693
Net Position Ending	\$ 75,382,093	\$ 72,497,214	\$ 76,126,304	\$ 74,707,662	\$ 151,508,397	\$ 147,204,876

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2013*  
*(Unaudited)*

**Governmental Activities**

Governmental activities increased the City's net position by \$2,884,879, in 2013 as compared to an increase of \$2,755,834 during 2012, thereby accounting for 4.0 percent of growth in total net position. Total revenues decreased by \$549,334 due to decreased operating and capital grants. Our program expenses decreased by \$768,498 due to a large community development project last year.

Several types of revenues fund our governmental activities with city income tax being the largest contributor. The income tax revenue for 2013 was up significantly at \$8,935,319 compared to \$8,024,044 in 2012, an increase of 11.4 percent. The City's income tax rate was 1.75 percent for 2013, the same as the prior year. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a locality that has a municipal income tax, the City provides 100 percent credit up to 1.75 percent for those who pay income tax to another city.

General revenues from other taxes, such as Kilowatt-hour tax, Estate tax and Local Government Funds, are also revenue generators and in 2013, we received \$432,219 less than in 2012, a 12.8% decrease due to lower Kilowatt-hour, Property taxes and the elimination of the Estate tax. Program revenues saw an increase of \$58,686 in charges for services while operating and capital grants decreased \$995,071 as projects were completed. Overall decreases in program revenues totaled \$936,385 or 16.75%. With the combination of program revenues, property tax, income tax, intergovernmental funding and investment earnings, all expenses in the governmental activities are funded. The City monitors its source of revenues very closely for fluctuations.

The largest program function for the City relates to Public Safety, which accounts for 54.3 percent of total program expenses. Street Maintenance accounts for 23.1 percent of total program expenses, while General Government accounts for 13.4 percent. Street and Maintenance cost of services and Parks and Recreation increased slightly as projects were implemented.

The Statement of Activities reports the expenses of each of the governmental activities programs and the related program revenue that offsets the cost of each program. The amount by which the cost of a particular program exceeds its program revenue represents the extent to which that program must be subsidized by general revenues. The following table summarizes the net cost of each program:

**Table 3**  
**Government Activities**

	Total Cost of Services		Program Revenues		Net Cost of Services	
	2013	2012	2013	2012	2013	2012
General Government	\$ 1,931,289	\$ 1,878,876	\$ 503,906	\$ 441,847	\$ 1,427,383	\$ 1,437,029
Public Safety	7,855,812	7,778,195	1,561,795	1,144,944	6,294,017	6,633,251
Street and Maintenance	3,340,057	3,081,248	1,794,124	1,585,372	1,545,933	1,495,876
Parks and Recreation	502,923	475,706	64,997	442,150	437,926	33,556
Community Development	766,933	1,944,480	728,653	1,975,547	38,280	(31,067)
Interest on long-term debt	61,006	68,013	-	-	61,006	68,013
<b>Total</b>	<b>\$ 14,458,020</b>	<b>\$ 15,226,518</b>	<b>\$ 4,653,475</b>	<b>\$ 5,589,860</b>	<b>\$ 9,804,545</b>	<b>\$ 9,636,658</b>

**CITY OF PIQUA, OHIO**  
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***Business-Type Activities***

The Business-Type activities of the City, which include the City's Electric, Wastewater, Water, Refuse and Stormwater operations as well as Golf, Pool and Fort Piqua Plaza activities, increased the City's net position by \$1,418,642 in 2013.

**Table 4**  
**Business-type Activities**

	Total Cost of Services		Program Revenues		Net Revenue (Expense) from Operations	
	2013	2012	2013	2012	2013	2012
Electric	\$ 24,897,844	\$ 22,146,622	\$ 23,742,115	\$ 24,115,357	\$ (1,155,729)	\$ 1,968,735
Wastewater	3,253,677	3,369,098	3,502,666	3,483,271	248,989	114,173
Water	3,116,383	3,051,979	4,890,863	4,263,782	1,774,480	1,211,803
Refuse	1,606,035	1,594,550	1,794,018	1,773,791	187,983	179,241
Stormwater	707,322	398,234	975,829	1,083,966	268,507	685,732
Golf	678,050	683,046	515,527	568,437	(162,523)	(114,609)
Ft. Piqua Plaza	301,409	277,319	147,131	109,010	(154,278)	(168,309)
Pool	188,413	203,742	62,202	76,290	(126,211)	(127,452)
<b>Total</b>	<b>\$ 34,749,133</b>	<b>\$ 31,724,590</b>	<b>\$ 35,630,351</b>	<b>\$ 35,473,904</b>	<b>\$ 881,218</b>	<b>\$ 3,749,314</b>

For 2013 the Wastewater, Water, Refuse and Stormwater utilities all had program revenues in excess of expenses. For the most part, increases in expenses closely parallel inflation and growth in the demand for services. Golf and Pool activity funds had expenses in excess of program revenues of \$288,734 in 2013 as compared to \$242,061 in 2012. The Ft. Piqua Plaza activity funds have expenses in excess of program revenues of \$154,278 in 2013 compared to \$168,309 in 2012. There was decreased use of the Golf Course and the Pool based on a weaker local economy and wet weather. For 2013, Ft. Piqua Plaza program revenues increased along with cost of services.

**The City's Funds**

Information about the City's major funds starts on page 25. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues in 2013 of \$17.6 million compared to \$18.1 million in 2012. All governmental funds had expenditures in 2013 of \$16.5 million compared to \$16.4 million in 2012. The most significant fund is our general fund, which had an unassigned fund balance at year-end of \$6.9 million in 2013 compared to \$6.7 million in 2012. The General fund accounts for such activities as Police and Fire protection, and parks and recreation along with city administration. Within the General fund, revenues exceeded expenditures by \$789,328 in 2013 as compared to \$927,793 in 2012. The funds are monitored consistently with adjustments made to the budgets to accommodate yearly revenues.

Within the Street Maintenance Fund, revenues exceeded expenditures by \$399,890 in 2013 as compared to \$648,506 in 2012. Fund balance at year-end in 2013 was \$4,321,221 as compared to \$3,918,551 in 2012. The City was able to increase fund balance for use on planned construction needs in 2014.

Within the Street Levy Construction Fund, revenues exceeded expenditures by \$200,014 in 2013 compared to \$370,663 in 2012. Fund balance at year-end in 2013 was \$2,004,021 as compared to \$1,977,761 in 2012. The City was able to maintain a stable fund balance in anticipation of street maintenance needs in 2014.

Information about the Enterprise Funds starts on the Balance Sheet on page 28. These funds are accounted for on an accrual basis. All business type funds had operating revenues of \$35.3 million in 2013 and \$33.9 million in 2012. Operating expenses were \$34.6 million in 2013 and \$31.4 million in 2012.

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The enterprise fund balances increased \$1,357,424 with the Electric fund decreasing \$1.2 million based on an increase in operating expenses, Wastewater increasing \$0.2 million, Water increasing \$1.7 million from a rate increase and Refuse \$0.2 million based on controlling costs. Stormwater was added as a new utility during 2010 and increased its 2013 fund balance by \$0.3 million. The other fund balances were similar to 2012. The City is consistent with reviews of these funds, and the necessary adjustments are made to ensure strength in our enterprise funds.

**General Fund Budgetary Highlights**

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on the same basis as the entity reports. The most significant governmental budgeted fund is the General Fund. The Commission is provided with a detailed line item budget for all departments and after a discussion at a regularly held commission meeting, which is open to the public; the budget is adopted at an object level by City commission. Within each object, appropriations can be transferred between line items with the approval of the Finance Director and the respective department head. The Commission must approve any revisions in the budget that alter the object level totals or the total appropriations for any department or fund. During the course of fiscal 2013, the City amended its general fund budget during the middle and at the end of the fiscal year. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the 2013 general fund, original budgeted revenues were \$10.3 million. The final budgeted revenue amount was \$10.5 million. Actual revenues were \$11.2 million. Actual revenues were slightly higher due to higher municipal income tax. For the 2012 general fund, original budgeted revenues were \$9.8 million. The final budgeted revenue amount was \$10.8 million. Actual revenues collected were \$10.8 million.

For 2013, original general fund appropriations were budgeted at \$10.9 million. Final budgeted appropriations were \$11.5 million. Actual expenditures were \$10.4 million. This decrease was achieved through continued lower personnel costs and general government operating expenditures. For 2012, original general fund appropriations were budgeted at \$10.3 million. Final budgeted appropriations were \$10.6 million. Actual expenditures were \$9.9 million. This decrease was due to lower than expected personnel and general government operating expenditures.

**Capital Asset and Debt Administration**

**Table 5**  
**Capital Assets at December 31**  
**(Net of Accumulated Depreciation)**

	Governmental Activities		Business-Type Activities	
	2013	2012	2013	2012
Land and Land Improvements	\$ 4,571,877	\$ 4,528,378	\$ 1,965,679	\$ 1,856,163
Infrastructure Land	2,115,523	1,374,365	-	-
Construction in Progress	2,768,840	3,581,615	5,991,350	7,003,939
Buildings and Improvements	8,759,608	8,948,758	15,288,137	10,784,404
Furniture, Fixtures and Equipmer	2,120,754	1,605,996	30,762,838	31,407,341
Infrastructure	25,536,168	24,078,223	-	-
Underground Piping			9,386,284	9,367,723
Intangible Assets	-	-	1,416,024	1,508,834
<b>Total Capital Assets</b>	<b>\$45,872,770</b>	<b>\$44,117,335</b>	<b>\$64,810,312</b>	<b>\$61,928,404</b>

**CITY OF PIQUA, OHIO**  
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Total Capital Assets for the City of Piqua for the year ended December 31, 2013 were \$110,683,082, an increase of \$4,637,343 over 2012. Additions in 2013 were \$1,259,760 less than in 2012 based on certain large water and electric projects completed in 2012. The City is committed to a long-term goal of meeting the needs of its infrastructure and facilities. Additional information concerning the City's capital assets can be found in Note G of the financial statements.

***Debt***

At December 31, 2013, the City of Piqua had \$0.5 million more in debt of bonds and notes at \$8.1 million compared to \$7.6 million in debt outstanding at December 31, 2012.

**Table 6**  
**Outstanding Debt at December 31**

	Governmental Activities		Business-type Activities	
	2013	2012	2013	2012
General Obligation Bonds	\$ 215,000	\$ 255,000	\$ 785,000	\$ 925,000
Pension Bonds	225,000	250,000	-	-
Special Assessment Bonds	86,105	111,805	-	-
State Infrastructure Bank Note	726,337	874,950	-	-
OWDA Loans	-	-	6,096,119	5,164,082
<b>Total</b>	<b>\$ 1,252,442</b>	<b>\$ 1,491,755</b>	<b>\$ 6,881,119</b>	<b>\$ 6,089,082</b>

The General Obligation Bonds in Governmental Activities are primarily for the 2009 Ohio Capital Asset series issued for the purchase of a new fire truck. Bonds are paid through the Debt Service fund through transfers from the General Fund. The Pension Bonds are paid with property tax revenues.

The General Obligation Bonds in Business-type Activities are comprised of various obligations in the City's Enterprise funds including Electric system, Municipal Pool and Golf Course improvements. They are paid from the operating revenues generated in each enterprise. The Electric system bonds were retired in 2011.

The Special Assessment Bonds are paid from the collection of special assessments by the County Auditor from the specific property owners who primarily benefited from the projects.

The Street Construction Fund borrowed \$1,227,683 from the State Infrastructure Bank to help finance the County Road 25-A widening project which was completed in late 2009.

The Ohio Water Development Authority ("OWDA") Loans are paid semi-annually from wastewater and water revenues. Loan funds were used for construction, maintenance and operation of the city's sewer system and the City's hypodillar water tower.

During 2009, \$3,919,940 was borrowed from the Ohio Water Development Authority ("OWDA 2009") to fund the Wastewater Sewer Equalization tank. In 2010 an additional \$409,936 was borrowed for the same project. The Wastewater Sewer project notes are paid with sewer utility revenues.

During 2013, \$1,705,478 was borrowed from the Ohio Water Development Authority ("OWDA 2013") to fund the New Water Plant Engineering and Design.

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10.5 percent of total assessed valuation. The City's overall legal debt margin was \$30,090,476 on December 31, 2013.

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
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*(Unaudited)*

Additional information concerning the City's debt can be found in Note H of the financial statements.

**Economic Factors and Next Year's General Fund Budget**

The City's key objectives set for the 2014 budget were Economic development, job creation, safety, and long-term fiscal stability. With the uncertainty surrounding the economy, the City closely monitors and takes into consideration the impact on two primary revenue sources: income tax revenue and state shared revenue.

In the 2014 budget process City Commission decided that it was important to: 1) continue the City's investment in Economic development and job creation; 2) safety for the citizens of Piqua and City employees; and 3) adopt a budget designed to promote long-term fiscal stability. In order to meet the objectives of the 2014 budget, the City recognized the need to continue its pattern of cost containment while pursuing new revenue sources.

General fund expenditure appropriations for 2014 have been approved by City Commission in the amount of \$11.7 million. This appropriation level is approximately \$0.7 million more than actual 2013 general fund budgetary basis expenditures (including transfers out). The appropriation level was set based on similar estimated revenues in the General Fund compared to 2013 levels.

**Current Financial Related Activities**

The City anticipates the following significant events to take place in 2014:

- Begin development of the Riverfront area
- Continue Community Housing Improvement and Streetscaping programs
- Complete installing a City-owned high speed fiber optic loop – PIQUA Fast Fiber
- Continue study and assessment of demolishing the Electric Power Plant
- Continue US 36 Beautification Project
- Continued implementation of a Storm Water Utility based on the feasibility study to address sanitary sewer overflow infiltration
- Begin new Water Treatment Plant construction
- Complete Wastewater Treatment Plant engineering report on SSO Removal
- Complete phase II of North 25-A street reconstruction

The City of Piqua has committed itself to financial excellence. The City has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence for twenty-three consecutive years.

**Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, customers, 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 any questions about this report or need additional financial information, contact Cynthia A. Holtzapple, CPA, Director of Finance, City of Piqua, 201 West Water Street, Piqua, Ohio 45356, (937) 778-2065.



**CITY OF PIQUA, OHIO**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2013**

	Government Activities	Business Type Activities	Total Activities
<b>ASSETS:</b>			
Equity in pooled cash and cash equivalents	\$ 15,715,896	\$ 13,386,169	\$ 29,102,065
Equity in pooled investments	4,921,492	3,555,081	8,476,573
Accounts receivable	5,067,209	5,013,386	10,080,595
Allowance for Bad Debts	-	(423,761)	(423,761)
Interfund balances	(289,692)	289,692	-
Inventories	-	877,265	877,265
Prepaid items and other assets	10,265	138,451	148,716
Loans receivable, net of allowance	9,800,346	-	9,800,346
Recoverable purchased power	-	2,399,276	2,399,276
Capital assets not being depreciated	9,456,240	7,313,341	16,769,581
Capital assets being depreciated, net	36,416,530	57,496,971	93,913,501
Total assets	<u>81,098,286</u>	<u>90,045,871</u>	<u>171,144,157</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred charge on refunding	-	12,625	12,625
Total deferred outflow of resources	<u>-</u>	<u>12,625</u>	<u>12,625</u>
<b>LIABILITIES:</b>			
Accounts payable	313,007	2,645,677	2,958,684
Salary and benefits payable	249,813	128,584	378,397
Other accruals	265,621	550,046	815,667
Unearned revenue	-	2,687	2,687
Long-term liabilities:			
Due within one year	913,283	1,658,945	2,572,228
Due in more than one year	2,306,768	8,946,253	11,253,021
Total liabilities	<u>4,048,492</u>	<u>13,932,192</u>	<u>17,980,684</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Property taxes	1,428,010	-	1,428,010
Reimbursements	239,691	-	239,691
Total deferred inflows of resources	<u>1,667,701</u>	<u>-</u>	<u>1,667,701</u>
<b>NET POSITION:</b>			
Net investment in capital assets	44,845,328	57,929,193	102,774,521
Restricted by: legislation	11,077	-	11,077
Restricted by: debt covenants	439,460	50,000	489,460
Unrestricted	30,086,228	18,147,111	48,233,339
Total net position	<u>\$ 75,382,093</u>	<u>\$ 76,126,304</u>	<u>\$ 151,508,397</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
<b>GOVERNMENTAL ACTIVITIES:</b>							
General government	\$ 1,931,289	\$ 433,122	\$ 55,807	\$ 14,977	\$ (1,427,383)	\$ -	\$ (1,427,383)
Public safety	7,855,812	1,103,529	400,120	58,146	(6,294,017)	-	(6,294,017)
Streets and maintenance	3,340,057	90,011	44,995	1,659,118	(1,545,933)	-	(1,545,933)
Parks and recreation	502,923	35,797	29,200	-	(437,926)	-	(437,926)
Community development	766,933	43,089	685,564	-	(38,280)	-	(38,280)
Interest on long term debt	61,006	-	-	-	(61,006)	-	(61,006)
Total governmental activities	<u>14,458,020</u>	<u>1,705,548</u>	<u>1,215,686</u>	<u>1,732,241</u>	<u>(9,804,545)</u>	<u>-</u>	<u>(9,804,545)</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>							
Electric	24,897,844	23,631,871	110,219	25	-	(1,155,729)	(1,155,729)
Wastewater	3,253,677	3,501,363	-	1,303	-	248,989	248,989
Refuse	1,606,035	1,794,018	-	-	-	187,983	187,983
Water	3,116,383	4,890,863	-	-	-	1,774,480	1,774,480
Storm Water	707,322	887,558	-	88,271	-	268,507	268,507
Golf	678,050	515,527	-	-	-	(162,523)	(162,523)
Ft. Piqua Plaza	301,409	147,131	-	-	-	(154,278)	(154,278)
Municipal Pool	188,413	61,702	500	-	-	(126,211)	(126,211)
Total business-type activities	<u>34,749,133</u>	<u>35,430,033</u>	<u>110,719</u>	<u>89,599</u>	<u>-</u>	<u>881,218</u>	<u>881,218</u>
Total	<u>\$ 49,207,153</u>	<u>\$ 37,135,581</u>	<u>\$ 1,326,405</u>	<u>\$ 1,821,840</u>	<u>\$ (9,804,545)</u>	<u>\$ 881,218</u>	<u>(8,923,327)</u>
<b>GENERAL REVENUES:</b>							
Property taxes					1,211,844	-	1,211,844
State shared taxes					1,752,553	-	1,752,553
Income tax					8,935,319	-	8,935,319
Locally levied taxes					1,188,578	-	1,188,578
Investment earnings					82,596	54,021	136,617
Miscellaneous					1,937	-	1,937
Total general revenues					<u>13,172,827</u>	<u>54,021</u>	<u>13,226,848</u>
Transfers, in (out)					<u>(483,403)</u>	<u>483,403</u>	<u>-</u>
Change in net position					<u>2,884,879</u>	<u>1,418,642</u>	<u>4,303,521</u>
Total net position:							
Beginning of year					<u>72,497,214</u>	<u>74,707,662</u>	<u>147,204,876</u>
End of year					<u>\$ 75,382,093</u>	<u>\$ 76,126,304</u>	<u>\$ 151,508,397</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2013**

<b>ASSETS</b>	<b>General Fund</b>	<b>Street Maintenance</b>	<b>Street Levy Construction</b>	<b>Debt Service</b>	<b>Other Governmental</b>	<b>Total Governmental</b>
Equity in pooled cash and cash equivalents	\$ 8,302,367	\$ 3,572,842	\$ 1,998,612	\$ 353,032	\$ 358,535	\$ 14,585,388
Equity in pooled investments	2,001,009	543,721	-	86,105	-	2,630,835
Accounts receivable	3,245,291	798,860	455,748	286,023	122,738	4,908,660
Interfund receivable	94,219	-	-	-	-	94,219
Prepaid items and other assets	6,919	-	-	-	-	6,919
Loans Receivable, net of allowance	9,793,197	-	-	-	7,149	9,800,346
<b>Total Assets</b>	<b>\$ 23,443,002</b>	<b>\$ 4,915,423</b>	<b>\$ 2,454,360</b>	<b>\$ 725,160</b>	<b>\$ 488,422</b>	<b>\$ 32,026,367</b>
<b>LIABILITIES</b>						
<b>CURRENT LIABILITIES:</b>						
Accounts payable	\$ 184,686	\$ 99,217	\$ 8,444	\$ -	\$ 11,688	\$ 304,035
Interfund payable	-	-	-	-	94,219	94,219
Salaries and benefits	222,070	16,715	-	-	5,269	244,054
Accruals	2,769	965	106,718	-	149,154	259,606
<b>Total Current Liabilities</b>	<b>409,525</b>	<b>116,897</b>	<b>115,162</b>	<b>-</b>	<b>260,330</b>	<b>901,914</b>
<b>LONG-TERM LIABILITIES:</b>						
Restricted deposits	25,300	-	-	-	-	25,300
<b>Total Long Term Liabilities</b>	<b>25,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,300</b>
<b>Total Liabilities</b>	<b>434,825</b>	<b>116,897</b>	<b>115,162</b>	<b>-</b>	<b>260,330</b>	<b>927,214</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property taxes	1,365,485	-	-	285,700	61,363	1,712,548
State shared taxes	236,969	370,361	-	-	-	607,330
Income taxes	465,970	106,944	95,486	-	-	668,400
Reimbursements	73,771	-	239,691	-	-	313,462
<b>Total deferred inflows of resources</b>	<b>2,142,195</b>	<b>477,305</b>	<b>335,177</b>	<b>285,700</b>	<b>61,363</b>	<b>3,301,740</b>
<b>FUND BALANCES</b>						
Nonspendable fund balance	9,800,116	-	-	-	7,149	9,807,265
Restricted fund balance	11,077	4,321,221	2,004,021	439,460	158,579	6,934,358
Assigned fund balance	4,101,987	-	-	-	-	4,101,987
Unassigned fund balance	6,952,802	-	-	-	1,001	6,953,803
<b>Total fund balances</b>	<b>20,865,982</b>	<b>4,321,221</b>	<b>2,004,021</b>	<b>439,460</b>	<b>166,729</b>	<b>27,797,413</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 23,443,002</b>	<b>\$ 4,915,423</b>	<b>\$ 2,454,360</b>	<b>\$ 725,160</b>	<b>\$ 488,422</b>	

Amounts reported for governmental activities in the Statement of Net Position (page 23) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	45,872,770
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	1,634,039
The following long-term liabilities are not due and payable in the current period and therefore are not reported as expenditures in the funds	
Bonds and notes payable	(1,252,442)
Sick leave benefits	(1,942,309)
Accrued interest on bonds payable	(5,882)
Internal service funds are used to charge the costs of certain activities, such as the city's health care costs, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	3,278,504
Net position of governmental activities	<u>\$ 75,382,093</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

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

	General Fund	Street Maintenance	Street Levy Construction	Debt Service	Other Governmental	Total Governmental
<b>REVENUES:</b>						
Municipal income tax	\$ 6,035,111	\$ 1,385,106	\$ 1,237,102	\$ -	\$ -	\$ 8,657,319
Property taxes	1,160,855	-	-	48,628	2,361	1,211,844
State shared revenues	727,498	1,137,410	-	-	1,421	1,866,329
Locally levied taxes	1,188,578	-	-	-	-	1,188,578
Licenses and permits, fees	1,331,695	700	-	-	1,710	1,334,105
Grants: capital	58,146	-	1,659,118	-	-	1,717,264
Grants: operating	531,312	-	44,995	-	596,610	1,172,917
Investment income	54,846	5,978	850	10,240	5,265	77,179
Decrease in fair market value of investments	(4,408)	(110)	-	-	-	(4,518)
Donations:						
Capital	14,977	-	-	-	-	14,977
Operating	42,769	-	-	-	-	42,769
Other fines, rents, and reimbursements	93,949	31,274	58,037	-	114,412	297,672
<b>Total revenues</b>	<b>11,235,328</b>	<b>2,560,358</b>	<b>3,000,102</b>	<b>58,868</b>	<b>721,779</b>	<b>17,576,435</b>
<b>EXPENDITURES:</b>						
General government administration	1,300,112	-	-	-	-	1,300,112
Public safety	7,571,496	-	-	-	-	7,571,496
Public health	405,119	-	-	-	87,254	492,373
Street repairs and maintenance	768	1,861,292	408,551	-	-	2,270,611
Parks and recreation	472,183	-	-	-	-	472,183
Community planning and development	60,241	-	-	-	610,876	671,117
Other	-	-	-	14,621	31,772	46,393
Debt principal payment	-	-	-	239,313	-	239,313
Debt interest payment	-	-	-	61,293	-	61,293
Capital costs	636,081	299,176	2,391,537	-	43,499	3,370,293
<b>Total expenditures</b>	<b>10,446,000</b>	<b>2,160,468</b>	<b>2,800,088</b>	<b>315,227</b>	<b>773,401</b>	<b>16,495,184</b>
Excess (deficiency) of revenues over expenditures	789,328	399,890	200,014	(256,359)	(51,622)	1,081,251
<b>OTHER FINANCING SOURCES (USES):</b>						
Disposal of capital assets	7,152	2,780	-	-	-	9,932
Transfers, in	-	-	-	264,841	14,889	279,730
Transfers, out	(589,379)	-	(173,754)	-	-	(763,133)
<b>Total other financing sources (uses)</b>	<b>(582,227)</b>	<b>2,780</b>	<b>(173,754)</b>	<b>264,841</b>	<b>14,889</b>	<b>(473,471)</b>
Net change in fund balance	207,101	402,670	26,260	8,482	(36,733)	607,780
Fund balance-beginning of year	20,658,881	3,918,551	1,977,761	430,978	203,462	27,189,633
Fund balance-end of year	\$ 20,865,982	\$ 4,321,221	\$ 2,004,021	\$ 439,460	\$ 166,729	\$ 27,797,413

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

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

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Total net change in fund balances Governmental funds	\$ 607,780
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures; however in the Statement of Activities, the cost of those assets are allocated over their useful lives as depreciation expense. This is the amount by which capital outlays (\$3,370,293) exceed depreciation expense (\$1,530,148)	1,840,145
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds: (State shared taxes (\$113,776), Income taxes \$278,000, and Ems billings \$73,771)	237,995
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position	239,313
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:	
Vacation and sick leave benefits	45,770
Interest payable	477
The net book value of assets retired (the difference of original cost (\$142,129) and accumulated depreciation (\$134,134) is not recorded on the Governmental Fund Statements, but is recorded as an expense on the Statement of Activities	(7,995)
An Internal Service Fund is used by management to charge the cost of certain activities, such as the city's health care costs, to individual funds. The net revenue (expense) of the internal service fund related to governmental activities is reported with governmental activities	(78,606)
Change in the net position of governmental activities on the Statement of Activities	<u>\$ 2,884,879</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

**BALANCE SHEET  
PROPRIETARY FUNDS  
DECEMBER 31, 2013**

	Business-type Activities										Governmental Activities - Internal Service Funds	
	Electric	Wastewater	Refuse	Water	Storm Water	Golf	Ft. Piqua Plaza	Municipal Pool	Total			
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>												
<b>CURRENT ASSETS:</b>												
Equity in pooled cash and cash equivalents	\$ 4,860,108	\$ 2,524,785	\$ 944,495	\$ 4,089,874	\$ 796,963	\$ 141,646	\$ 15,847	\$ 12,451	\$ 13,386,169	\$ 1,130,508		
Equity in pooled investments	2,644,417	576,309	310,634	23,721	-	-	-	-	3,555,081	2,290,657		
Accounts receivable	3,566,855	487,660	238,282	649,428	55,626	2,331	12,799	405	5,013,386	158,549		
Allowance for uncollectible accounts	(262,581)	(61,245)	(33,471)	(57,894)	(8,570)	-	-	-	(423,761)	-		
Inventories	717,990	-	-	126,413	8,983	23,879	-	-	877,265	-		
Prepaid items and other assets	5,366	4,780	68,000	56,305	4,000	-	-	-	138,451	3,346		
<b>Total Current Assets</b>	<b>11,532,155</b>	<b>3,532,289</b>	<b>1,527,940</b>	<b>4,887,847</b>	<b>857,002</b>	<b>167,856</b>	<b>28,646</b>	<b>12,856</b>	<b>22,546,591</b>	<b>3,583,060</b>		
<b>NONCURRENT ASSETS:</b>												
Recoverable purchased power	2,399,276	-	-	-	-	-	-	-	2,399,276	-		
Capital assets not being depreciated	2,762,315	463,790	17,949	3,324,188	362,130	382,970	-	-	7,313,342	-		
Capital assets being depreciated	34,697,192	10,774,218	478,359	10,023,587	404,215	964,968	-	154,431	57,496,970	540,548		
<b>Total Noncurrent Assets</b>	<b>39,858,783</b>	<b>11,238,008</b>	<b>496,308</b>	<b>13,347,775</b>	<b>766,345</b>	<b>1,347,938</b>	<b>-</b>	<b>154,431</b>	<b>67,209,588</b>	<b>540,548</b>		
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>												
Deferred charge on refunding	-	-	-	-	-	12,018	-	607	12,625	-		
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,018</b>	<b>-</b>	<b>607</b>	<b>12,625</b>	<b>-</b>		
<b>Total Assets and deferred outflows of resources</b>	<b>\$ 51,390,938</b>	<b>\$ 14,770,297</b>	<b>\$ 2,024,248</b>	<b>\$ 18,235,622</b>	<b>\$ 1,623,347</b>	<b>\$ 1,527,812</b>	<b>\$ 28,646</b>	<b>\$ 167,894</b>	<b>\$ 89,768,804</b>	<b>\$ 4,123,608</b>		

See accompanying notes to the basic financial statements

Continued

**CITY OF PIQUA, OHIO**

**BALANCE SHEET  
PROPRIETARY FUNDS  
DECEMBER 31, 2013**

**LIABILITIES**

**CURRENT LIABILITIES:**

Accounts payable  
Salaries and benefits  
Accrued vacation, personal, and sick leave  
Accruals and prepaid memberships  
Current portion of long term debt

Total Current Liabilities

**LONG-TERM LIABILITIES:**

Accrued vacation, personal, and sick leave  
Long term liabilities

Total Long-Term Liabilities

Total Liabilities

**NET POSITION**

Net investment in capital assets  
Restricted by debt covenants  
Unrestricted

Total Net Position

Total Liabilities and Net Position

Adjustment to consolidate the internal service fund activities

Total net position per the government-wide Statement of Net Position

**Business-type Activities**

	Electric	Wastewater	Refuse	Water	Storm Water	Golf	Ft. Piqua Plaza	Municipal Pool	Total	Governmental Activities - Internal Service Funds
\$	2,021,622	117,355	69,528	401,018	4,329	16,331	14,347	1,147	2,645,677	8,972
Accounts payable	45,890	25,374	11,925	26,175	9,180	10,040	-	-	128,584	5,759
Salaries and benefits	239,514	131,304	44,296	84,190	10,159	43,852	-	-	553,315	30,520
Accrued vacation, personal, and sick leave	469,528	548	133	73,733	1,197	4,933	2,661	-	552,733	133
Current portion of long term debt	154,611	665,046	-	140,973	-	138,040	-	6,960	1,105,630	-
Total Current Liabilities	2,931,165	939,627	125,882	726,089	24,865	213,196	17,008	8,107	4,985,939	45,384
<b>LONG-TERM LIABILITIES:</b>										
Accrued vacation, personal, and sick leave	318,255	150,024	81,593	199,754	15,003	6,859	-	-	771,488	65,007
Long term liabilities	2,244,665	3,512,293	-	1,777,807	-	609,280	-	30,720	8,174,765	-
Total Long-Term Liabilities	2,562,920	3,662,317	81,593	1,977,561	15,003	616,139	-	30,720	8,946,253	65,007
Total Liabilities	5,494,085	4,601,944	207,475	2,703,650	39,868	829,335	17,008	38,827	13,932,192	110,391
<b>NET POSITION</b>										
Net investment in capital assets	37,459,507	7,060,669	496,308	11,428,995	766,345	600,618	-	116,751	57,929,193	540,548
Restricted by debt covenants	-	50,000	-	-	-	-	-	-	50,000	-
Unrestricted	8,437,346	3,057,684	1,320,465	4,102,977	817,134	97,859	11,638	12,316	17,857,419	3,472,669
Total Net Position	45,896,853	10,168,353	1,816,773	15,531,972	1,583,479	698,477	11,638	129,067	75,836,612	4,013,217
Total Liabilities and Net Position	\$ 51,390,938	\$ 14,770,297	\$ 2,024,248	\$ 18,235,622	\$ 1,623,347	\$ 1,527,812	\$ 28,646	\$ 167,894	\$ 4,123,608	\$ 4,123,608
Adjustment to consolidate the internal service fund activities									289,692	
Total net position per the government-wide Statement of Net Position									\$ 76,126,304	

See accompanying notes to the basic financial statements

Concluded

**CITY OF PIQUA, OHIO**

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

	Business-type Activities										Governmental Activities- Internal Service Funds	
	Electric	Wastewater	Refuse	Water	Storm Water	Golf	Ft. Piqua Plaza	Municipal Pool	Total			
<b>OPERATING REVENUES:</b>												
Customer services	\$ 23,688,111	\$ 3,459,040	\$ 1,754,927	\$ 4,544,683	\$ 881,273	\$ 512,678	\$ 147,006	\$ 61,562	\$ 35,049,280	\$	\$ 735,394	
Penalty charges	147,194	38,875	21,676	47,830	5,585	-	-	-	261,160	-	-	
Total operating revenues	23,835,305	3,497,915	1,776,603	4,592,513	886,858	512,678	147,006	61,562	35,310,440		735,394	
<b>OPERATING EXPENSES:</b>												
Fossil fuels used for production	21,702	-	-	-	-	-	-	-	21,702		-	
Purchased power	18,871,083	-	-	-	-	-	-	-	18,871,083		-	
Salaries and employee benefits	1,966,440	1,014,750	472,477	1,091,929	309,909	243,699	-	65,518	5,164,722		333,185	
Depreciation	1,901,168	949,750	43,977	400,689	23,700	95,061	-	34,951	3,449,296		108,169	
Materials and supplies	243,310	119,487	77,116	271,361	57,339	157,021	-	48,583	999,829		8,446	
Utilities	73,608	180,800	5,497	204,013	18,155	54,215	-	17,204	589,007		31,734	
Outside services	1,089,147	534,945	890,486	560,588	243,483	25,321	-	5,594	3,576,881		115,189	
Billing costs	434,194	232,523	104,526	269,448	32,162	-	-	-	1,072,853		-	
Chemicals	-	10,362	-	217,860	-	-	-	-	272,659		-	
Other	334,734	38,731	11,157	90,561	23,640	24,089	12,965	10,725	540,368		94,271	
Total operating expenses	24,935,386	3,081,348	1,605,236	3,106,449	708,388	633,118	301,409	187,066	34,558,400		690,994	
Operating income (loss)	(1,100,081)	416,567	171,367	1,486,064	178,470	(120,440)	(154,403)	(125,504)	752,040		44,400	
<b>NON-OPERATING REVENUES (EXPENSES):</b>												
Interest on debt	-	(172,685)	-	(10,974)	-	(45,969)	-	(2,317)	(231,945)		-	
Interest income	28,088	5,052	3,755	1,158	20	74	-	3	38,150		31,287	
Net (decrease) in fair market value of investments	(3,915)	(110)	-	(110)	-	-	-	-	(4,135)		(1,346)	
Other, net	(203,434)	3,448	17,415	298,350	700	2,849	125	140	119,593		-	
Operating grants	110,219	-	-	-	-	-	-	500	110,719		-	
Net non-operating revenues (expenses)	(69,042)	(164,295)	21,170	288,424	720	(43,046)	125	(1,674)	32,382		29,941	
Capital grants	25	1,303	-	-	88,271	-	-	-	89,599		-	
Transfers, in	-	-	-	-	-	246,718	141,844	94,841	483,403		-	
Change in net position	(1,169,098)	253,575	192,537	1,774,488	267,461	83,232	(12,434)	(32,337)	1,357,424		74,341	
Total net position-beginning of year	47,065,951	9,914,778	1,624,236	13,757,484	1,316,018	615,245	24,072	161,404			3,938,876	
Total net position-end of year	\$ 45,896,853	\$ 10,168,353	\$ 1,816,773	\$ 15,531,972	\$ 1,583,479	\$ 698,477	\$ 11,638	\$ 129,067	\$ 4,013,217		\$ 4,013,217	

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

Change in net position of business-type activities

See accompanying notes to the basic financial statements



**CITY OF PIQUA, OHIO**

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

	Business-type Activities										Governmental Activities- Internal Service Funds	
	Electric	Wastewater	Refuse	Water	Storm Water	Golf	Ft. Piqua Plaza	Municipal Pool	Total			
<b>OPERATING ACTIVITIES:</b>												
Cash received for services	\$ 23,888,070	\$ 3,503,791	\$ 1,805,975	\$ 5,431,050	\$ 968,746	\$ 518,438	\$ 156,271	\$ 61,806	\$ 36,334,147	\$ 688,075		
Cash paid to suppliers for goods or services	(20,495,781)	(1,037,704)	(1,093,027)	(1,433,324)	(383,904)	(289,336)	(293,456)	(86,471)	(25,111,003)	(108,202)		
Cash paid to employees for services	(2,003,246)	(1,041,664)	(471,077)	(1,106,557)	(307,158)	(244,655)	-	(65,318)	(5,239,875)	(321,486)		
Net cash provided by (used in) operating activities	1,391,043	1,424,423	241,871	2,891,169	277,684	(15,553)	(137,185)	(90,183)	5,983,269	258,385		
<b>NONCAPITAL FINANCING ACTIVITIES:</b>												
Transfers, in	-	-	-	-	-	246,718	141,844	94,841	483,403	-		
Net cash provided by (used in) noncapital financing activities	-	-	-	-	-	246,718	141,844	94,841	483,403	-		
<b>CAPITAL AND RELATED FINANCING ACTIVITIES:</b>												
Recoverable purchased power contract	2,399,276	-	-	-	-	-	-	-	2,399,276	-		
Proceeds from issuance of bonds and notes	-	(637,243)	-	1,705,478	-	-	-	-	1,705,478	-		
Principal paid on bonds and notes	-	(172,685)	-	(136,198)	-	(133,280)	-	(6,720)	(913,441)	-		
Interest paid on bonds and notes	-	(277,460)	(125,586)	(2,834,578)	(328,843)	(12,626)	-	(1,743)	(219,969)	-		
Acquisition and construction of capital & AMP regulatory assets	(5,372,418)	-	538	-	-	-	-	-	(8,951,511)	(31,452)		
Disposals of capital assets	18,341	-	-	-	-	-	-	-	18,379	-		
Net cash provided by (used in) capital & related financing activities	(2,954,801)	(1,087,388)	(125,048)	(1,276,272)	(328,843)	(180,473)	-	(8,463)	(5,961,288)	(31,452)		
<b>INVESTING ACTIVITIES:</b>												
Purchases of investment securities	-	-	-	-	-	-	-	-	-	-		
Proceeds from sale or maturity of investment securities	-	-	-	-	-	-	-	-	-	-		
Interest received	28,334	2,570	3,148	1,158	20	76	-	3	35,309	25,000		
Net cash provided by (used in) investing activities	28,334	2,570	3,148	1,158	20	76	-	3	35,309	26,231		
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT</b>	<b>(1,535,424)</b>	<b>539,605</b>	<b>119,971</b>	<b>1,616,055</b>	<b>(51,139)</b>	<b>50,768</b>	<b>4,659</b>	<b>(3,802)</b>	<b>540,693</b>	<b>278,164</b>		
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	<b>6,395,532</b>	<b>2,185,180</b>	<b>824,524</b>	<b>2,473,819</b>	<b>848,102</b>	<b>90,878</b>	<b>11,188</b>	<b>16,253</b>	<b>12,845,476</b>	<b>852,344</b>		
<b>CASH AND CASH EQUIVALENTS - End of year</b>	<b>\$ 4,860,108</b>	<b>\$ 2,524,785</b>	<b>\$ 944,495</b>	<b>\$ 4,089,874</b>	<b>\$ 796,963</b>	<b>\$ 141,646</b>	<b>\$ 15,847</b>	<b>\$ 12,451</b>	<b>\$ 13,386,169</b>	<b>\$ 1,130,508</b>		
<b>OPERATING INCOME (LOSS)</b>	<b>\$ (1,100,081)</b>	<b>\$ 416,567</b>	<b>\$ 171,367</b>	<b>\$ 1,486,064</b>	<b>\$ 178,470</b>	<b>\$ (120,440)</b>	<b>\$ (154,403)</b>	<b>\$ (125,504)</b>	<b>\$ 752,040</b>	<b>\$ 44,400</b>		
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:												
Depreciation	1,901,168	949,750	43,977	400,689	23,700	95,061	-	34,951	3,449,296	108,169		
(Increase)/Decrease in Accounts Receivable	(56,196)	1,126	11,956	540,185	(7,084)	3,271	9,140	(395)	502,003	(57,321)		
(Increase)/Decrease in Inventory	(32,553)	-	-	13,226	(8,983)	(7,174)	-	-	(35,484)	-		
(Increase)/Decrease in Prepaids	(1,076)	(868)	(7,000)	(11,283)	(2,200)	-	-	-	(22,427)	-		
Increase/(Decrease) in Accounts Payable	607,626	80,013	2,000	178,566	2,059	12,196	7,953	126	891,294	178,210		
Increase/(Decrease) in Accrued Wages and Benefits	(36,806)	(26,914)	1,400	(14,628)	2,751	(956)	-	-	(75,153)	(26,772)		
Increase/(Decrease) in Deferred Revenues	-	-	-	-	-	(360)	-	-	(360)	-		
Net (Increase)/Decrease in Other Operating Net Position	108,961	4,749	17,416	298,550	88,971	2,849	125	639	522,060	-		
Net cash provided by (used in) operating activities	\$ 1,591,043	\$ 1,424,423	\$ 241,871	\$ 2,891,169	\$ 277,684	\$ (15,553)	\$ (137,185)	\$ (90,183)	\$ 5,983,269	\$ 258,385		
<b>SUPPLEMENTAL INFORMATION:</b>												
Noncash activities:												
Change in fair value of investments	\$ (5,915)	\$ (110)	\$ -	\$ (110)	\$ -	\$ -	\$ -	\$ -	\$ (4,135)	\$ (1,346)		
Recoverable purchased power contract	\$ 2,399,276	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,399,276	\$ -		

**CITY OF PIQUA, OHIO**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2013**

<b>ASSETS:</b>	<u>Private Purpose Centennial Trust</u>	<u>Agency Funds</u>
Equity in pooled cash and cash equivalents	\$ 466	\$ 20,318
Total Assets	<u>\$ 466</u>	<u>\$ 20,318</u>
 <b>LIABILITIES:</b>		
Withholdings payable		\$ 4,708
Undistributed monies		<u>15,610</u>
Total Liabilities		<u>\$ 20,318</u>
 <b>NET POSITION</b>		
Held in trust for other purposes	<u>\$ 466</u>	

**STATEMENT OF CHANGES IN  
FIDUCIARY NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2013**

<b>ADDITIONS</b>	
Interest income	<u>\$ -</u>
Total additions	<u>-</u>
Change in net position	-
Total net position-beginning of year	<u>466</u>
Total net position-end of year	<u>\$ 466</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2013**

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**—The City of Piqua, Ohio, (the “City”) was incorporated in 1823 and operates under a Commission-Manager form of government. The following services are provided by the City: public safety (police and fire), highways and streets, electricity, water, wastewater, refuse, storm water, conference center, parks and recreation, public improvements, planning and zoning, public health and general governmental administrative services.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. No separate government units meet the criteria for inclusion as a component unit.

***BASIS OF PRESENTATION***

**Government-Wide Statements**—The statement of net position and the statement of activities display information about the primary government. Eliminations have been made to minimize the double counting of internal activities. Inter-fund receivables and payables between governmental and business type activities have been eliminated in the Government-wide Statement of Net Position. These eliminations minimize the duplicating effect on assets, deferred outflows of resources, liabilities, and deferred inflows of resources, within the governmental and business type activities total column. Internal service fund balances, whether positive or negative, have been eliminated against the expenses and program revenues shown in the governmental activities Statement of Activities. Governmental activities, which normally are supported through taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business type activities, which rely to a significant extent on fees and charges for support. The government-wide financial statements do not include the assets and liabilities of the City’s fiduciary funds.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City’s governmental activities. Direct expenses are those that are specifically associated with a program or a function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, then unrestricted resources as they are needed. When an expenditure is incurred for purposes for which amounts in an unrestricted fund balance classification could be used it is the government’s policy to use assigned resources first, and then unassigned amounts as they are needed.

**Fund Financial Statements**—The fund financial statements provide information about the City’s funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining funds are aggregated and reported as non-major funds.

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2013**

The City reports the following major governmental funds:

**General Fund** is the general operating fund of the City. It is used to account for all financial resources traditionally associated with government, which are not required to be accounted for in another fund.

**Street Maintenance Fund**—This fund accounts for the portion of gasoline tax and motor vehicle license fees restricted for maintenance of streets.

**Street Levy Construction Fund**—This fund accounts for a .25% levied income tax restricted for the specific purpose of street construction.

**Debt Service Funds** are used to account for the resources received and used to pay principal and interest on long-term general obligation debt of governmental funds. Revenues and financing resources are derived primarily from property taxes.

**Enterprise Funds (Business type funds)** are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City reports the following major enterprise funds: electric, water, wastewater, refuse, storm water, golf, Fort Piqua Plaza and municipal pool.

The City, in its business type funds, accounts for all recurring type revenues, including all revenues, which the City controls through statutory pricing or regulatory authority, as operating revenue and all recurring type expenses as operating expense. Non-recurring revenues such as gains on sales of assets and revenues over which the City has minimal or no control, primarily interest earnings, are accounted for as nonoperating revenues. Interest expense and other non-recurring expenses over which the City has minimal or no control are reported as non-operating expense.

**Internal Service Funds** are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance activities and information technology functions. Because these activities predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

**Fiduciary Fund Types** are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organization, other governments, and/or other funds. The City reports the following agency and/or trust funds: Unclaimed funds, Employee flexible spending fund, and a private purpose centennial trust fund.

**Basis of Accounting** - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurements made, regardless of the measurement focus applied.

Government-wide and business type fund financial statements measure and report all assets (both financial and capital), deferred outflows of resources, liabilities, deferred inflows of resources, revenues, expenses, gains and losses using the economic resources measurements focus and accrual basis of accounting. Revenues are

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recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All governmental funds are accounted for using a current financial resources measurement focus and are reported on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to use to pay liabilities of the current period which, for the City's purposes, is considered to be 60 days after year end. Revenues considered susceptible to accrual are community development block grants, delinquent property taxes, income taxes, kwh taxes, hotel/motel taxes, franchise fees, emergency service billings, and interest on investments. Property taxes levied before year end are not recognized as revenue until the next calendar year. The fiscal period for which property taxes are levied at year-end in the State of Ohio is the succeeding calendar year.

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for interest on unmatured general long-term debt, and on special assessment indebtedness collateralized by special assessment levies, which are recognized when payment is due. Inventory and prepaid expenditures are recognized when used.

**Cash and Cash Equivalents and Investments**—City funds are pooled and invested to improve cash management. Each fund type's portion of the pool is shown on the Statement of Net Position as "cash and cash equivalents" and "investments". For purposes of the statement of cash flows, the business type funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

The City's investment policy authorizes the City to invest in obligations of the United States Government or other investments where the principal and interest are collateralized by the full faith and credit of the United States Government, and bonds of other states, cities and political subdivisions.

**Receivables**—Receivables primarily consist of municipal income taxes, state shared revenue taxes, property taxes, kwh taxes, hotel/motel taxes, franchise fees, emergency service billings, and utility charges.

**Inventory**—Inventory is valued at average cost. The business type fund inventories are capitalized or expensed when used.

**Prepaid Expenses**—Payments made to vendors for services that will benefit beyond year-end are recorded as prepaid items.

**Capital Assets**—Capital assets are recorded based on historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

The City defines capital assets as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year.

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Property, plant, and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

Buildings	34 – 50 years
Land improvements other than buildings	25 – 75 years
Machinery and equipment	10 – 30 years
Vehicles	5 – 10 years
Computer equipment	5 years
Public domain infrastructure	45 years
Sewer and water lines and underground piping	34 – 50 years

**Fund Balance Classifications**—Fund balance is reported as nonspendable when the amounts so included cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact.

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

Fund balance is reported as committed when the City Commission enacts legislation requiring specific revenue to be used for a special purpose. The City Commission can modify or rescind that legislation at any time through additional legislation.

Fund balance is reported as assigned when a revenue source is not previously restricted or committed but the Finance Director determines, in the Director’s professional opinion, that the assigning of the revenue is the desire of the City Commission and in the best interest of the City. This authority is given to the Finance Director through the City Charter.

The City applies restricted resources first when expenditures are incurred for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are 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. The City has not adopted a formal fund balance policy.

**Use of Estimates**—The preparation of the basic 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 could differ from those estimates.

**Deferred Outflows/Inflows of Resources**— In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure) until that time. For the City, deferred outflows of resources include a deferred charge on refunding reported in the government-wide statement of net position.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is

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an enforceable legal claim as of December 31, 2013, but which were levied to finance 2014 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statement. Unavailable revenue is reported on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the city unavailable revenue includes property taxes and intergovernmental reimbursements. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

**Grants and Other Intergovernmental Revenues**—Federal grants, assistance awards made on the basis of entitlement periods, are recorded as intergovernmental receivables and revenues when entitlement occurs and other reimbursement-type grants are recorded as intergovernmental receivables and revenues when eligible expenditures/expenses are incurred.

**Compensated Absences**—City employees are granted vacation, personal and sick leave. These leave benefits are accrued as a liability using the vesting method. The liability is based on the leave accumulated at December 31 by those employees who are currently eligible to receive termination payments as well as leave accumulated by those employees expected to become eligible to receive termination benefits in the future. In the event of termination, an employee may be reimbursed for accumulated vacation, personal and sick leave at various rates based on years of service. Vested vacation, personal, and sick leave is recorded as an expense in the government-wide statements for the period in which the leave was earned. For governmental fund type employees, an expenditure is recorded in the governmental funds' statements for only the portion of vested vacation, personal and sick leave that is expected to be liquidated with expendable available resources.

Vested vacation, personal, and sick leave is recorded as an expense in both the government wide statements and statements for all business type funds. Payment of vacation, personal and sick leave recorded in the government-wide financial statements is dependent upon many factors; therefore, timing of future payments is not readily determinable. Management believes that sufficient resources will be made available when payment is due.

## **B. POOLED CASH DEPOSITS AND INVESTMENTS**

**Deposits**—Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the City. At December 31, 2013 the City had cash on hand in the amount of \$4,675.

At December 31, 2013, the carrying amount of the City's deposits was \$34,704,999 while the balance as shown by the bank statements was \$35,562,889. As of December 31, 2013, \$28,747,770 of the City's bank balance was exposed to custodial risk as discussed above, while \$6,815,119 was covered by Federal Deposit Insurance.

**Investments**—The ORC, the City's charter, and the City's investment policy authorize the City to invest in the State Treasury Asset Reserve of Ohio (STAR Ohio), certificates of deposit, repurchase agreements, United States treasury bills and notes, notes issued by United States agencies, bankers' acceptances and commercial paper of the highest rating. All investments are reported at fair value which is based on quoted market prices.

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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 Securities Exchange Commission as an investment company but does operate in a manner similar to rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at the pool's share price, which is the price for which the investment could be sold for on December 31, 2013.

**Custodial Credit Risk** – Custodial credit risk is the risk that, in the event of a failure of a depository institution or counterparty to a transaction, the City will be unable to recover the value of deposits, investments or collateral securities in the possession of an outside party. Except in regards to repurchase agreements, the City's investment policy does not address custodial credit risk. At December 31, 2013, all investments were registered in the name of the City.

**Foreign Currency Risk** – Foreign currency risk is the risk that changes in exchange rates between the U.S. Dollar and foreign currencies could adversely affect an investment's fair value. The City does not have a formal investment policy regarding foreign currency risk. The City had no exposure to foreign currency risk at year end.

**Credit Risk** – Credit risk is the risk that an issuer or counterparty to an investment will be unable to fulfill its obligations. The City does not have a formal investment policy regarding exposure to credit risk. The City's exposure to credit risk, based on both Moody's and Standard & Poor's Credit Ratings, is as follows:

<u>Investment Type</u>	<u>Quality Rating</u>	<u>Fair Value</u>
City of Piqua Bonds	Non-Rated	\$ 311,105
U.S. Government Agency Obligations	AA+	2,156,832
STAR Ohio	AAAm	421,811
Total		<u>\$ 2,889,748</u>

**Concentration of Credit Risk** – Concentration of credit risk is the risk of inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party caused by lack of diversification. The following table includes the percentage to total of each investment type held by the City at December 31, 2013.

<u>Investment Type</u>	<u>Fair Value</u>	<u>% of Total</u>
City of Piqua Bonds	\$ 311,105	10.77%
FNMA	2,156,832	74.63%
STAR Ohio	421,811	14.60%
Total	<u>\$ 2,889,748</u>	<u>100.00%</u>

Except for investments in STAR Ohio, no more than 15% of the City's total investment portfolio will be invested in a single security type or with a single financial institution. Contrary to the City's policy, the City maintained greater than 15% of its investment portfolio in FNMA securities at December 31, 2013

**Interest Rate Risk** – Interest rate risk is the risk that an interest rate change could adversely affect an investment's fair value. According to the City's investment policy, the maximum maturity for any single security may not exceed 5 years.



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<u>Investment Type</u>	<u>Investment Maturities (in years)</u>			<u>Total Fair Value</u>
	<u>Less than 1</u>	<u>1 - 5</u>	<u>Greater than 5</u>	
City of Piqua Bonds	\$ 47,452	\$ 179,784	\$ 83,869	\$ 311,105
FNMA		2,156,832		2,156,832
STAR Ohio	<u>421,811</u>			<u>421,811</u>
Total	<u>\$ 469,263</u>	<u>\$2,336,616</u>	<u>\$ 83,869</u>	<u>\$ 2,889,748</u>

**C. PROPERTY TAXES**

Property tax revenues include amounts collected for all real, and public utility property located in the City. Property taxes are levied each January 1 on the assessed value listed as of the prior January 1. Assessed values are established by the County Auditor for real and public utility property at 35% of appraised market value. Property values are required to be updated every three years and revalued every six years. A revaluation was completed in 2010.

The property tax calendar is as follows:

Levy date	January 1, 2012
Lien date	January 1, 2013
Tax bill mailed	January 20, 2013
First installment payment due	February 20, 2013
Second installment payment due	July 20, 2013

The assessed values for the City at January 1, 2013 are as follows:

Real estate	\$ 286,575,960
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The County Treasurer collects property taxes on behalf of taxing districts, including the City of Piqua. The County Auditor periodically remits to the City its portion of taxes collected. Property taxes may be paid on either an annual or semiannual basis. Although total property tax collections for the next fiscal year are measurable, amounts to be received are not available at December 31, 2013, nor are they intended to finance 2013 operations. Therefore, the City has recorded property taxes receivable with a corresponding amount as deferred inflows of resources.

Ohio law prohibits taxation of property in excess of \$10 per \$1,000 (10.0 mills) of assessed value without a vote of the citizens. The City's share is currently \$3.70 (3.70 mills) of assessed value. In 2013, the City also received an additional 0.60 mills to fund the Pension Refunding Bonds.

House Bill 66 phases out the tax on tangible personal property. The tax is phased out by reducing the assessment rate on the property each year. In 2011 the Ohio Legislature cancelled the reimbursement in future years with exceptions for conservancy and safety levies.

**D. INCOME TAXES**

The City levies a 1.75% income tax on all income earned within the City. Income tax in excess of 1% is voter approved. Income tax is allocated by fund in accordance with voter and commission authorizations. In addition, City residents pay City tax on income earned outside the City; however, a credit is allowed for income taxes paid to other municipalities.

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Employers within the City withhold income tax on employee compensation and remit payments at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly and file an annual declaration.

**E. OTHER TAXES**

The caption "State Shared Taxes" on the Statement of Activities is comprised of taxes levied by the State or the County and distributed to the City. The components of the number are as follows:

Estate taxes	\$ 130,823
Local government revenue assistance	289,015
Gasoline taxes	686,978
Vehicle license taxes	451,008
Miscellaneous other taxes	<u>194,729</u>
	<u>\$ 1,752,553</u>

The City has two locally issued taxes; a KWH tax totaling \$1,121,686 which is recognized based upon sales of electrical services, and a hotel/motel tax totaling \$66,892 which is recognized based upon 3% of gross receipts.

**F. RECEIVABLES**

Governmental receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, accrued interest on investment, accounts and notes receivable. Loans receivable represent an economic development loan in the amount of \$9,793,197 for the restoration of the historic Fort Piqua Hotel into a library and conference/banquet center; and real estate second mortgages which are partially forgivable over five to fifteen year periods netted by an estimated allowance for forgiveness or amounts uncollectible. The real estate second mortgages are \$989,471 with an estimated allowance for forgiveness of \$982,322.

Business type receivables at year end consisted primarily of billed and unbilled utility revenues, grants receivable, reimbursement receivables and interest receivables on investments.

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**G. CAPITAL ASSETS**

A summary of changes in general capital assets is as follows:

	Beginning Balance	Increases	Decreases	Construction In Progress Placed in Service	Ending Balance
Capital assets not being depreciated:					
Land and licenses	\$ 4,528,378	\$ 43,499	\$ -	\$ -	\$ 4,571,877
Infrastructure land	1,374,365	-	-	741,158	2,115,523
Construction in progress	3,581,615	2,687,015	-	(3,499,790)	2,768,840
	<u>9,484,358</u>	<u>2,730,514</u>	<u>-</u>	<u>(2,758,632)</u>	<u>9,456,240</u>
Assets not depreciated					
Capital assets being depreciated:					
Buildings and improvements	12,221,189	-	-	74,778	12,295,967
Furniture, fixtures and equipment	10,067,915	671,233	(142,129)	480,680	11,077,699
Infrastructure	33,176,453	-	-	2,203,174	35,379,627
	<u>55,465,557</u>	<u>671,233</u>	<u>(142,129)</u>	<u>2,758,632</u>	<u>58,753,293</u>
Depreciated capital assets					
Accumulated depreciation:					
Buildings and improvements	(3,272,431)	(263,928)	-	-	(3,536,359)
Furniture, fixtures and equipment	(8,461,919)	(629,160)	134,134	-	(8,956,945)
Infrastructure	(9,098,230)	(745,229)	-	-	(9,843,459)
	<u>(20,832,580)</u>	<u>(1,638,317)</u>	<u>134,134</u>	<u>-</u>	<u>(22,336,763)</u>
Total accumulated depreciation					
Net capital assets being depreciated	<u>\$ 34,632,977</u>	<u>\$ (967,084)</u>	<u>\$ (7,995)</u>	<u>\$ 2,758,632</u>	<u>\$ 36,416,530</u>
Net capital assets	<u>\$ 44,117,335</u>	<u>\$ 1,763,430</u>	<u>\$ (7,995)</u>	<u>\$ -</u>	<u>\$ 45,872,770</u>

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

General governmental	\$ 183,280
Public safety	264,450
Street repairs and maintenance	1,031,655
Parks	<u>50,763</u>
Governmental functions depreciation expense	1,530,148
Information technology (internal service fund)	<u>108,169</u>
Total depreciation expense	<u>\$1,638,317</u>

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A summary of changes in enterprise fund capital assets is as follows:

	Beginning Balance	Increases	Decreases	Construction In Progress Placed in Service	Ending Balance
Capital assets not being depreciated:					
Land and licenses	\$ 1,222,235	\$ -	\$ -	\$ 99,757	\$ 1,321,992
Construction in progress	<u>7,003,939</u>	<u>6,042,517</u>	<u>(202,151)</u>	<u>(6,852,955)</u>	<u>5,991,350</u>
Assets not depreciated	<u>8,226,174</u>	<u>6,042,517</u>	<u>(202,151)</u>	<u>(6,753,198)</u>	<u>7,313,342</u>
Capital assets being depreciated:					
Land improvements	1,047,204	-	-	23,810	1,071,014
Buildings and improvements	25,356,230	-	-	5,207,442	30,563,672
Underground piping	24,262,129	-	-	606,137	24,868,266
Furniture, fixtures and equipment	77,574,177	509,718	(194,328)	915,809	78,805,376
Intangible assets	<u>2,688,562</u>	<u>-</u>	<u>(23,281)</u>	<u>-</u>	<u>2,665,281</u>
Depreciated capital assets	130,928,302	509,718	(217,609)	6,753,198	137,973,609
Accumulated depreciation:					
Land improvements	(413,276)	(14,051)	-	-	(427,327)
Buildings and improvements	(14,571,826)	(703,709)	-	-	(15,275,535)
Underground piping	(14,894,406)	(587,576)	-	-	(15,481,982)
Furniture, fixtures and equipment	(46,166,836)	(2,064,899)	189,197	-	(48,042,538)
Intangible assets	<u>(1,179,728)</u>	<u>(79,061)</u>	<u>9,532</u>	<u>-</u>	<u>(1,249,257)</u>
Total accumulated depreciation	<u>(77,226,072)</u>	<u>(3,449,296)</u>	<u>198,729</u>	<u>-</u>	<u>(80,476,639)</u>
Net capital assets being depreciated	<u>\$ 53,702,230</u>	<u>\$ (2,939,578)</u>	<u>\$ (18,880)</u>	<u>\$ 6,753,198</u>	<u>\$ 57,496,970</u>
Net capital assets	<u>\$ 61,928,404</u>	<u>\$ 3,102,939</u>	<u>\$ (221,031)</u>	<u>\$ -</u>	<u>\$ 64,810,312</u>

\* Depreciation expense was charged to enterprise functions as follows:

Electric	\$ 1,901,168
Water	400,689
Wastewater	949,750
Refuse	43,977
Storm Water	23,700
Golf	95,061
Municipal Pool	<u>34,951</u>
Total depreciation expense	<u>\$ 3,449,296</u>

Capitalized interest was recorded in the amount of \$1,161 for the fiscal year 2013. The \$202,151 decrease in Construction in process represents a capital construction project that was abandoned and charged to an operation and maintenance expense of the electric utility.

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**H. LONG-TERM LIABILITIES**

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

Long-term liability activity for the year ended December 31, 2013 was as follows:

	Maturity Dates	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities:</b>						
Ohio Capital Asset Series 2009 3.53%	12/1/2018	\$ 255,000	\$ -	\$ 40,000	\$ 215,000	\$ 40,000
Total governmental general obligation bonds		255,000	-	40,000	215,000	40,000
Special assessment bonds, 9% (See note below)*	12/15/2022	111,805	-	25,700	86,105	22,452
State Infrastructure Bank Note, 3%	4/29/2020	874,950	-	148,613	726,337	153,104
Compensated absences		1,885,701	73,416	16,808	1,942,309	672,727
Restricted deposits		25,550	-	250	25,300	-
Other -- Pension refunding bonds, 6.25%	12/1/2020	250,000	-	25,000	225,000	25,000
Total governmental long-term liabilities		<u>\$3,403,006</u>	<u>\$ 73,416</u>	<u>\$ 256,371</u>	<u>\$ 3,220,051</u>	<u>\$ 913,283</u>
* Special assessment bonds mature annually on 12/15 through 2022						
<b>Business-Type Activities:</b>						
OWDA Loan-1995, 4.56%	1/1/2015	\$ 958,050	\$ -	\$ 468,126	\$ 489,924	\$ 489,924
OWDA Loan-2009, 3.52%	1/1/2030	3,856,532	-	169,117	3,687,415	175,122
OWDA Loan-2005, 3.5%	7/1/2015	315,310	-	122,852	192,458	127,189
OWDA Loan-2006, 3.25%	7/1/2015	34,190	-	13,346	20,844	13,784
OWDA Loan-2013, 4.82%	7/1/2019	-	1,705,478	-	1,705,478	-
Recreational facility bonds G.O., 2.0%-4.1%	11/15/2018	925,000	-	140,000	785,000	145,000
AMP-Ohio stranded cost payable		-	3,466,911	1,067,635	2,399,276	154,611
Compensated Absences		1,422,183	124,264	221,644	1,324,803	553,315
Total Business-type long-term liabilities		<u>\$7,511,265</u>	<u>\$5,296,653</u>	<u>\$2,202,720</u>	<u>\$10,605,198</u>	<u>\$1,658,945</u>

The terms of the various bonds include certain covenants, which provide for, among other things, minimum debt coverage ratios, maintenance of insurance and restrictions regarding disposal of property.

The full faith and credit of the City are pledged as collateral for all General Obligation Bonds.

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Ohio Water Development Authority (“OWDA 1995”) Wastewater Sewer Project Notes are issued under a cooperative agreement for construction, maintenance and operation of a state sewer project. Payments to the OWDA will be made from the utility’s pledged future revenues. The total principal and interest remaining to be paid on the notes is \$506,537. Principal and interest paid for the current year and total customer net revenues were \$506,537 and \$1,374,817, respectively.

Ohio Water Development Authority (“OWDA 2009”) Wastewater Sewer Project Notes are issued under a cooperative agreement for construction, maintenance and operation of a state sewer project. Payments to the OWDA will be made from the utility’s pledged future revenues. The total principal and interest payments remaining to be paid on the note is \$4,854,269. Principal and interest paid for the current year and total customer net revenues were \$303,392 and \$1,374,817, respectively.

Ohio Water Development Authority (“OWDA 2005” & “OWDA 2006”) drinking water assistance notes are issued under a cooperative agreement for construction maintenance and operation of the City’s Hydropillar Water Tower. Payments to the OWDA will be made from the utility’s pledged future revenues. The total principal and interest remaining to be paid on the notes is \$220,758. Principal and interest paid for the current year and total customer net revenues were \$147,172 and \$2,186,261, respectively.

Ohio Water Development Authority (“OWDA 2013”) Water Engineering Design Project note was issued under a cooperative agreement to design a new raw water treatment plant. Payments to the OWDA will be made from the utility’s pledged future revenues. The total principal and interest to be repaid is \$1,993,050. Payment on this loan is presently deferred until January 2015.

State Infrastructure Bank Revenue Note was issued to finance a joint city/county road widening project. The city’s .25% income tax revenues from the Street construction fund and county highway use funds have been pledged for a ten year period ending in 2020. The total principal and interest remaining to be paid on the note is \$781,894. The city’s .25% income tax levy will pay two thirds of the principal and interest with the remaining one third from county highway use funds. The estimated annual principal and interest payments of \$173,754 represent 14.1% of the estimated net revenues from this tax levy.

The Special Assessment Bonds which are held for investment by other City funds were issued annually to finance the public’s costs associated with various street reconstruction projects. The total principal and interest remaining to be paid on the bonds is \$108,379. Principal and interest paid for the current year and total net revenue were \$35,764 and \$44,176 respectively.

Restricted deposits are confiscated funds held under court order until released by judicial authority.

**AMP Ohio Stranded Cost** – The City of Piqua is a participant in American Municipal Power (AMP-Ohio) and a participant in the American Municipal Power Generating Station Project (AMPGS). This project was anticipated to develop a pulverized coal power plant in Meigs County, Ohio. As a participant, the City executed a take or pay contract in November 2007, in order to participate in this project. As such, the participants are obligated to pay any costs incurred for the project. The City’s share of the project was 20,000 kW of a total capacity of 771,281 kW, giving the City a 2.59 percent share of the project.

The power plant had an estimated cost of \$3 billion; however, as construction progressed, the project’s targeted capital costs increased by 37 percent and the engineer, procure, and construct contractor (EPC) could not guarantee that the construction costs would not continue to escalate. In November 2009, the 81 member participants in the project voted to terminate the development of the plant due to projected escalating costs.

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2013**

These costs were therefore deemed impaired and the participants are obligated to reimburse AMP under the take or pay contract costs already incurred.

To date, the final costs to project participants have not been finalized. At December 31, 2013, AMP-Ohio had a regulatory asset for the recovery of the abandoned construction costs. Based on an allocation to the City of Piqua of 20,000 kW and the allocation methodology approved by the AMP-Ohio Board of Trustees, the City of Piqua had a potential stranded costs obligation of \$3,466,911 for the AMPGS project as of December 31, 2013.

At the time the participants voted to terminate the coal power plant, they also voted to pursue conversion of the project to a natural gas combined cycle plant. This plant was planned to be developed on the Meigs County site previously planned for the AMPGS project. In February 2011, development of the natural gas combined plant was suspended due to the availability of purchasing the AMP Fremont Energy Center (AFEC) at a favorable price. The City of Piqua is also a participant in the AFEC project.

Based on the allocation methodology approved by the AMP Board of Trustees, the City received an AFEC Development fee credit of \$1,067,635 for being a participant in both projects. This credit is proportionate to its AFEC allocation kW share and the total kW share of those participating in both projects. The City has recorded this credit as a reduction to the long-term liability for stranded cost payable reported as of December 31, 2013. At December 31, 2013, the stranded cost liability, net of AFEC credit, was \$2,399,276.

In prior years, the payment of these costs was not considered probable due to AMP's pursuit of legal action to void them. As a result of a March 31, 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City's estimated share at March 31, 2014 of the impaired costs is \$3,446,911. The City received a credit of \$1,067,635 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of \$904,497 related to the AMPGS costs deemed to have future benefit for the project participants, leaving a net impaired cost estimate of \$1,494,779. Because payment is now probable and reasonably estimable, the City is reporting a payable to AMP in its business-type activities and in its electric enterprise fund for these impaired costs. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City's liability. These amounts will be recorded as they become estimable.

In making its determination as to how to proceed with the accounting treatment for the potential AMPGS Project liability, the City relied upon its City Law Director, information provided by AMP and its legal counsel with respect to the data, as well as the City's management. The City intends to recover these costs and repay AMP over the next five years through a power cost adjustment, thus this incurred cost has been capitalized and reported as a regulated asset, as allowed by GASB Codification Re10.

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2013**

The annual requirements to pay principal and interest on long-term obligations at December 31, 2013 are listed as follows:

Year Ending	General Obligation Bonds				Notes Payable			
	Governmental Activities		Business Type Activities		Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
December 31								
2014	\$ 40,000	\$ 9,062	\$ 145,000	\$ 31,130	\$ 153,104	\$ 20,650	\$ 806,019	\$ 151,081
2015	40,000	7,562	150,000	25,620	157,731	16,023	526,693	248,895
2016	45,000	5,963	155,000	19,770	162,499	11,255	520,309	181,692
2017	45,000	4,050	165,000	13,570	167,410	6,344	543,568	158,433
2018	45,000	2,025	170,000	6,970	85,593	1,285	567,711	134,290
2019-2023	-	-	-	-	-	-	1,503,679	411,891
2024-2028	-	-	-	-	-	-	1,332,572	184,387
2029-2033	-	-	-	-	-	-	295,568	7,826
	<u>\$ 215,000</u>	<u>\$ 28,662</u>	<u>\$ 785,000</u>	<u>\$ 97,060</u>	<u>\$ 726,337</u>	<u>\$ 55,557</u>	<u>\$ 6,096,119</u>	<u>\$ 1,478,495</u>

Year Ending	Special			
	Pension Bonds		Assessment Bonds	
	Principal	Interest	Principal	Interest
December 31				
2014	\$ 25,000	\$ 14,063	\$ 22,452	\$ 7,749
2015	30,000	12,500	21,443	5,729
2016	30,000	10,625	19,456	3,799
2017	30,000	8,750	10,491	2,048
2018	35,000	6,875	3,394	1,104
2019-2023	75,000	7,187	8,869	1,845
	<u>\$ 225,000</u>	<u>\$ 60,000</u>	<u>\$ 86,105</u>	<u>\$ 22,274</u>

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General obligation bonds	General Fund, Golf, Pool, and Debt Service
Pension refunding bonds	General Fund and Debt Service
Special assessment bonds	Debt Service
Ohio water development authority notes	Water and Wastewater
Restricted deposits	General Fund
State infrastructure bank notes	Street Construction Fund and Debt Service
AMP Ohio stranded cost payable	Electric
Compensated absences	General Fund, Street Maintenance, Community Development, Electric, Water, Wastewater, Refuse, Storm Water, Golf, and Information Technology

**I. INTERFUND TRANSACTIONS**

During the course of normal operations, the City has numerous transactions among funds which caused interfund balances from the timing differences between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.



**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2013**

Interfund receivable and payable balances at December 31, 2013 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 94,219	\$ -
Non-major Governmental Funds	-	94,219
	<u>\$ 94,219</u>	<u>\$ 94,219</u>

Transfers are used to move revenues; from the fund that statute or budget requires to collect them, to the fund that the statute or budget requires to expend them; or moving unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; or to provide additional resources for current operations or debt service. Interfund transfers for the year ended December 31, 2013 consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
<b>Governmental</b>		
General Fund	\$ -	\$ 589,379
Street Levy Construction	-	173,754
Debt Service	264,841	-
Community Development	14,889	-
<b>Proprietary</b>		
Golf	246,718	-
Fort Piqua Plaza	141,844	-
Municipal Pool	94,841	-
	<u>\$ 763,133</u>	<u>\$ 763,133</u>

Transfers out of the Street Levy Construction fund was used to reimburse the City's debt service funds.

**J. PENSION PLAN OBLIGATIONS**

Substantially all City employees are covered by one of the two cost-sharing multiple-employer defined benefit pension plans, namely, the Ohio Police and Fire Pension Fund ("OP&F") or the Ohio Public Employees Retirement System ("OPERS"). The systems provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

**Police and Fire Disability Pension Fund Plan**—Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164 or the report is also available on OP&F's website at [www.op-f.org](http://www.op-f.org).

From January thru June 2013 plan members were required to contribute 10.0% and from July thru December 2013 were required to contribute 10.75% of their annual covered salary, while employers are required to contribute 19.5% and 24.0%, respectively for police officers and firefighters. The contribution requirements for the years ended December 31, 2013, 2012 and 2011 were \$1,393,471, \$1,338,231 and \$1,330,137, which consisted of \$944,005, \$915,816 and \$909,751 from the City and \$449,466, \$422,415, and \$420,386 from the employees, respectively, or 53% of the required contributions for 2012 and 57% of the required contributions

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2013**

for 2011 and 62% of the required contributions for 2010. The unpaid portion of \$41,787 is reported as liability in the respective funds.

**Public Employees Retirement System**—Authority to establish and amend benefits is provided by State statute per Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, or by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or (800) 222-PERS (7377).

OPERS administers three separate pension plans as described below:

The Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan.

The Member-Directed Plan (MD) – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.

The Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the Traditional Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits.

The Ohio Revised Code also provides statutory authority for member and employer contributions. For 2013, member and employer contribution rates were consistent across all three plans (TP, MD, and CO). Plan members are required to contribute 10% of their annual covered salary and the City is required to contribute 14%. The City's contributions to the plan for the years ending December 31, 2013, 2012 and 2011 were \$1,708,216, \$1,669,558, and \$1,677,848 respectively. The unpaid portion of \$45,933 is reported as a liability in the respective funds.

**K. OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

Both the OPERS and the OP&F provide post-retirement health care coverage as defined by GASB Statement No. 45 "Accounting by employers for post-employment benefits other than pension". For both systems, the Ohio Revised Code provides the statutory authority for public employers to fund postretirement health care through their contributions.

**Police and Firemen's Disability Pension Fund OPEB**—The fund provides postretirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 28. The Ohio Revised code provides that health care costs paid shall be included in the employer's contribution rate. The total police employer contribution rate is 19.5% of covered payroll and the total firefighter employer contribution rate is 24% of covered payroll.

**CITY OF PIQUA, OHIO**  
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The Ohio Revised Code provides the statutory authority allowing OP&F's Board of Trustees to offer health care coverage to all eligible employees and is administrated as an Internal Revenue Code 401(h) account within the defined benefit pension plan. Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 4.69% of covered payroll from January 1 2013 thru May 31, 2013 and 2.85 % of covered payroll for the rest of 2013 and 6.75% in 2012 respectively. Beginning in 2001, active members do not make contributions to the OPEB, all retirees and survivors make monthly health care contributions.

The City's contributions that were used to pay post-employment benefits by Ohio Police and Fire for the years ended December 31, 2013, 2012, and 2011 were \$157,168, \$285,130, and \$283,575 respectively.

**Public Employees Retirement System OPEB**— OPERS provides post-retirement health care coverage to age and service retirees with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the Retirement System is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 45. A portion of each employer's contribution to OPERS (See Note J) is set aside for the funding of post-retirement health care. The Ohio Revised Code provides the statutory authority for employer contributions and for requiring public employers to fund pension and post-retirement health care through their contributions to OPERS. The 2013 employer contribution rate for local government employer units was 14% of covered payroll, of which 1.0% was used to fund health care for the year ended 2013.

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan; the Member-Directed Plan (MD) – a defined contribution plan; and the Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS provides retirement, disability, survivor and post-retirement health care benefits to qualifying members of both the Traditional and the Combined Plans; however, health care benefits are not statutorily guaranteed. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

**Health Care:** OPERS post-employment health care plan was established under, and is administrated in accordance with internal revenue code 401(h). Each year, the OPERS Board of Trustee determines the portion of the employer contribution rate (14% in 2013) that will be set aside for funding of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 1.0% for the year ended December 31, 2013. The portion of employer contribution allocated to health care for members in the Combined Plan was 1.0% for year ended December 31, 2013. The OPERS board of trustee 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 City's contributions that were used to pay post-employment benefits by Ohio Public Employee Retirement System for the years ended December 31, 2013, 2012, and 2011 were \$71,176, \$278,322, and \$279,626 respectively.

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

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
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**L. OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (“IRC”) Section 457. The plan, which is available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

**M. OHIO PROFESSIONAL FIRE FIGHTERS DEFERRED COMPENSATION PROGRAM**

In addition to the Ohio Public Employees Deferred Compensation Program; the City offers its sworn fire officers an optional deferred compensation plan created in accordance with Internal Revenue Code (“IRC”) Section 457. The plan which is only available to sworn fire officers permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

**N. CONTINGENCIES**

Certain claims and suits have been filed or are pending against the City. Management believes that the liability, if any, which may result would not have a material adverse effect on the financial position of the City.

The City participates in several federally assisted programs, which are subject to program compliance audits by the grantors or their representatives. A single financial and compliance audit of the City has been completed with no findings for recovery. The grantor agencies, at their option, may perform economy and efficiency audits, program results audits or conduct monitoring visits. Such audits and visits could lead to reimbursement to the grantor agencies. Management believes such reimbursements, if any, would not be material.

**O. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. In 2002, the City joined a joint insurance pool, Miami Valley Risk Management Association, Inc. (“MVRMA”) with other local cities. The pool has been operational since December 1988, and was formed in accordance with Section 2744.081 of the Ohio Revised Code. This jointly governed organization provides real and personal property, crime, surety, general liability, boiler and machinery, employment practices liability, police professional and public officials liability coverage up to the limits stated below. Membership in MVRMA is intended to provide broad-based coverage up to the limits stated below, with increased emphasis on safety and loss prevention and to create opportunity for other local governments to participate. MVRMA is a non-profit corporation governed by a twenty-member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. Management is provided by an executive director, who is assisted by a claims manager, a full-time loss control manager and office staff. The board is responsible for its own financial matters and the corporation maintains its own books of account. Budgeting and financing of MVRMA is subject to the approval of the board, and the organization is covered by policies, procedures, and formally adopted bylaws.

The City pays an annual member contributions premium to MVRMA for this coverage. The agreement provides that MVRMA will be self-sustaining through member contributions premiums and the purchase of excess insurance and reinsurance. The city’s deductible per occurrence for all types of claims is \$2,500. During 2013,

**CITY OF PIQUA, OHIO**  
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MVRMA'S per-occurrence retention limit for property was \$500,000, with the exception of boiler and machinery for which there was a \$5,000 per occurrence retention limit.

Excess insurance and/or reinsurance will cover up to the limits stated below:

General Liability (including law enforcement)	\$10,000,000 per occurrence/ excess \$500,000 sir
Automobile Liability	\$10,000,000 per occurrence/excess \$500,000 sir
Police Professional Liability	\$10,000,000 excess \$1,000,000 (\$10,000,000 aggregate per city)
Boiler and Machinery	\$100,000,000 per occurrence
Property	\$1,000,000,000 per occurrence
Flood and Earthquake	\$25,000,000 per occurrence and annual aggregate
Employment Practices Liability and Public Officials Liability	\$10,000,000 excess \$500,000 sir (\$10,000,000 annual combined aggregate per city)
Cyber Liability	\$500,000 annual aggregate; \$100,000sir
Pollution Liability	\$1,000,000 annual aggregate; \$100,000 sir

The City joined a workers' compensation group rating plan, which allows local governments to group the experience of employers for workers' compensation rating purposes. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries.

The City employee's health plan is provided through a fully insured plan with Anthem and is accounted for and financed through an internal service fund.

**P. PURCHASED POWER**

The City's electric distribution system during 2013 purchased wholesale electric power from American Municipal Power (AMP). AMP provides this power through a mixture of long term take or pay purchase contracts with the City. Included in these contracts with AMP are; the Prairie State Energy Campus Project (20 megawatts) generation started during 2012, Fremont Natural Gas Energy Center (13 megawatts) generation started in 2012, and the Ohio River Hydroelectric Project (8 megawatts) generation to start during 2015. AMP provides the remaining power requirements with market based purchases from various sources including New York Power Authority, Blue Creek Wind Farm, and other pooled market sources .

**Q. FUND BALANCE COMPONENTS**

Under the guidelines of GASB statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions" the City has reported non-spendable fund balance of \$9,807,265. This is comprised of amounts in non-spendable form for non-current loans receivable for the Fort Piqua Plaza of \$9,793,197, low income mortgage assistance loans of \$7,149, and prepaid items of \$6,919. The City reported restricted fund balance of \$6,934,358, which is comprised of debt restrictions of \$439,460, donor restrictions of \$12,813, grant restrictions of \$113,155, and legislative restrictions of \$6,368,930. The City reported assigned fund balance of \$4,101,987, which is comprised of encumbrances of \$20,108, and managerially assigned assets of \$4,081,879. The City reported unassigned fund balance of \$6,953,803.

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2013**

**R. CHANGE IN ACCOUNTING PRINCIPALS**

For the fiscal year 2012, the City implemented the provision of Governmental Accounting Standards Board (GASB) Statement No. 62 Codification of Accounting and Financial Reporting Guidance Contained in Pre-November, 1989 FASB and AICPA Pronouncements, which became effective with fiscal years beginning after December 15, 2011. GASB Statement No. 62 incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncement:

1. Financial Accounting Standards Board ( FASB) Statements and Interpretations
2. Accounting Principles Board Opinions
3. Accounting Research Bulletins of the American Institute of Certified Public Accountants (AICPA)Committee on Accounting Procedures

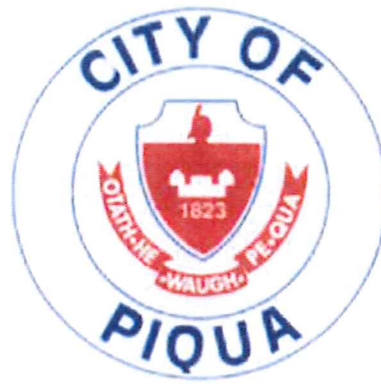
For Fiscal year 2012, the City implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, which became effective with fiscal years beginning after December 15, 2011. GASB Statement No. 63 provides financial reporting guidance to the City for deferred outflows of resources and deferred inflows of resources. The statement also identifies net position as the residual of all other elements presented in a balance sheet, amending the net asset reporting requirements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure of the balance sheet and by renaming that measure as net position. The implementation of GASB Statement 63 did not require the City to restate any prior year balances.

For the fiscal year 2012, the City implemented the provision of GASB Statement No. 65, Items Previously Reported as Assets and Liabilities. GASB Statement No. 65 reclassifies as deferred outflows of resources or deferred inflows of resources items that were previously reported as assets and liabilities. Statement No. 65 reclassifies losses on advanced or current debt refundings from the City's recreational facility bonds as deferred outflows of resources. The Statement also requires the debt issuance costs of the Ohio Water Development Authority, and General Obligation bond costs to be expensed in the period incurred.

**S. SIGNIFICANT GASB STATEMENTS ISSUED BUT NOT IMPLEMENTED**

The Governmental Accounting Standards Board (GASB) has issued GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, which is required to be implemented by the City for calendar year 2015. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflow, of resources, and expense/expenditures, as well as note disclosure and required supplementary information. While the impact of this particular Statement on the City's financial position is expected to be significant when implemented, management has not yet determined the exact, or a range of, amount(s) the implementation of this Statement will have.

# Required Supplemental Information



**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND  
FOR YEAR ENDED DECEMBER 31, 2013**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Municipal income tax	\$ 5,228,571	\$ 5,228,571	\$ 6,035,111	\$ 806,540
Property taxes	1,179,128	1,053,934	1,160,855	106,921
State shared revenues	824,256	958,350	727,498	(230,852)
Locally levied taxes	1,190,000	1,194,000	1,188,578	(5,422)
Licenses and permits, fees	1,278,024	1,293,010	1,331,695	38,685
Grants-capital	94,866	58,146	58,146	-
Grants-operating	273,090	545,755	531,312	(14,443)
Interest income	88,672	53,528	54,846	1,318
Decrease in fair value of investments	-	-	(4,408)	(4,408)
Donations:				
Capital	75,000	-	14,977	14,977
Operating	10,768	26,255	42,769	16,514
Other fines, rents, and reimbursements	72,128	69,977	93,949	23,972
Total revenues	<u>10,314,503</u>	<u>10,481,526</u>	<u>11,235,328</u>	<u>753,802</u>
<b>EXPENDITURES:</b>				
<b>GENERAL GOVERNMENT ADMINISTRATION:</b>				
City building:				
Operating expenditures	104,759	104,759	71,567	33,192
Capital	100,000	-	-	-
Total city building	<u>204,759</u>	<u>104,759</u>	<u>71,567</u>	<u>33,192</u>
City commission:				
Personal services/administrative support	34,618	34,618	34,220	398
Operating expenditures	67,201	67,201	34,349	32,852
Total city commission	<u>101,819</u>	<u>101,819</u>	<u>68,569</u>	<u>33,250</u>
Office of city manager:				
Personal services/administrative support	62,574	62,574	60,227	2,347
Operating expenditures	8,165	8,165	6,562	1,603
Total office of city manager	<u>70,739</u>	<u>70,739</u>	<u>66,789</u>	<u>3,950</u>
Purchasing department:				
Personal services/administrative support	1,985	1,985	1,872	113
Operating expenditures	120	120	105	15
Total purchasing department	<u>2,105</u>	<u>2,105</u>	<u>1,977</u>	<u>128</u>
Law department:				
Personal services/administrative support	90,329	90,329	80,661	9,668
Operating expenditures	8,047	8,047	5,132	2,915
Total law department	<u>98,376</u>	<u>98,376</u>	<u>85,793</u>	<u>12,583</u>
Finance department:				
Personal services/administrative support	152,406	152,406	142,508	9,898
Operating expenditures	9,063	9,063	6,370	2,693
Total finance department	<u>161,469</u>	<u>161,469</u>	<u>148,878</u>	<u>12,591</u>

See notes to required supplemental information

(Continued)



**CITY OF PIQUA, OHIO**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND**  
**FOR YEAR ENDED DECEMBER 31, 2013**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
Human resources department:				
Personal services/administrative support	23,773	23,773	21,884	1,889
Operating expenditures	3,703	3,703	2,377	1,326
Total human resources department	<u>27,476</u>	<u>27,476</u>	<u>24,261</u>	<u>3,215</u>
Engineering department:				
Personal services/administrative support	64,702	65,785	60,327	5,458
Operating expenditures	6,517	6,934	5,042	1,892
Total engineering department	<u>71,219</u>	<u>72,719</u>	<u>65,369</u>	<u>7,350</u>
Income tax department:				
Personal services/administrative support	185,126	185,126	169,698	15,428
Operating expenditures	277,329	278,469	153,141	125,328
Total income tax department	<u>462,455</u>	<u>463,595</u>	<u>322,839</u>	<u>140,756</u>
Planning and zoning:				
Personal services/administrative support	188,011	188,011	169,025	18,986
Operating expenditures	80,328	80,328	68,603	11,725
Total planning and zoning	<u>268,339</u>	<u>268,339</u>	<u>237,628</u>	<u>30,711</u>
General government:				
Operating expenditures	221,808	235,085	199,047	36,038
Capital	-	185,517	178,447	7,070
Total general government	<u>221,808</u>	<u>420,602</u>	<u>377,494</u>	<u>43,108</u>
Civil Service Commission:				
Operating expenditures	350	500	355	145
Total civil service commission	<u>350</u>	<u>500</u>	<u>355</u>	<u>145</u>
Pro Piqua:				
Operating expenditures	59,000	62,000	60,241	1,759
Total pro piqua	<u>59,000</u>	<u>62,000</u>	<u>60,241</u>	<u>1,759</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<u><u>1,749,914</u></u>	<u><u>1,854,498</u></u>	<u><u>1,531,760</u></u>	<u><u>322,738</u></u>
<b>PUBLIC SAFETY:</b>				
Fire department:				
Personal services/administrative support	3,103,332	3,390,595	3,287,209	103,386
Operating expenditures	457,305	461,437	401,495	59,942
Capital	281,406	288,574	278,765	9,809
Total fire department	<u>3,842,043</u>	<u>4,140,606</u>	<u>3,967,469</u>	<u>173,137</u>
Police department:				
Personal services/administrative support	3,538,347	3,654,713	3,378,035	276,678
Operating expenditures	700,135	718,535	504,757	213,778
Capital	40,000	80,000	78,632	1,368
Total police department	<u>4,278,482</u>	<u>4,453,248</u>	<u>3,961,424</u>	<u>491,824</u>
<b>TOTAL PUBLIC SAFETY</b>	<u><u>8,120,525</u></u>	<u><u>8,593,854</u></u>	<u><u>7,928,893</u></u>	<u><u>664,961</u></u>

See notes to required supplemental information

(Continued)

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND  
FOR YEAR ENDED DECEMBER 31, 2013**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
<b>NEIGHBORHOOD IMPROVEMENT TEAM:</b>				
Personal services/administrative support	7,268	8,868	8,177	691
Operating expenditures	168,924	117,500	95,973	21,527
Total neighborhood improvement team	<u>176,192</u>	<u>126,368</u>	<u>104,150</u>	<u>22,218</u>
<b>HEALTH:</b>				
Personal services/administrative support	256,465	256,465	230,911	25,554
Operating expenditures	100,056	100,256	77,097	23,159
Total health department	<u>356,521</u>	<u>356,721</u>	<u>308,008</u>	<u>48,713</u>
<b>PIQUA TREE DONATIONS:</b>				
Operating expenditures	768	768	768	-
Total piqua tree donations department	<u>768</u>	<u>768</u>	<u>768</u>	<u>-</u>
<b>PARKS AND RECREATION:</b>				
Personal services/administrative support	252,894	259,894	251,815	8,079
Operating expenditures	164,887	230,300	220,369	9,931
Capital	100,237	100,460	100,237	223
Total parks and recreation	<u>518,018</u>	<u>590,654</u>	<u>572,421</u>	<u>18,233</u>
Total expenditures	<u>10,921,938</u>	<u>11,522,863</u>	<u>10,446,000</u>	<u>1,076,863</u>
Excess of revenues over expenditures	<u>(607,435)</u>	<u>(1,041,337)</u>	<u>789,328</u>	<u>1,830,665</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Disposal of fixed assets	-	4,372	7,152	2,780
Transfers out	<u>(626,637)</u>	<u>(661,113)</u>	<u>(589,379)</u>	<u>71,734</u>
Total other financing sources (uses)	<u>(626,637)</u>	<u>(656,741)</u>	<u>(582,227)</u>	<u>74,514</u>
Net change in fund balance	(1,234,072)	(1,698,078)	207,101	1,905,179
Fund balance- January 1, 2013	<u>20,658,881</u>	<u>20,658,881</u>	<u>20,658,881</u>	<u>-</u>
Fund balance December 31, 2013	<u>\$ 19,424,809</u>	<u>\$ 18,960,803</u>	<u>\$ 20,865,982</u>	<u>\$ 1,905,179</u>

See notes to required supplemental information

(Concluded)

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE  
STREET MAINTENANCE FUND  
FOR YEAR ENDED DECEMBER 31, 2013**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Municipal income tax	\$ 1,200,000	\$ 1,200,000	\$ 1,385,106	\$ 185,106
State shared revenues	1,114,039	1,108,614	1,137,410	28,796
Licenses and permits, fees	825	600	700	100
Interest income	10,000	5,827	5,978	151
Decrease in fair value of investments	-	-	(110)	(110)
Other fines, rents, and reimbursements	14,560	17,196	31,274	14,078
Total revenues	<u>2,339,424</u>	<u>2,332,237</u>	<u>2,560,358</u>	<u>228,121</u>
<b>EXPENDITURES:</b>				
Personal services/administrative support	924,943	924,943	790,539	134,404
Operating expenditures	1,536,735	1,544,935	1,070,753	474,182
Capital costs	335,217	335,217	299,176	36,041
Total expenditures	<u>2,796,895</u>	<u>2,805,095</u>	<u>2,160,468</u>	<u>644,627</u>
Excess (deficiency) of revenues over expenditures	(457,471)	(472,858)	399,890	872,748
<b>OTHER FINANCING SOURCES (USES):</b>				
Disposal of capital assets	-	2,780	2,780	-
Total other financing sources (uses)	<u>-</u>	<u>2,780</u>	<u>2,780</u>	<u>-</u>
Net change in fund balance	(457,471)	(470,078)	402,670	872,748
Fund balance- January 1, 2013	<u>3,918,551</u>	<u>3,918,551</u>	<u>3,918,551</u>	<u>-</u>
Fund balance December 31, 2013	<u>\$ 3,461,080</u>	<u>\$ 3,448,473</u>	<u>\$ 4,321,221</u>	<u>\$ 872,748</u>

See notes to required supplemental information

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE  
STREET LEVY CONSTRUCTION FUND  
FOR YEAR ENDED DECEMBER 31, 2013**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Municipal income tax	\$ 1,071,429	\$ 1,071,429	\$ 1,237,102	\$ 165,673
Grants-capital	4,024,000	1,723,522	1,659,118	(64,404)
Grants-operating	500,000	51,900	44,995	(6,905)
Interest income	837	837	850	13
Other fines, rents , and reimbursements	250,000	58,037	58,037	-
Total revenues	<u>5,846,266</u>	<u>2,905,725</u>	<u>3,000,102</u>	<u>94,377</u>
<b>EXPENDITURES:</b>				
Operating expenditures	1,475,709	1,053,452	408,551	644,901
Capital costs	4,608,000	2,777,853	2,391,537	386,316
Total expenditures	<u>6,083,709</u>	<u>3,831,305</u>	<u>2,800,088</u>	<u>1,031,217</u>
Excess of revenues over expenditures	<u>(237,443)</u>	<u>(925,580)</u>	<u>200,014</u>	<u>1,125,594</u>
<b>OTHER FINANCING (USES):</b>				
Transfers out	<u>(173,754)</u>	<u>(173,754)</u>	<u>(173,754)</u>	<u>-</u>
Total other financing(uses)	<u>(173,754)</u>	<u>(173,754)</u>	<u>(173,754)</u>	<u>-</u>
Net change in fund balance	(411,197)	(1,099,334)	26,260	1,125,594
Fund balance January 1, 2013	<u>1,977,761</u>	<u>1,977,761</u>	<u>1,977,761</u>	<u>-</u>
Fund balance December 31, 2013	<u>\$ 1,566,564</u>	<u>\$ 878,427</u>	<u>\$ 2,004,021</u>	<u>\$ 1,125,594</u>

See notes to required supplemental information

**CITY OF PIQUA, OHIO**  
**Notes to the Required Supplemental Information**  
**December 31, 2013**

**BUDGETS AND BUDGETARY ACCOUNTING**—The City follows procedures prescribed by State law in establishing the budgetary data shown in the financial statements, as follows:

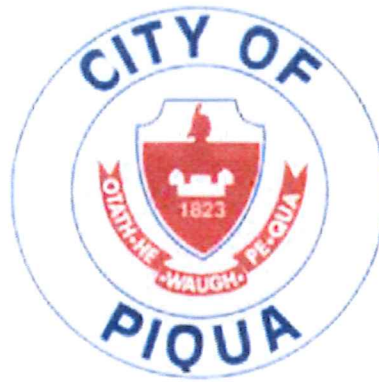
- The City must submit a budget of estimated revenues and expenditures for all governmental funds to the County Budget Commission by July 20 of each year for the following calendar year.
- The County Budget Commission certifies its actions by September 1, and issues a “Certificate of Resources” limiting the maximum amount the City may expend from a given fund during the year.
- On approximately January 1, this Certificate is amended to include any unencumbered balances from the preceding year. The City must prepare its appropriations so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Resources.
- Before the first Commission meeting in January, a permanent appropriation measure must be passed for the period January 1 through December 31. The permanent appropriation may not exceed estimated resources certified by the County Budget Commission.
- Unused appropriations lapse at year-end and are re-appropriated in the following year’s budget.
- All funds have annual budgets, which are prepared in accordance with generally accepted accounting principles and are legally adopted by the City Commission.

The City Manager acts as budget officer for the City and submits a proposed operating budget to the City Commission on an annual basis. Public hearings are held to obtain taxpayer comments. The Commission enacts the budget through passage of an appropriations ordinance. The appropriations ordinance controls expenditures in each fund at the object levels of personal services/administrative support, operating expenditures, transfers, and capital outlay. Amendments to object totals of appropriations require Commission approval. The City Manager has the authority to allocate and amend appropriations at the account level, provided that fund totals appropriated by ordinance are not adjusted. Earnings of the Power, Water, Wastewater, Storm Water, Refuse, Golf, Fort Piqua Plaza, and Municipal Pool systems may not be appropriated for other City uses.

The budget process is controlled by both the State of Ohio Revised Code and the City Charter and is prepared based on anticipated revenues and appropriated expenditures.

The City’s financial position, results of operations and changes in fund balances, as well as the budgetary basis as provided by law, are reported on the basis of GAAP.

# Supplemental Data



# CITY OF PIQUA, OHIO

## NON-MAJOR FUNDS

Revolving Loan/Federal Program Income	To account for micro-enterprise loans, USDA loans and home mortgages resulting from federal grant activities
Community Development	To account for activities for social, economic, and other special development of the community
Trust	To account for resources recovered or held through legislation or enforcement activities.
Conservancy	To account for receipts and disbursements for the city's share of the district's operation and maintenance.
Federal Grants	To account for federal funds available for FEMA, comprehensive housing, and block grants.

# CITY OF PIQUA, OHIO

## NON-MAJOR INTERNAL SERVICE/FIDUCIARY FUNDS

### **Internal Service Funds**

Worker Compensation	To account for funds set aside for possible future retrospective rating plan
Liability Insurance	To account for assets reserved for future self-insurance options
Health Insurance	To account for an internally financed and self-insured health insurance program.
Information Technology	To account for centralized communication, networking, and data processing services for all city departments

### **Fiduciary Funds**

Unclaimed Funds	To account for unclaimed liabilities of the city.
Private-Purpose Centennial Trust	To account for assets of a centennial escrow as established by legislation.
Employee Flexible Spending	To account for assets held for the employee's cafeteria plan.



**CITY OF PIQUA, OHIO**

**COMBINING BALANCE SHEET- NON MAJOR FUNDS  
DECEMBER 31, 2013**

<b>ASSETS:</b>	Revolving Loan/Federal Program Income	Community Development	Trust
Equity in pooled cash and cash equivalents	\$ 112,823	\$ 211,602	\$ 31,416
Accounts receivable	329	4,495	-
Loans receivable, net of allowance	7,149	-	-
<b>Total Assets</b>	<b>\$ 120,301</b>	<b>\$ 216,097</b>	<b>\$ 31,416</b>
<b>LIABILITIES:</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	-	11,688	-
Interfund payable	-	36,172	-
Salaries and benefits	-	5,269	-
Accruals	-	149,154	-
Total Current Liabilities	-	202,283	-
Total Liabilities	-	202,283	-
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Property taxes	-	-	-
Total deferred inflows of resources	-	-	-
<b>FUND BALANCES:</b>			
Nonspendable fund balance	7,149	-	-
Restricted fund balance	113,152	12,813	31,416
Unassigned	-	1,001	-
Total fund balances	120,301	13,814	31,416
Total liabilities, deferred inflows of resources, and fund balance	<b>\$ 120,301</b>	<b>\$ 216,097</b>	<b>\$ 31,416</b>

(Continued)

**CITY OF PIQUA, OHIO**

**COMBINING BALANCE SHEET- NON MAJOR FUNDS  
DECEMBER 31, 2013**

<b>ASSETS:</b>	<u>Conservancy</u>	<u>Federal Grants</u>	<u>Total Non major Funds</u>
Equity in pooled cash and cash equivalents	\$ 1,195	\$ 1,499	\$ 358,535
Accounts receivable	61,363	56,551	122,738
Loans receivable, net of allowance	-	-	7,149
<b>Total Assets</b>	<u>62,558</u>	<u>58,050</u>	<u>488,422</u>
 <b>LIABILITIES:</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	-	-	11,688
Interfund payable	-	58,047	94,219
Salaries and benefits	-	-	5,269
Accruals	-	-	149,154
<b>Total Current Liabilities</b>	<u>-</u>	<u>58,047</u>	<u>260,330</u>
<b>Total Liabilities</b>	-	58,047	260,330
 <b>DEFERRED INFLOWS OF RESOURCES:</b>			
Property taxes	61,363	-	61,363
<b>Total deferred inflows of resources</b>	<u>61,363</u>	<u>-</u>	<u>61,363</u>
 <b>FUND BALANCES:</b>			
Nonspendable fund balance	-	-	7,149
Restricted fund balance	1,195	3	158,579
Unassigned	-	-	1,001
<b>Total fund balances</b>	<u>1,195</u>	<u>3</u>	<u>166,729</u>
 <b>Total liabilities, deferred inflows of resources, and fund balance</b>	 <u>\$ 62,558</u>	 <u>\$ 58,050</u>	 <u>\$ 488,422</u>

(Concluded)

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN  
FUND BALANCE NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2013**

	Revolving Loan/Federal Program Income	Community Development	Trust
<b>REVENUES:</b>			
Property taxes	\$ -	\$ 2,359	\$ -
State shared revenues	-	-	-
Licenses and permits, fees	1,710	-	-
Grants: operating	-	334,767	-
Investment income	5,262	-	-
Other fines, rents, and reimbursements	41,379	-	73,033
Total revenues	<u>48,351</u>	<u>337,126</u>	<u>73,033</u>
<b>EXPENDITURES:</b>			
Personal services/administrative support	1,371	-	-
Operation and maintenance	40,085	351,014	85,896
Capital	-	-	-
Total expenditures	<u>41,456</u>	<u>351,014</u>	<u>85,896</u>
Excess (deficiency) of revenues over expenditures	<u>6,895</u>	<u>(13,888)</u>	<u>(12,863)</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	<u>-</u>	<u>14,889</u>	<u>-</u>
Net change in fund balance	6,895	1,001	(12,863)
Fund balance January 1, 2013	<u>113,406</u>	<u>12,813</u>	<u>44,279</u>
Fund balance December 31, 2013	<u>\$ 120,301</u>	<u>\$ 13,814</u>	<u>\$ 31,416</u>

(Continued)

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN  
FUND BALANCE NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2013**

	<u>Conservancy</u>	<u>Federal Grants</u>	<u>Total Non major Funds</u>
<b>REVENUES:</b>			
Property taxes	\$ 2	\$ -	\$ 2,361
State shared revenues	1,421	-	1,421
Licenses and permits, fees	-	-	1,710
Grants; operating	-	261,843	596,610
Investment income	3	-	5,265
Other fines, rents, and reimbursements	-	-	114,412
Total revenues	<u>1,426</u>	<u>261,843</u>	<u>721,779</u>
<b>EXPENDITURES:</b>			
Personal services/administrative support	-	441	1,812
Operation and maintenance	31,772	219,323	728,090
Capital	-	43,499	43,499
Total expenditures	<u>31,772</u>	<u>263,263</u>	<u>773,401</u>
Excess (deficiency) of revenues over expenditures	<u>(30,346)</u>	<u>(1,420)</u>	<u>(51,622)</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	-	-	14,889
Net change in fund balance	(30,346)	(1,420)	(36,733)
Fund balance January 1, 2013	<u>31,541</u>	<u>1,423</u>	<u>203,462</u>
Fund balance December 31, 2013	<u>\$ 1,195</u>	<u>\$ 3</u>	<u>\$ 166,729</u>

(Concluded)

**CITY OF PIQUA, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2013**

	Revolving Loan / Federal Program Income			Community Development		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ 2,359	\$ 2,359	\$ -
State shared revenues	-	-	-	-	-	-
Licenses and permits, fees	1,720	1,710	(10)	-	-	-
Grants: operating	-	-	-	334,657	334,767	110
Investment Income	5,238	5,262	24	-	-	-
Other	44,105	41,379	(2,726)	-	-	-
Total revenues	<u>51,063</u>	<u>48,351</u>	<u>(2,712)</u>	<u>337,016</u>	<u>337,126</u>	<u>110</u>
<b>EXPENDITURES:</b>						
Personal services	5,940	1,371	4,569	-	-	-
Operation and maintenance	103,084	40,085	62,999	364,830	351,014	13,816
Capital	-	-	-	-	-	-
Total expenditures	<u>109,024</u>	<u>41,456</u>	<u>67,568</u>	<u>364,830</u>	<u>351,014</u>	<u>13,816</u>
Excess (deficiency) of revenues over expenditures	<u>(57,961)</u>	<u>6,895</u>	<u>64,856</u>	<u>(27,814)</u>	<u>(13,888)</u>	<u>13,926</u>
<b>OTHER FINANCING SOURCES:</b>						
Transfers in	-	-	-	15,000	14,889	(111)
Net change in fund balance	(57,961)	6,895	64,856	(12,814)	1,001	13,815
Fund balance January 1, 2013	<u>113,406</u>	<u>113,406</u>	<u>-</u>	<u>12,813</u>	<u>12,813</u>	<u>-</u>
Fund balance December 31, 2013	<u>\$ 55,445</u>	<u>\$ 120,301</u>	<u>\$ 64,856</u>	<u>\$ (1)</u>	<u>\$ 13,814</u>	<u>\$ 13,815</u>

(Continued)

**CITY OF PIQUA, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2013**

	Trust			Conservancy		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ 2	\$ 2	\$ -
State shared revenues	-	-	-	259	1,421	1,162
Licenses and permits, fees	-	-	-	-	-	-
Grants: operating	-	-	-	-	-	-
Investment Income	-	-	-	3	3	-
Other	73,033	73,033	-	-	-	-
Total revenues	<u>73,033</u>	<u>73,033</u>	<u>-</u>	<u>264</u>	<u>1,426</u>	<u>1,162</u>
<b>EXPENDITURES:</b>						
Personal services	-	-	-	-	-	-
Operation and maintenance	102,729	85,896	16,833	31,772	31,772	-
Capital	-	-	-	-	-	-
Total expenditures	<u>102,729</u>	<u>85,896</u>	<u>16,833</u>	<u>31,772</u>	<u>31,772</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(29,696)</u>	<u>(12,863)</u>	<u>16,833</u>	<u>(31,508)</u>	<u>(30,346)</u>	<u>1,162</u>
<b>OTHER FINANCING SOURCES:</b>						
Transfers in	-	-	-	-	-	-
Net change in fund balance	(29,696)	(12,863)	16,833	(31,508)	(30,346)	1,162
Fund balance January 1, 2013	<u>44,279</u>	<u>44,279</u>	<u>-</u>	<u>31,541</u>	<u>31,541</u>	<u>-</u>
Fund balance December 31, 2013	<u>\$ 14,583</u>	<u>\$ 31,416</u>	<u>\$ 16,833</u>	<u>\$ 33</u>	<u>\$ 1,195</u>	<u>\$ 1,162</u>

(Continued)

**CITY OF PIQUA, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2013**

	Federal Grants			Totals		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ 2,361	\$ 2,361	\$ -
State shared revenues	-	-	-	259	1,421	1,162
Licenses and permits, fees	-	-	-	1,720	1,710	(10)
Grants: operating	260,048	261,843	1,795	594,705	596,610	1,905
Investment Income	-	-	-	5,241	5,265	24
Other	-	-	-	117,138	114,412	(2,726)
Total revenues	<u>260,048</u>	<u>261,843</u>	<u>1,795</u>	<u>721,424</u>	<u>721,779</u>	<u>355</u>
<b>EXPENDITURES:</b>						
Personal services	441	441	-	6,381	1,812	4,569
Operation and maintenance	216,107	219,323	(3,216)	818,522	728,090	90,432
Capital	43,500	43,499	1	43,500	43,499	1
Total expenditures	<u>260,048</u>	<u>263,263</u>	<u>(3,215)</u>	<u>868,403</u>	<u>773,401</u>	<u>95,002</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(1,420)</u>	<u>(1,420)</u>	<u>(146,979)</u>	<u>(51,622)</u>	<u>95,357</u>
<b>OTHER FINANCING SOURCES:</b>						
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>14,889</u>	<u>(111)</u>
Net change in fund balance	<u>-</u>	<u>(1,420)</u>	<u>(1,420)</u>	<u>(131,979)</u>	<u>(36,733)</u>	<u>95,246</u>
Fund balance January 1, 2013	<u>1,423</u>	<u>1,423</u>	<u>-</u>	<u>203,462</u>	<u>203,462</u>	<u>-</u>
Fund balance December 31, 2013	<u>\$ 1,423</u>	<u>\$ 3</u>	<u>\$ (1,420)</u>	<u>\$ 71,483</u>	<u>\$ 166,729</u>	<u>\$ 95,246</u>

(Concluded)

**CITY OF PIQUA, OHIO**

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

	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES:</b>			
Property taxes	\$ 48,629	\$ 48,628	\$ (1)
Investment income	10,338	10,240	(98)
Total revenues	<u>58,967</u>	<u>58,868</u>	<u>(99)</u>
<b>EXPENDITURES:</b>			
Operating expenditures	24,355	14,621	9,734
Debt principal payment	226,393	239,313	(12,920)
Debt interest payment	61,293	61,293	-
Total expenditures	<u>312,041</u>	<u>315,227</u>	<u>(3,186)</u>
Excess (deficiency) of revenues over expenditures	<u>(253,074)</u>	<u>(256,359)</u>	<u>(3,285)</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	264,841	264,841	-
Total other financing sources	<u>264,841</u>	<u>264,841</u>	<u>-</u>
Net change in fund balance	11,767	8,482	(3,285)
Fund balance January 1, 2013	<u>430,978</u>	<u>430,978</u>	<u>-</u>
Fund balance December 31, 2013	<u>\$ 442,745</u>	<u>\$ 439,460</u>	<u>\$ (3,285)</u>



**CITY OF PIQUA, OHIO**

**COMBINING BALANCE SHEET- INTERNAL SERVICE FUNDS  
DECEMBER 31, 2013**

<b>ASSETS:</b>	<u>Workers Compensation</u>	<u>Liability Insurance</u>	<u>Health Insurance</u>	<u>Information Technology</u>	<u>Total</u>
Current assets:					
Equity in pooled cash and cash equivalents	\$ 363,479	\$ 195,349	\$ 175,793	\$ 395,887	\$ 1,130,508
Equity in pooled investments	976,440	290,247	1,023,970	-	2,290,657
Accounts receivable	3,444	139,461	15,644	-	158,549
Prepaid items and other assets	-	-	3,346	-	3,346
Total Current Assets	<u>1,343,363</u>	<u>625,057</u>	<u>1,218,753</u>	<u>395,887</u>	<u>3,583,060</u>
Noncurrent assets:					
Capital assets being depreciated	-	-	-	540,548	540,548
Total Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>540,548</u>	<u>540,548</u>
Total Assets	<u>\$ 1,343,363</u>	<u>\$ 625,057</u>	<u>\$ 1,218,753</u>	<u>\$ 936,435</u>	<u>\$ 4,123,608</u>
<b>LIABILITIES:</b>					
<b>CURRENT LIABILITIES:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 8,972	\$ 8,972
Salaries and benefits	-	-	-	5,759	5,759
Accrued vacation, personal and sick leave	-	-	-	30,520	30,520
Accruals	-	-	-	133	133
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,384</u>	<u>45,384</u>
<b>NONCURRENT LIABILITIES:</b>					
Accrued vacation, personal and sick leave	-	-	-	65,007	65,007
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,007</u>	<u>65,007</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>110,391</u>	<u>110,391</u>
<b>NET POSITION:</b>					
Net investment in capital assets				540,548	540,548
Unrestricted	<u>1,343,363</u>	<u>625,057</u>	<u>1,218,753</u>	<u>285,496</u>	<u>3,472,669</u>
Total Net Position	<u>1,343,363</u>	<u>625,057</u>	<u>1,218,753</u>	<u>826,044</u>	<u>4,013,217</u>
Total Liabilities and Net Position	<u>\$ 1,343,363</u>	<u>\$ 625,057</u>	<u>\$ 1,218,753</u>	<u>\$ 936,435</u>	<u>\$ 4,123,608</u>

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN NET POSITION- INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Total
<b>OPERATING REVENUES:</b>					
Customer services	\$ 31,289	\$ 173,676	\$ -	\$ 530,429	\$ 735,394
Total operating revenues	31,289	173,676	-	530,429	735,394
<b>OPERATING EXPENSES:</b>					
Salaries and Employee benefits	51,735	-	-	281,450	333,185
Depreciation	-	-	-	108,169	108,169
Materials and supplies	-	-	-	8,446	8,446
Utilities	-	-	-	31,734	31,734
Outside Services	-	-	-	115,189	115,189
Other	-	87,348	-	6,923	94,271
Total operating expenses	<u>51,735</u>	<u>87,348</u>	-	<u>551,911</u>	<u>690,994</u>
Operating income (loss)	(20,446)	86,328	-	(21,482)	44,400
<b>NON-OPERATING REVENUES(EXPENSES):</b>					
Interest income	20,720	2,665	7,678	224	31,287
Net increase/(decrease) in fair market value of investments	-	(1,346)	-	-	(1,346)
Net non-operating revenues(expenses)	<u>20,720</u>	<u>1,319</u>	<u>7,678</u>	<u>224</u>	<u>29,941</u>
Change in net position	<u>274</u>	<u>87,647</u>	<u>7,678</u>	<u>(21,258)</u>	<u>74,341</u>
Total net position-beginning of year	<u>1,343,089</u>	<u>537,410</u>	<u>1,211,075</u>	<u>847,302</u>	<u>3,938,876</u>
Total net position-end of year	<u>\$ 1,343,363</u>	<u>\$ 625,057</u>	<u>\$ 1,218,753</u>	<u>\$ 826,044</u>	<u>\$ 4,013,217</u>

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF CASH FLOWS-INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Totals
<b>OPERATING ACTIVITIES:</b>					
Receipts from interfund services	\$ 31,289	\$ 126,355	\$ -	\$ 530,429	\$ 688,073
Cash paid to suppliers for goods or services	-	(87,348)	168,210	(189,064)	(108,202)
Cash paid to employees for services	(51,735)	-	-	(269,751)	(321,486)
Net cash provided by (used in) operating activities	<u>(20,446)</u>	<u>39,007</u>	<u>168,210</u>	<u>71,614</u>	<u>258,385</u>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Acquisition and construction of capital & AMP regulatory assets	-	-	-	(31,452)	(31,452)
Net cash provided by (used in) capital & related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,452)</u>	<u>(31,452)</u>
<b>INVESTING ACTIVITIES:</b>					
Proceeds from sale or maturity of investment securities	25,000	-	-	-	25,000
Interest received	19,471	2,665	3,871	224	26,231
Net cash provided by (used in) investing activities	<u>44,471</u>	<u>2,665</u>	<u>3,871</u>	<u>224</u>	<u>51,231</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	24,025	41,672	172,081	40,386	278,164
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	339,454	153,677	3,712	355,501	852,344
<b>CASH AND CASH EQUIVALENTS - End of year</b>	\$ 363,479	\$ 195,349	\$ 175,793	\$ 395,887	\$ 1,130,508
<b>OPERATING INCOME (LOSS)</b>	\$ (20,446)	\$ 86,328	\$ -	\$ (21,482)	\$ 44,400
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	-	-	-	108,169	108,169
(Increase)/Decrease in Accounts Receivable	-	(47,321)	(10,000)	-	(57,321)
Increase/(Decrease) in Accounts Payable	-	-	178,210	-	178,210
Increase/(Decrease) in Accrued Wages and Benefits	-	-	-	(26,772)	(26,772)
Net (Increase)/Decrease in Other Operating Net Position	-	-	-	11,699	11,699
Net cash provided by (used in) operating activities	<u>\$ (20,446)</u>	<u>\$ 39,007</u>	<u>\$ 168,210</u>	<u>\$ 71,614</u>	<u>\$ 258,385</u>
<b>SUPPLEMENTAL INFORMATION:</b>					
Noncash activities:					
Change in fair value of investments	<u>\$ -</u>	<u>\$ (1,346)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,346)</u>

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS  
DECEMBER 31, 2013**

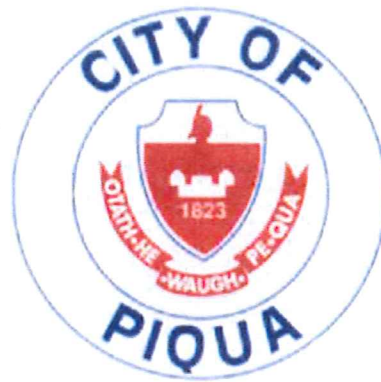
	<u>Unclaimed Funds</u>	<u>Employee Flexible Spending</u>	<u>Total</u>
<b>ASSETS:</b>			
Equity in pooled cash and cash equivalents	\$ 3,767	\$ 16,551	\$ 20,318
Total Assets	<u>\$ 3,767</u>	<u>\$ 16,551</u>	<u>\$ 20,318</u>
<b>LIABILITIES:</b>			
Withholdings payable	\$ -	\$ 4,708	\$ 4,708
Undistributed monies	<u>3,767</u>	<u>11,843</u>	<u>15,610</u>
Total Liabilities	<u>\$ 3,767</u>	<u>\$ 16,551</u>	<u>\$ 20,318</u>

**CITY OF PIQUA, OHIO**

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

	Balance at January 1, 2013	Additions	Deductions	Balance at December 31, 2013
<b>Unclaimed Funds</b>				
<b>ASSETS</b>				
Equity in pooled cash and cash equivalents	\$ 2,951	\$ 816	\$ -	\$ 3,767
Total Assets	<u>\$ 2,951</u>	<u>\$ 816</u>	<u>\$ -</u>	<u>\$ 3,767</u>
<b>LIABILITIES</b>				
Undistributed monies	\$ 2,951	\$ 816		3,767
Total Liabilities	<u>\$ 2,951</u>	<u>\$ 816</u>	<u>\$ -</u>	<u>\$ 3,767</u>
<b>Employee Flexible Spending</b>				
<b>ASSETS</b>				
Equity in pooled cash and cash equivalents	\$ 17,981	\$ 162,098	\$ 163,528	\$ 16,551
Total Assets	<u>\$ 17,981</u>	<u>\$ 162,098</u>	<u>\$ 163,528</u>	<u>\$ 16,551</u>
<b>LIABILITIES</b>				
Withholdings payable	\$ 6,147	\$ 162,089	\$ 163,528	\$ 4,708
Undistributed monies	11,834	9		11,843
Total Liabilities	<u>\$ 17,981</u>	<u>\$ 162,098</u>	<u>\$ 163,528</u>	<u>\$ 16,551</u>
<b>Total- All AGENCY FUNDS</b>				
<b>ASSETS</b>				
Equity in pooled cash and cash equivalents	\$ 20,932	\$ 162,914	\$ 163,528	\$ 20,318
Total Assets	<u>\$ 20,932</u>	<u>\$ 162,914</u>	<u>\$ 163,528</u>	<u>\$ 20,318</u>
<b>LIABILITIES</b>				
Withholdings payable	\$ 6,147	\$ 162,089	\$ 163,528	\$ 4,708
Undistributed monies	14,785	825	-	15,610
Total Liabilities	<u>\$ 20,932</u>	<u>\$ 162,914</u>	<u>\$ 163,528</u>	<u>\$ 20,318</u>

# Statistical Section



## Statistical Section

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

<b><u>Contents</u></b>	<b><u>Pages</u></b>
<b>Financial Trends</b>	<b>75-79</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>80-82</b>
These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax, and the municipal income tax.	
<b>Debt Capacity</b>	<b>83-85</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>Economic and Demographic Information</b>	<b>86-88</b>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<b>Operating Information</b>	<b>89-92</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

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

CITY OF PIQUA, OHIO

Table 1

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

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Government Activities</b>										
Net investment in capital assets	\$ 44,845,328	\$ 42,875,580	\$ 41,507,824	\$ 41,743,160	\$ 41,217,679	\$ 41,291,151	\$ 41,254,589	\$ 36,547,835	\$ 35,515,425	\$ 35,501,878
Restricted for other purposes	11,077	10,894	12,457	18,638	20,665	14,684	33,231	-	-	-
Restricted for debt service	439,460	430,978	369,253	385,122	387,228	394,408	394,825	418,841	740,702	1,571,115
Unrestricted	30,086,228	29,179,762	27,851,846	25,776,868	24,580,004	23,791,114	20,257,699	18,315,439	12,523,508	10,506,442
Total governmental activities net position	75,382,093	72,497,214	69,741,380	67,923,788	66,205,576	65,491,357	61,940,344	55,282,115	48,779,635	47,579,435
<b>Business-Type Activities</b>										
Net investment in capital assets	57,929,193	55,839,322	49,929,517	48,473,160	49,657,889	50,518,920	50,298,375	49,706,237	49,323,165	48,803,820
Restricted for other purposes	-	-	-	-	-	-	727	-	-	-
Restricted for debt service	50,000	50,000	50,000	50,000	50,000	50,000	50,000	58,910	66,588	303,180
Unrestricted	18,147,111	18,818,340	20,506,796	20,726,170	17,278,974	14,078,814	12,979,243	13,427,481	10,750,998	10,071,169
Total business-type activities net position	76,126,304	74,707,662	70,486,313	69,249,330	66,986,863	64,647,734	63,328,345	63,192,628	60,140,751	59,178,169
<b>Primary government</b>										
Net investment in capital assets	102,774,521	98,714,902	91,437,341	90,216,320	90,875,568	91,810,071	91,552,964	86,254,072	84,838,590	84,305,698
Restricted for other purposes	11,077	10,894	12,457	18,638	20,665	14,684	33,958	-	-	-
Restricted for debt service	489,460	480,978	419,253	435,122	437,228	444,408	444,825	477,751	807,290	1,874,295
Unrestricted	48,233,339	47,998,102	48,358,642	46,503,038	41,858,978	37,869,928	33,236,942	31,742,920	23,274,506	20,577,611
Total primary government activities net position	\$ 151,508,397	\$ 147,204,876	\$ 140,227,693	\$ 137,173,118	\$ 133,192,439	\$ 130,139,091	\$ 125,268,689	\$ 118,474,743	\$ 108,920,386	\$ 106,757,604

Source: City of Piqua Finance Department



CITY OF PIQUA, OHIO

Table 2

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

Expenses	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Government activities</b>										
General government	\$ 1,931,289	\$ 1,878,876	\$ 1,804,464	\$ 1,893,928	\$ 2,099,961	\$ 2,960,257	\$ 2,891,558	\$ 2,252,448	\$ 1,983,407	\$ 1,797,660
Public safety	7,855,812	7,778,195	7,655,764	7,797,867	7,859,160	7,796,876	7,878,066	7,784,475	7,667,665	7,363,799
Streets and maintenance	3,340,057	3,081,248	3,166,350	3,250,497	3,574,236	5,143,056	3,168,720	2,853,826	3,456,870	2,787,428
Parks and recreation	502,923	475,706	425,013	548,724	685,518	915,284	702,284	741,577	716,795	636,230
Community development	766,933	1,944,480	393,106	628,434	242,528	618,328	343,948	617,750	1,287,935	721,741
Interest on long term debt	61,006	68,013	190,218	250,261	271,155	289,387	197,747	184,603	216,710	234,029
Total governmental activities expenses	14,458,020	15,226,518	13,634,915	14,369,711	14,732,558	17,723,188	15,182,323	14,436,679	15,331,382	13,540,887
<b>Business-type Activities</b>										
Electric	24,897,844	22,146,622	23,673,009	22,492,488	22,301,713	23,945,553	22,469,419	15,836,216	16,937,470	17,115,584
Wastewater	3,253,677	3,369,098	3,307,060	2,986,688	2,855,462	2,843,279	2,829,263	2,996,458	2,839,982	2,811,990
Refuse	1,606,035	1,594,550	1,593,925	1,512,243	1,481,691	1,523,263	1,440,545	1,429,689	1,363,145	1,340,265
Water	3,116,383	3,051,979	3,300,788	2,920,323	2,793,284	2,850,285	2,754,437	2,564,675	2,589,854	2,408,664
Stormwater	707,322	398,234	419,626	414,092	n/a	n/a	n/a	707,818	n/a	n/a
Golf	678,050	683,046	702,282	609,278	654,305	685,305	726,395	707,818	696,389	735,442
Fort Piqua Plaza	301,409	277,319	280,600	229,821	185,207	42,372	n/a	n/a	n/a	n/a
Municipal Pool	188,413	203,742	177,970	170,387	190,003	199,122	191,007	171,005	175,789	161,666
Total business-type activities expenses	34,749,133	31,724,590	33,455,260	31,335,320	30,461,666	32,089,179	30,411,066	23,705,861	24,602,629	24,573,611
Total Primary Government activities expenses	\$ 49,207,153	\$ 46,951,108	\$ 47,090,175	\$ 45,705,031	\$ 45,194,224	\$ 49,812,367	\$ 45,593,389	\$ 38,142,540	\$ 39,934,011	\$ 38,114,498
<b>Program revenues</b>										
<b>Government activities</b>										
Charges for Services:	\$ 433,122	\$ 427,061	\$ 412,803	\$ 630,460	\$ 692,334	\$ 624,510	\$ 465,664	\$ 1,436,056	\$ 298,340	\$ 264,426
General government	1,103,529	1,042,684	1,083,295	800,027	876,722	772,244	909,784	566,672	311,871	328,505
Public safety	90,011	118,891	98,951	68,198	33,705	93,392	28,295	63,390	49,462	50,637
Streets and maintenance	35,797	21,190	22,258	31,297	109,577	88,900	23,355	31,346	31,798	20,415
Parks and recreation	43,089	37,036	36,826	18,152	20,681	26,146	19,974	7,042	67,397	73,226
Community development	1,215,686	2,052,279	778,247	1,414,559	460,718	1,219,765	2,301,314	3,208,242	739,860	742,628
Operating grants and contributions	1,732,241	1,890,719	109,763	392,849	534,122	1,822,124	3,978,896	859,305	60,487	596,094
Capital grants and contributions	4,653,475	5,589,860	2,542,143	3,355,542	2,727,859	4,647,081	7,729,282	6,172,053	1,539,215	2,075,931
Total governmental activities program revenues	23,631,871	23,730,966	23,709,030	23,124,555	23,374,930	24,242,212	21,135,872	18,181,498	18,415,430	16,702,913
<b>Business-type Activities</b>										
Charges for Services:	3,501,363	3,461,648	3,422,060	3,470,636	3,258,977	3,098,853	2,715,642	2,698,928	2,671,979	2,643,578
Electric	1,794,018	1,770,367	1,762,814	1,757,803	1,767,803	1,659,648	1,530,335	1,408,455	1,340,537	1,281,780
Wastewater	4,890,863	4,260,723	3,322,920	3,335,091	3,180,412	3,051,532	2,791,370	2,722,614	2,586,120	2,565,055
Refuse	887,558	819,584	819,270	651,694	n/a	n/a	n/a	n/a	n/a	n/a
Water	515,527	563,553	470,297	533,600	594,230	605,828	625,414	599,742	623,714	591,972
Stormwater	147,131	109,010	106,192	129,689	63,946	18,200	n/a	n/a	n/a	n/a
Fort Piqua Plaza	61,702	74,927	80,060	74,220	79,048	92,746	89,109	89,373	95,138	73,923
Municipal Pool	110,719	142,603	240,032	97,588	155	-	2,548	261	271	-
Operating grants and contributions	89,599	540,523	112,500	-	65,000	-	726,507	688,466	13,073	64,276
Capital grants and contributions	35,630,351	35,473,904	34,045,175	33,174,448	32,844,501	32,769,017	29,616,797	26,389,337	25,746,262	23,923,497
Total business-type activities program revenues	\$ 40,283,826	\$ 41,063,764	\$ 36,587,318	\$ 36,529,990	\$ 35,112,360	\$ 37,416,098	\$ 37,346,079	\$ 32,561,390	\$ 27,305,477	\$ 25,999,428
Total primary government program revenues	\$ (9,804,545)	\$ (9,636,658)	\$ (11,092,772)	\$ (11,014,169)	\$ (12,004,699)	\$ (13,076,107)	\$ (7,453,041)	\$ (8,264,626)	\$ (13,772,167)	\$ (11,464,956)
<b>Net revenue (expense)</b>	\$ 881,218	\$ 3,749,314	\$ 589,915	\$ 1,839,128	\$ 1,922,835	\$ 679,838	\$ (794,269)	\$ 2,683,476	\$ 1,143,633	\$ (650,114)
<b>Governmental activities</b>										
Business-type activities	\$ (8,923,327)	\$ (5,887,344)	\$ (10,502,857)	\$ (9,175,041)	\$ (10,081,864)	\$ (12,396,269)	\$ (8,247,310)	\$ (5,581,150)	\$ (12,628,534)	\$ (12,115,070)
Total primary government net revenue (expense)	\$ (9,804,545)	\$ (9,636,658)	\$ (11,092,772)	\$ (11,014,169)	\$ (12,004,699)	\$ (13,076,107)	\$ (7,453,041)	\$ (8,264,626)	\$ (13,772,167)	\$ (11,464,956)

Continued

CITY OF PIQUA, OHIO

Table 2

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

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>General revenues and other changes in net position</b>										
Governmental activities										
Property taxes	\$1,211,844	\$1,271,907	\$1,289,519	\$1,402,952	\$1,349,521	\$1,452,709	\$1,466,214	\$1,505,317	\$1,525,944	\$1,452,019
State Shared taxes	1,752,553	2,187,917	2,597,120	2,992,428	3,404,050	3,443,434	2,522,305	2,953,529	3,280,931	2,431,261
Income tax	8,935,319	8,024,044	8,209,488	7,256,729	6,999,179	10,275,491	8,351,952	8,611,614	8,378,103	7,338,490
Locally levied taxes	1,188,578	1,185,433	1,180,220	1,173,438	1,123,045	1,259,107	1,291,091	1,309,110	1,249,360	1,095,211
Investment earnings	82,596	97,667	129,378	159,445	134,406	388,469	661,171	578,256	289,066	177,473
Miscellaneous	1,937	18,808	6,500	56,482	9,515	1,852	18,468	6,383	385,572	73,018
Transfers	(483,403)	(393,284)	(501,861)	(309,093)	(300,798)	(193,942)	(199,931)	(197,103)	(136,609)	(230,861)
<b>Total governmental activities general revenues and other changes in net position</b>	12,689,424	12,392,492	12,910,364	12,732,381	12,718,918	16,627,120	14,111,270	14,767,106	14,972,367	12,336,611
Business-type Activities										
Investment earnings	54,021	78,751	145,207	114,246	115,496	445,609	730,055	603,404	287,164	173,763
Special item	-	-	-	-	-	-	-	(432,106)	(604,824)	-
Transfers	483,403	393,284	501,861	309,093	300,798	193,942	199,931	197,103	136,609	230,861
<b>Total business-type activities general revenues and other changes in net position</b>	537,424	472,035	647,068	423,339	416,294	639,551	929,986	368,401	(181,051)	404,624
<b>Total primary government general revenues and other changes in net position</b>	13,226,848	12,864,527	13,557,432	13,155,720	13,135,212	17,266,671	15,041,256	15,135,507	14,791,316	12,741,235
<b>Change in net position</b>										
Governmental activities	2,884,879	2,755,834	1,817,592	1,718,212	714,219	3,551,013	6,658,229	6,502,480	1,200,200	871,655
Business-type activities	1,418,642	4,221,349	1,236,983	2,262,467	2,339,129	1,319,389	135,717	3,051,877	962,582	(245,490)
<b>Total primary government activities</b>	\$4,303,521	\$6,977,183	\$3,054,575	\$3,980,679	\$3,053,348	\$4,870,402	\$6,793,946	\$9,554,357	\$2,162,782	\$626,165

Electric, Wastewater, Golf and Pool Expenses restated in years 2011 through 2004 to reflect accounting changes of GASB 65

Source: City of Piqua Finance Department

Fort Piqua Plaza enterprise began in October 2008

Storm Water enterprise began in April 2010

(Concluded)

CITY OF PIQUA, OHIO

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

Table 3

	2013	2012	2011 (1)	2010	2009	2008	2007	2006	2005	2004
General Fund										
Nonspendable	\$ 9,800,116	\$ 9,800,153	\$ 9,801,232	\$ 12,515,872	\$ 12,514,073	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	11,077	10,894	12,457	18,638	20,665	-	-	-	-	-
Assigned	4,101,987	4,129,242	3,343,766	2,638,668	2,138,600	-	-	-	-	-
Reserved	-	-	-	-	-	10,834,537	9,926,096	4,039,446	413,703	867,692
Unassigned	6,952,802	6,718,592	7,037,036	5,346,681	5,294,013	7,987,100	6,674,596	8,594,514	7,675,124	5,827,239
Total General Fund	20,865,982	20,658,881	20,194,491	20,519,859	19,967,351	18,821,637	16,600,692	12,633,960	8,088,827	6,694,931
Street Maintenance Fund										
Restricted	4,321,221	3,918,551	3,270,045	2,518,751	1,984,235	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	359,365	50,166	163,780	10,766	4,121
Unassigned	-	-	-	-	-	1,374,925	1,433,773	1,003,903	610,379	435,921
Total Street Maintenance Fund	4,321,221	3,918,551	3,270,045	2,518,751	1,984,235	1,734,290	1,483,939	1,167,683	621,145	440,042
Street Levy Fund										
Restricted	2,004,021	1,977,761	1,795,964	1,560,389	1,357,286	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	197,384	409,802	45,903	86,492	30,642
Unassigned	-	-	-	-	-	1,145,679	384,273	410,922	227,390	207,500
Total Street Levy Fund	2,004,021	1,977,761	1,795,964	1,560,389	1,357,286	1,343,063	794,075	456,825	313,882	238,142
Other: Governmental Funds										
Nonspendable	7,149	7,150	7,150	7,150	7,150	-	-	-	-	-
Restricted	158,579	191,923	166,859	115,427	511,724	-	-	-	-	-
Assigned	-	4,389	3,039	3	65,522	-	-	-	-	-
Reserved	-	-	-	-	-	1,025,223	949,265	863,657	642,604	430,985
Unassigned reported in:										
Revolving Loan/Program Income	-	-	-	-	-	33,117	72,554	49,165	52,846	51,418
Community Development	1,001	-	-	-	(19,999)	(130,314)	11,504	17,092	461,290	429,535
Trust	-	-	-	-	-	3,172	22,417	27,974	-	35,435
Conservancy	-	-	-	-	-	42,144	40,625	41,127	-	56,060
Safety Pension	-	-	-	-	-	-	72,456	60,676	39,106	26,771
Federal Grants	-	-	-	-	(40,320)	4,109	(103,727)	(5,410)	(152,714)	7,954
Total Other Governmental Funds	166,729	203,462	177,048	122,580	524,077	977,451	1,065,094	1,054,281	1,043,132	1,038,158
Governmental Funds										
Nonspendable	9,807,265	9,807,303	9,808,382	12,523,022	12,521,223	-	-	-	-	-
Restricted	6,494,898	6,099,129	5,245,325	4,213,205	3,873,910	-	-	-	-	-
Assigned	4,101,987	4,133,631	3,346,805	2,638,671	2,204,122	-	-	-	-	-
Reserved	-	-	-	-	-	12,416,509	11,335,329	5,112,786	1,153,565	1,333,440
Unassigned	6,953,803	6,718,592	7,037,036	5,346,681	5,233,694	10,459,932	8,608,471	10,199,963	8,913,421	7,077,833
Total Governmental Funds	\$ 27,357,953	\$ 26,758,655	\$ 25,437,548	\$ 24,721,579	\$ 23,832,949	\$ 22,876,441	\$ 19,943,800	\$ 15,312,749	\$ 10,066,986	\$ 8,411,273

Source: City of Piqua Finance Department

(1) Fund balance categories were reclassified to be consistent with current year financial statement presentation

CITY OF PIQUA, OHIO

Table 4

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

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>REVENUES</b>										
Municipal income tax	\$ 8,657,319	\$ 7,748,219	\$ 8,382,273	\$ 7,374,993	\$ 7,002,778	\$ 10,267,939	\$ 8,260,918	\$ 8,300,977	\$ 8,378,103	\$ 7,338,490
Property taxes	1,211,844	1,271,907	1,289,519	1,402,952	1,349,521	1,452,709	1,466,214	1,505,317	1,525,944	1,452,019
State shared revenues	1,866,329	2,253,099	2,585,245	2,764,569	3,781,537	3,199,733	2,530,167	3,192,533	3,086,008	2,440,954
Locally levied taxes	1,188,578	1,185,433	1,180,220	1,173,438	1,123,045	1,259,107	1,291,091	1,309,110	1,249,360	1,095,211
Licenses and permits, fees	1,334,105	1,330,355	1,333,529	1,054,458	1,020,519	949,578	1,073,084	574,837	314,412	358,178
Grants: capital	1,717,264	1,482,076	109,763	392,849	512,522	1,766,624	3,975,696	208,958	3,365	402,414
Grants: operating	1,172,917	2,023,736	683,653	863,231	372,788	765,164	1,954,777	600,798	713,537	714,033
Investment income	77,179	115,681	141,194	157,392	109,066	253,369	492,617	420,761	249,393	150,072
Increase (decrease) in fair market value of investments	(4,518)	(32,643)	(34,239)	(22,878)	(11,293)	55,323	12,071	18,769	(33,256)	(29,956)
Donations: capital	14,977	408,643	-	-	21,600	55,500	3,200	650,347	57,122	193,680
Donations: operating	42,769	28,543	94,594	551,328	180,976	361,555	346,537	2,607,444	26,321	28,595
Other fines, rents, and reimbursements	297,672	321,165	322,528	524,995	716,342	657,330	325,783	1,518,010	444,458	367,119
<b>Total revenues</b>	<b>17,576,435</b>	<b>18,136,214</b>	<b>16,088,279</b>	<b>16,237,327</b>	<b>16,179,401</b>	<b>21,043,931</b>	<b>21,732,155</b>	<b>20,907,861</b>	<b>16,014,767</b>	<b>14,510,829</b>
<b>EXPENDITURES</b>										
General government administration	1,300,112	1,310,975	1,210,761	1,278,817	1,287,163	1,501,156	1,694,424	1,356,040	1,115,766	1,147,891
Public safety	7,571,496	7,375,404	7,192,718	7,464,385	7,506,391	7,775,613	7,676,395	7,567,735	7,117,151	7,134,397
Public health	492,373	312,330	329,242	360,499	435,469	496,914	521,419	393,863	331,834	318,869
Street repairs and maintenance	2,270,611	1,934,451	2,060,615	2,192,766	2,639,293	4,137,209	2,221,531	1,936,590	2,591,792	1,941,396
Parks and recreation	472,183	418,280	361,895	461,977	609,908	828,421	633,438	661,920	637,044	573,008
Community planning and development	671,117	1,973,099	378,885	610,155	321,094	942,424	544,972	749,395	1,281,353	703,930
Other	46,393	58,726	63,174	55,043	55,521	112,288	78,846	106,092	160,982	103,674
Capital costs	3,370,293	2,704,350	1,132,280	1,240,777	2,123,231	1,581,034	5,093,251	1,991,144	1,306,288	2,407,139
Debt service:										
Principal	239,313	221,476	2,010,985	871,353	802,604	737,596	683,457	524,404	805,840	448,413
Interest	61,293	69,815	201,592	248,969	273,818	293,522	192,915	184,195	217,845	231,512
<b>Total expenditures</b>	<b>16,495,184</b>	<b>16,378,906</b>	<b>14,942,147</b>	<b>14,784,741</b>	<b>16,054,492</b>	<b>18,406,177</b>	<b>19,340,648</b>	<b>15,471,378</b>	<b>15,565,895</b>	<b>15,010,229</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>1,081,251</b>	<b>1,757,308</b>	<b>1,146,132</b>	<b>1,452,586</b>	<b>124,909</b>	<b>2,637,754</b>	<b>2,391,507</b>	<b>5,436,483</b>	<b>448,872</b>	<b>(499,400)</b>
<b>OTHER FINANCING SOURCES (USES):</b>										
Issuance of debt	-	-	49,329	73,777	1,122,882	486,977	2,421,007	-	474,842	236,037
Disposal of capital assets	9,932	18,808	6,500	56,482	9,515	1,852	18,468	6,383	385,572	73,018
Transfers in	279,730	277,793	2,157,880	1,057,569	1,024,720	1,051,982	689,718	657,677	899,980	1,258,438
Transfers out	(763,133)	(671,077)	(2,659,741)	(1,366,662)	(1,325,518)	(1,245,924)	(889,649)	(854,780)	(1,036,588)	(1,489,298)
<b>Total other financing sources (uses)</b>	<b>(473,471)</b>	<b>(374,476)</b>	<b>(446,032)</b>	<b>(178,834)</b>	<b>831,599</b>	<b>294,887</b>	<b>2,239,544</b>	<b>(190,720)</b>	<b>723,806</b>	<b>78,195</b>
<b>Net change in fund balances</b>	<b>\$ 607,780</b>	<b>\$ 1,382,832</b>	<b>\$ 700,100</b>	<b>\$ 1,273,752</b>	<b>\$ 956,508</b>	<b>\$ 2,932,641</b>	<b>\$ 4,631,051</b>	<b>\$ 5,245,763</b>	<b>\$ 1,172,678</b>	<b>\$ (421,205)</b>
Debt service as a percentage of Noncapital expenditures	2.3%	2.1%	16.0%	8.3%	7.7%	6.1%	6.2%	5.3%	7.2%	5.4%

Source: City of Piqua Finance Department

**CITY OF PIQUA, OHIO**

**Table 5**

**INCOME TAX REVENUE COLLECTIONS BY TYPE  
LAST TEN YEARS  
(cash basis)**

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Net Profits	Percentage of Taxes from Net Profits	Taxes from Individuals	Percentage of Taxes from Individuals
2013	1.75%	\$ 8,440,440	\$ 6,606,944	78%	\$ 1,200,848	14%	\$ 632,648	8%
2012	1.75%	\$ 8,147,450	\$ 6,628,606	82%	\$ 845,855	10%	\$ 672,989	8%
2011	1.75%	\$ 8,184,808	\$ 6,258,548	77%	\$ 1,276,083	16%	\$ 650,177	8%
2010	1.75%	\$ 7,531,133	\$ 5,910,484	79%	\$ 1,004,631	13%	\$ 616,018	8%
2009	1.75%	\$ 8,772,129	\$ 6,659,669	76%	\$ 533,486	6%	\$ 1,578,974	18%
2008	1.75%	\$ 9,299,939	\$ 6,635,823	71%	\$ 1,070,972	12%	\$ 1,593,144	17%
2007	1.75%	\$ 8,278,497	\$ 6,441,487	78%	\$ 1,279,369	15%	\$ 557,641	7%
2006	1.75%	\$ 8,304,428	\$ 6,300,579	76%	\$ 1,458,825	18%	\$ 545,024	6%
2005	1.75%	\$ 8,285,031	\$ 6,394,175	77%	\$ 1,316,266	16%	\$ 574,590	7%
2004	1.75%	\$ 7,291,145	\$ 5,858,601	80%	\$ 872,733	12%	\$ 559,811	8%

Source: City of Piqua Income Tax Department

INCOME TAX COLLECTIONS BY INCOME RANGE  
LAST EIGHT YEARS

Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
2012	0-20,000	3,839	43.01%	30,861,197	8.59%
2012	20,001-40,000	2,279	25.54%	66,407,419	18.48%
2012	40,001-60,000	1,221	13.68%	59,809,374	16.64%
2012	60,001-80,000	707	7.92%	49,059,853	13.65%
2012	80,001-100,000	338	3.79%	30,185,894	8.40%
2012	over 100,000	541	6.06%	123,014,948	34.23%
	Total	8,925		359,338,685	
2011	0-20,000	3,998	44.29%	32,814,422	8.91%
2011	20,001-40,000	2,275	25.20%	66,231,325	17.98%
2011	40,001-60,000	1,190	13.18%	58,199,985	15.80%
2011	60,001-80,000	691	7.65%	47,666,537	12.94%
2011	80,001-100,000	357	3.95%	31,736,996	8.62%
2011	over 100,000	516	5.72%	131,675,207	35.75%
	Total	9,027		368,324,472	
2010	0-20,000	3,686	43.45%	30,140,775	8.54%
2010	20,001-40,000	2,165	25.52%	62,966,356	17.84%
2010	40,001-60,000	1,153	13.59%	56,532,271	16.01%
2010	60,001-80,000	668	7.87%	46,150,475	13.07%
2010	80,001-100,000	354	4.17%	31,501,041	8.92%
2010	over 100,000	458	5.40%	125,718,520	35.61%
	Total	8,484		353,009,438	
2009	0-20,000	3,853	44.03%	31,893,835	9.70%
2009	20,001-40,000	2,222	25.39%	64,796,876	19.71%
2009	40,001-60,000	1,201	13.72%	58,741,763	17.87%
2009	60,001-80,000	673	7.69%	46,361,870	14.10%
2009	80,001-100,000	350	4.00%	30,959,276	9.42%
2009	over 100,000	452	5.17%	95,978,422	29.20%
	Total	8,751		328,732,042	
2008	0-20,000	3,239	40.83%	26,422,402	6.00%
2008	20,001-40,000	2,039	25.71%	59,730,456	13.57%
2008	40,001-60,000	1,154	14.55%	56,625,342	12.86%
2008	60,001-80,000	688	8.67%	47,651,794	10.82%
2008	80,001-100,000	347	4.37%	30,879,337	7.01%
2008	over 100,000	465	5.86%	218,983,220	49.74%
	Total	7,932		440,292,551	
2007	0-20,000	2,861	42.94%	22,686,532	7.99%
2007	20,001-40,000	1,629	24.45%	47,858,984	16.85%
2007	40,001-60,000	1,001	15.02%	48,988,779	17.25%
2007	60,001-80,000	545	8.18%	37,537,791	13.22%
2007	80,001-100,000	270	4.05%	23,909,330	8.42%
2007	over 100,000	357	5.36%	102,965,400	36.26%
	Total	6,663		283,946,816	
2006	0-20,000	2,887	43.04%	23,417,853	8.42%
2006	20,001-40,000	1,685	25.12%	49,085,205	17.65%
2006	40,001-60,000	996	14.85%	48,996,734	17.61%
2006	60,001-80,000	551	8.21%	37,597,868	13.52%
2006	80,001-100,000	270	4.03%	23,845,560	8.57%
2006	over 100,000	319	4.76%	95,221,726	34.23%
	Total	6,708		278,164,946	
2005	0-20,000	2,840	43.56%	23,206,195	8.58%
2005	20,001-40,000	1,655	25.39%	48,441,662	17.92%
2005	40,001-60,000	941	14.43%	46,343,589	17.14%
2005	60,001-80,000	517	7.93%	35,318,776	13.06%
2005	80,001-100,000	262	4.02%	23,149,682	8.56%
2005	over 100,000	304	4.66%	93,934,318	34.74%
	Total	6,519		270,394,222	

Source: City of Piqua, Ohio Income Tax Department-certain amounts may be estimates-years are tax years. The City instituted a mandatory filing requirement in 2008. Comparisons between 2008 and prior years may be exaggerated. Prior to 2008, the number of filers does not equal total taxpayers due to taxpayers paying city taxes through employer withholding without a filing requirement.

CITY OF PIQUA, OHIO

Table 7

AD VALOREM-- PROPERTY TAX LEVIES,  
COLLECTIONS, REAL AND UTILITY ASSESSED VALUES  
LAST TEN YEARS

Levy/ Collection Year	City Millage	Total Levy	Current Year Collection	Current Year Collection as Percent of Levy	Delinquent Collections	Total Collections	Total Collection as Percent of Total Levy	Total Assessed Value	Estimated Total Property Value of City
2012/2013	4.42	\$ 1,367,090	\$ 1,317,913	96.40	\$ 32,172	\$ 1,350,085	98.76	\$ 286,575,960	\$ 818,788,457
2011/2012	4.42	1,397,181	1,355,224	97.00	39,929	1,395,153	99.85	313,373,330	890,941,193
2010/2011	4.42	1,406,037	1,363,450	96.97	48,104	1,411,554	100.39	311,472,170	886,119,675
2009/2010	4.42	1,488,065	1,442,184	96.92	56,950	1,499,134	100.74	334,159,430	950,582,640
2008/2009	4.42	1,483,596	1,431,473	96.49	63,272	1,494,745	100.75	344,645,420	951,073,747
2007/2008	4.42	1,558,181	1,510,445	96.94	74,870	1,585,315	101.74	361,883,510	968,702,431
2006/2007	4.42	1,545,521	1,485,097	96.09	44,588	1,529,685	98.98	354,618,720	862,984,047
2005/2006	4.42	1,550,670	1,512,109	97.51	63,082	1,575,191	101.58	296,243,040	847,043,961
2004/2005	4.42	1,581,499	1,544,095	97.63	69,912	1,614,007	102.06	291,828,330	834,446,822
2003/2004	4.42	1,533,847	1,492,929	97.33	41,058	1,533,987	100.01	277,754,750	863,727,460

Source: Miami County Auditor's Office

1) Amounts do not include delinquent collections

2) Delinquent collections refer to year collected not levied based on information provided by Miami County Auditor's Office

CITY OF PIQUA, OHIO

Table 8

RATIO OF OUTSTANDING DEBT BY TYPE AND RATIO OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN LAST TEN YEARS

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Governmental activities</b>										
General obligation bonds	\$ 215,000	\$ 255,000	\$ 290,000	\$ 325,000	\$ 875,000	\$ 1,000,000	\$ 1,455,000	\$ 1,898,347	\$ 2,315,740	\$ 2,713,133
Special assessment bonds	86,105	111,806	129,028	95,664	62,602	91,397	124,250	136,089	175,960	193,654
Pension refunding bonds	225,000	250,000	275,000	295,000	315,000	335,000	355,000	375,000	390,000	405,000
Taxable revenue bonds	-	-	-	1,800,000	2,010,000	2,210,000	2,400,000	-	-	-
Promissory Notes	726,337	874,949	1,019,201	1,159,221	1,209,859	486,977	-	149,000	149,000	149,000
Capital Leases	-	-	-	-	-	28,809	68,551	106,815	158,955	208,865
<b>Total gross governmental activities indebtedness</b>	<b>1,252,442</b>	<b>1,491,755</b>	<b>1,713,229</b>	<b>3,674,885</b>	<b>4,472,461</b>	<b>4,152,183</b>	<b>4,402,801</b>	<b>2,665,251</b>	<b>3,189,655</b>	<b>3,520,652</b>
<b>Business type activities</b>										
General obligation bonds	785,000	925,000	1,022,126	1,529,281	2,021,437	2,498,590	2,960,745	3,634,555	4,294,317	4,944,078
Promissory Notes	6,096,119	5,164,083	5,906,473	6,619,079	6,893,177	3,482,775	3,971,061	4,401,095	4,615,594	4,233,098
<b>Total gross business-type activities indebtedness</b>	<b>6,881,119</b>	<b>6,089,083</b>	<b>6,928,599</b>	<b>8,148,360</b>	<b>8,914,614</b>	<b>5,981,365</b>	<b>6,931,806</b>	<b>8,035,650</b>	<b>8,909,911</b>	<b>9,177,176</b>
<b>Total gross primary government indebtedness</b>	<b>8,133,561</b>	<b>7,580,838</b>	<b>8,641,828</b>	<b>11,823,245</b>	<b>13,387,075</b>	<b>10,133,548</b>	<b>11,334,607</b>	<b>10,700,901</b>	<b>12,099,566</b>	<b>12,697,828</b>
Percent of personal income	1.97%	1.88%	2.07%	2.80%	2.80%	2.09%	2.36%	2.24%	2.62%	2.85%
Per capita	\$ 396	\$ 369	\$ 420	\$ 575	\$ 646	\$ 489	\$ 547	\$ 516	\$ 583	\$ 612
<b>Less debt outside limitations:</b>										
Less debt service fund balance	53,943	53,887	3,983	4,100	52,509	71,080	82,573	77,135	66,779	63,193
Exempt self-supporting obligation debt:	785,000	925,000	1,022,126	1,529,281	2,021,437	2,498,590	2,960,745	3,634,555	4,294,317	4,944,078
Pension refunding bonds	225,000	250,000	275,000	295,000	315,000	335,000	355,000	375,000	390,000	405,000
Exempt self-supporting tax revenue bonds	-	-	-	1,800,000	2,010,000	2,210,000	2,400,000	-	-	-
Special assessment bonds	86,105	111,806	129,028	95,664	62,602	91,397	124,250	136,089	175,960	193,654
Exempt self-supporting notes	6,822,456	6,039,032	6,925,674	7,778,300	8,103,036	3,969,752	3,971,061	4,550,095	4,764,594	4,233,098
<b>Net debt within limitation for both Voted and Unvoted debt</b>	<b>161,057</b>	<b>201,113</b>	<b>286,017</b>	<b>320,900</b>	<b>822,491</b>	<b>957,729</b>	<b>1,440,978</b>	<b>1,928,027</b>	<b>2,407,916</b>	<b>2,858,805</b>
Percent of estimated actual property value	0.06%	0.06%	0.09%	0.10%	0.24%	0.26%	0.41%	0.54%	0.67%	0.82%
Per capita	\$ 8	\$ 10	\$ 14	\$ 16	\$ 40	\$ 46	\$ 69	\$ 93	\$ 116	\$ 138
<b>Debt limitation for both voted and unvoted debt 10.5% of assessed valuation</b>	<b>30,090,476</b>	<b>32,904,200</b>	<b>32,704,578</b>	<b>35,086,740</b>	<b>36,187,769</b>	<b>37,997,769</b>	<b>37,234,966</b>	<b>37,775,909</b>	<b>37,483,707</b>	<b>36,529,207</b>
<b>Legal debt margin for voted and unvoted debt</b>	<b>29,929,419</b>	<b>32,703,087</b>	<b>32,418,561</b>	<b>34,765,840</b>	<b>35,365,278</b>	<b>37,040,040</b>	<b>35,793,988</b>	<b>35,847,882</b>	<b>35,075,791</b>	<b>33,670,402</b>
<b>Net debt within limitations for both Voted and Unvoted debt as a percentage of debt limit</b>	<b>0.54%</b>	<b>0.61%</b>	<b>0.87%</b>	<b>0.91%</b>	<b>2.27%</b>	<b>2.52%</b>	<b>3.87%</b>	<b>5.10%</b>	<b>6.42%</b>	<b>7.83%</b>
<b>Net debt within limitation for both voted and unvoted limitation</b>	<b>161,057</b>	<b>201,113</b>	<b>286,017</b>	<b>320,900</b>	<b>822,491</b>	<b>957,729</b>	<b>1,440,978</b>	<b>1,928,027</b>	<b>2,407,916</b>	<b>2,858,805</b>
Less voted debt	-	-	-	-	-	-	-	-	-	-
<b>Net debt with limitation for unvoted debt</b>	<b>161,057</b>	<b>201,113</b>	<b>286,017</b>	<b>320,900</b>	<b>822,491</b>	<b>957,729</b>	<b>1,440,978</b>	<b>1,928,027</b>	<b>2,407,916</b>	<b>2,858,805</b>
<b>Debt limitation for Unvoted debt 5.5% of assessed valuation</b>	<b>15,761,678</b>	<b>17,235,533</b>	<b>17,130,969</b>	<b>18,378,769</b>	<b>18,955,498</b>	<b>19,903,593</b>	<b>19,504,030</b>	<b>19,787,381</b>	<b>19,634,323</b>	<b>19,134,347</b>
<b>Legal debt margin for unvoted debt</b>	<b>15,600,621</b>	<b>17,034,420</b>	<b>16,844,952</b>	<b>18,057,869</b>	<b>18,133,007</b>	<b>18,945,864</b>	<b>18,063,052</b>	<b>17,859,354</b>	<b>17,226,407</b>	<b>16,275,542</b>
<b>Net debt within limitation for unvoted debt as a percentage of debt limit</b>	<b>1.02%</b>	<b>1.17%</b>	<b>1.67%</b>	<b>1.75%</b>	<b>4.34%</b>	<b>4.81%</b>	<b>7.39%</b>	<b>9.74%</b>	<b>12.26%</b>	<b>14.94%</b>

Source: City of Piqua Finance Department



**CITY OF PIQUA, OHIO**

**Table 9**

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
DECEMBER 31, 2013**

	<u>Gross Debt</u>	<u>Debt Service</u>	<u>Net Debt</u>	<u>Percent Applicable to City (1)</u>	<u>City's Share</u>
Piqua School District	\$ 41,578,001	\$ 2,297,573	\$ 39,280,428	71.13%	\$ 27,940,168
Upper Valley Joint Vocational School	4,250,000	178,314	4,071,686	12.65	515,068
Miami County	<u>17,920,000</u>	<u>111,198</u>	<u>17,808,802</u>	13.56	<u>2,414,874</u>
Total overlapping debt	63,748,001	2,587,085	61,160,916		30,870,110
City of Piqua	\$1,252,442	\$57,795	1,194,647	100.00%	1,194,647
Total net direct and overlapping debt	<u>\$ 65,000,443</u>	<u>\$ 2,644,880</u>	<u>\$ 62,355,563</u>		<u>\$ 32,064,757</u>

(1) Assessed valuation of City of Piqua divided by assessed valuation of each taxing district.

Source: Individual Jurisdictions

CITY OF PIQUA, OHIO

Table 10

DEBT COVERAGE  
BUSINESS TYPE ACTIVITIES  
LAST TEN YEARS

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Power</b>										
Gross revenues	\$ 23,863,393	\$ 23,631,663	\$ 23,577,274	\$ 24,367,582	\$ 23,275,187	\$ 24,078,303	\$ 21,488,905	\$ 18,725,494	\$ 18,393,373	\$ 16,768,510
Direct operating expenses	23,347,871	20,110,185	21,555,462	20,803,628	20,383,460	21,765,513	20,643,787	14,259,799	15,553,778	15,403,238
Net revenue available for debt service	515,522	3,521,478	2,021,812	3,563,954	2,891,727	2,312,790	845,118	4,465,695	2,839,595	1,365,272
General obligation debt service requirements	-	-	408,430	405,590	406,690	410,259	408,495	410,539	402,880	403,789
Revenue obligation debt service requirements	-	-	-	-	-	-	-	-	-	-
Debt service coverage	-	-	495	879	711	564	207	1,088	705	338
<b>Wastewater</b>										
Gross revenues	\$ 3,502,967	\$ 3,469,580	\$ 3,421,874	\$ 3,484,594	\$ 3,261,068	\$ 3,112,707	\$ 2,756,313	\$ 2,730,291	\$ 2,690,664	\$ 2,650,812
Direct operating expenses	2,128,150	2,153,425	2,128,589	1,832,970	1,864,562	1,767,872	1,678,005	1,832,516	1,629,290	1,588,385
Net revenue available for debt service	1,374,817	1,316,155	1,293,285	1,651,624	1,396,506	1,344,835	1,078,308	897,775	1,061,374	1,062,427
General obligation debt service requirements	-	-	-	-	-	-	176,963	188,925	200,888	212,850
Revenue obligation debt service requirements	\$ 809,928	\$ 809,929	\$ 809,929	\$ 781,841	\$ 506,537	\$ 506,537	\$ 506,537	\$ 506,537	\$ 820,578	\$ 824,628
Debt service coverage	170	163	160	211	276	265	158	129	104	102
<b>Water</b>										
Gross revenues	\$ 4,593,671	\$ 3,555,235	\$ 3,157,271	\$ 3,339,333	\$ 3,125,486	\$ 3,004,270	\$ 2,751,678	\$ 2,673,640	\$ 2,545,102	\$ 2,516,706
Direct operating expenses	2,407,410	1,938,472	2,734,125	2,515,982	2,316,503	2,321,310	2,246,806	2,109,256	2,185,363	2,025,244
Net revenue available for debt service	2,186,261	1,616,763	423,146	823,351	808,983	682,960	504,872	564,384	359,739	491,462
General obligation debt service requirements	-	-	-	-	-	-	50,947	52,910	50,238	48,281
Revenue obligation debt service requirements	\$ 147,172	\$ 147,172	\$ 147,172	\$ 147,172	\$ 147,172	\$ 147,172	\$ 135,122	\$ 223,753	\$ 66,411	\$ -
Debt service coverage	1,486	1,099	288	559	550	464	271	204	308	1,018
<b>Golf</b>										
Gross revenues	\$ 512,752	\$ 557,254	\$ 471,609	\$ 536,337	\$ 596,423	\$ 608,369	\$ 623,722	\$ 600,967	\$ 625,511	\$ 594,655
Direct operating expenses	535,208	528,664	440,196	467,903	502,379	525,446	568,058	550,122	539,118	541,073
Net revenue available for debt service	(22,456)	28,590	31,413	68,434	94,044	82,923	55,664	50,845	86,393	53,582
General obligation debt service requirements	\$ 179,249	\$ 167,714	\$ 167,285	\$ 171,308	\$ 170,118	\$ 168,385	\$ 180,231	\$ 177,532	\$ 180,205	\$ 265,233
Debt service coverage	(13)	17	19	40	55	49	31	29	48	20
<b>Pool</b>										
Gross revenues	\$ 61,565	\$ 73,874	\$ 79,027	\$ 74,967	\$ 80,052	\$ 93,172	\$ 89,708	\$ 90,075	\$ 96,102	\$ 74,383
Direct operating expenses	151,975	161,421	136,185	131,471	148,190	155,035	150,393	130,650	134,709	120,242
Net revenue available for debt service	(90,410)	(87,547)	(57,158)	(56,504)	(68,138)	(61,863)	(60,685)	(40,575)	(38,607)	(45,859)
General obligation debt service requirements	\$ 9,037	\$ 8,456	\$ 8,435	\$ 8,637	\$ 8,577	\$ 8,490	\$ 8,622	\$ 8,493	\$ 8,603	\$ 12,932
Debt service coverage	(1,000)	(1,035)	(678)	(654)	(794)	(729)	(704)	(478)	(449)	(355)
Gross revenues include operating revenue, interest income, and non operating income										
Direct operating expenses exclude depreciation										
Annual debt service requirement includes principal and interest										

Source: City of Piqua Finance Department

**CITY OF PIQUA, OHIO**

**Table 11**

**PRINCIPAL EMPLOYERS  
DECEMBER 31, 2013**

<u>NAME OF EMPLOYER</u>	<u>NATURE OF BUSINESS</u>	<u>TOTAL EMPLOYMENT</u>	<u>PERCENT OF TOTAL EMPLOYMENT</u>
Industry Products	Manufacturer of die cutting equipment	351	3.4%
Walmart Stores Inc.	Retail store	345	3.4%
Piqua City Schools	Public school district	320	3.1%
Spalding & Evenflo Company Inc.	Manufacturer of juvenile furniture	285	2.8%
Tailwind Technologies Inc.	Manufacturer of aircraft propellers	268	2.6%
Crane Pumps & Systems Inc.	Manufacturer of industrial water pumps	260	2.5%
City of Piqua	Municipal government	223	2.2%
Upper Valley JVS	Regional joint vocational school	213	2.1%
Edison Community College	State community college	160	1.6%
Jackson Tube Service Inc.	Manufacturer of steel tubing	160	1.6%
Total available employment		10,207	

**PRINCIPAL EMPLOYERS  
DECEMBER 31, 2004**

<u>NAME OF EMPLOYER</u>	<u>NATURE OF BUSINESS</u>	<u>TOTAL EMPLOYMENT</u>	<u>PERCENT OF TOTAL EMPLOYMENT</u>
Spalding & Evenflo Company Inc.	Manufacturer of juvenile furniture	400	4.1%
Jackson Tube Service Inc.	Manufacturer of steel tubing	350	3.6%
Crane Pumps & Systems Inc.	Manufacturer of industrial water pumps	300	3.1%
Takata Seat Belts Inc.	Manufacturer of seat belts	302	3.1%
Charter Corporation	Manufacturer of aircraft propellers	293	3.0%
Industry Products	Manufacturer of die cutting equipment	283	2.9%
City of Piqua	Municipal government	252	2.6%
Piqua City Schools	Public school district	218	2.2%
Piqua Technologies Inc.	Manufacturer of automotive gaskets	200	2.1%
Upper Valley JVS	Regional joint vocational school	185	1.9%
Total available employment		9,750	

Source: City of Piqua Income Tax Office

CITY OF PIQUA, OHIO

Table 12

PRINCIPAL PROPERTY TAXPAYERS  
DECEMBER 31, 2013  
LAST EIGHT YEARS

Name of Taxpayer	Nature of Business	2013 Assessed Valuation	Percent of Total Assessed Valuation	2010 Assessed Valuation	2009 Assessed Valuation	2008 Assessed Valuation	2007 Assessed Valuation	2006 Assessed Valuation
Midameo	Shopping mall	\$ 4,442,650	1.55%	\$ 6,473,830	\$ 9,302,280	\$ 8,964,070	\$ 8,973,950	\$ 8,819,110
Harvey Co LLC	Shopping mall	\$ 3,516,520	1.23%	\$ 4,057,130	\$ 4,284,110	\$ 4,284,110	\$ 4,284,110	-
Walmart Stores Inc.	Retailer of consumer goods	\$ 3,021,200	1.05%	\$ 3,180,870	\$ 3,180,870	\$ 3,644,050	\$ 3,230,090	\$ 3,804,410
Spalding & Evenflo Co., Inc.	Manufacturer of juvenile furniture	\$ 3,396,650	1.19%	\$ 2,177,460	\$ 2,161,150	\$ 3,325,430	\$ 4,739,550	\$ 6,838,690
HCF Inc.	Nursing home	\$ 2,662,740	0.93%	\$ 2,822,910	\$ 2,822,910	\$ 2,863,080	\$ 2,863,080	\$ 2,863,080
Miami Valley Steel	Manufacturer of split rolled steel	\$ 2,440,590	0.85%	\$ 2,324,010	\$ 2,324,010	\$ 2,951,210	\$ 3,002,120	\$ 4,086,600
Jideli Properties LLC	Land Holding Company	\$ 2,344,060	0.82%	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000
Jackson Tube Service Inc.	Manufacturer of steel tubing	\$ 1,800,160	0.63%	\$ 2,087,550	\$ 3,045,220	\$ 4,144,950	\$ 5,959,740	\$ 8,455,350
Home Depot Inc.	Hardware retailer	\$ 1,794,150	0.63%	\$ 2,078,140	\$ 2,084,010	\$ 2,408,880	\$ 2,819,960	\$ 3,071,200
Coil Plus Inc.	Manufacturer of slit steel	\$ 1,784,450	0.62%	\$ 906,750	\$ 906,750	\$ 906,750	\$ 906,750	\$ 906,750
TOTAL		\$ 27,203,170	9.50%	\$ 28,377,480	\$ 32,361,310	\$ 35,742,530	\$ 39,029,350	\$ 41,095,190
TOTAL ASSESSED VALUATION		\$ 286,575,960		\$ 334,159,430	\$ 344,645,420	\$ 361,883,510	\$ 354,618,720	\$ 359,770,560

Source: Miami County Auditor's Office

**CITY OF PIQUA, OHIO**

**Table 13**

**DEMOGRAPHIC AND  
ECONOMIC STATISTICS  
LAST TEN YEARS**

Year	Population <sup>1</sup>	Estimated Total Personal Income of City <sup>2</sup>	Per capita Personal Income <sup>2</sup>	Miami County Unemployment rat <sup>3</sup>	Household Median Income <sup>2</sup>	Avg Sale Price for a Single Family Home <sup>4</sup>
2013	20,552	\$ 413,506,240	\$ 20,120	6.7%	\$ 36,150	\$ 96,622
2012	20,552	\$ 402,634,232	\$ 19,591	6.3%	\$ 38,064	\$ 93,591
2011	20,552	\$ 416,732,904	\$ 20,277	7.4%	\$ 39,493	\$ 89,235
2010	20,552	\$ 421,768,144	\$ 20,522	9.6%	\$ 42,226	\$ 91,387
2009	20,738	\$ 478,499,000	\$ 23,074	12.2%	\$ 44,347	\$ 101,200
2008	20,738	\$ 484,937,000	\$ 23,384	8.1%	\$ 44,566	
2007	20,738	\$ 481,080,000	\$ 23,198	6.3%	\$ 44,212	
2006	20,738	\$ 477,264,000	\$ 23,014	5.4%	\$ 43,861	
2005	20,738	\$ 461,109,000	\$ 22,235	5.4%	\$ 42,378	
2004	20,738	\$ 445,514,000	\$ 21,483	6.4%	\$ 40,945	

Source:

- (1) 2000-2010 United State Census Bureau
- (2) American Community Survey
- (3) Ohio Department of Jobs and Family Services LMI
- (4) Miami County Ohio, Auditors office

**FULL TIME EMPLOYEES BY PROGRAM/DEPARTMENT  
LAST TEN YEARS**

<u>PROGRAM</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>GOVERNMENTAL ACTIVITIES</b>										
General Government:										
City Building	-	-	-	0.50	1.00	1.00	1.00	1.00	1.00	1.00
City Manager	2.00	2.00	2.00	2.00	2.00	3.00	3.25	3.25	2.25	2.00
Law Department	2.00	2.00	2.00	2.00	2.00	2.00	1.75	1.25	1.25	1.25
Planning and Zoning	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-
Prosecutor	-	-	-	-	-	-	-	1.00	0.75	0.75
Human Resources	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.75	1.75	1.75
Finance	20.00	20.00	20.00	21.00	21.00	20.00	20.00	20.00	20.00	19.50
Purchasing	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering	4.00	4.50	4.50	4.50	4.50	3.50	4.50	4.50	6.00	6.00
Hotel Project Manager	-	-	-	-	-	1.00	1.00	1.00	-	-
Health	3.60	3.50	4.00	3.50	4.50	6.00	6.00	6.00	5.00	5.00
Public Safety:										
Police	34.00	35.00	35.00	40.00	40.00	38.00	40.00	40.00	40.00	40.50
Fire	32.00	28.00	28.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
Streets:	15.00	15.00	15.00	16.00	15.00	17.00	17.00	17.00	17.00	16.00
Parks:	6.00	7.50	7.50	8.00	7.50	11.00	11.00	11.00	9.75	9.75
Community Development:	2.00	2.00	2.00	2.00	2.00	2.00	2.75	2.75	2.75	3.00
Total governmental activities	125.60	124.50	125.00	134.50	134.50	139.50	143.25	143.50	140.50	137.50
<b>BUSINESS-TYPE ACTIVITIES</b>										
Power:	26.50	25.50	25.50	26.50	26.50	26.50	33.50	33.50	37.00	37.00
Wastewater:	14.20	14.20	14.00	14.70	14.50	14.50	14.00	14.00	14.00	14.00
Water:	16.60	15.70	15.50	17.70	18.50	18.50	18.50	18.50	18.50	18.50
Stormwater	3.60	1.60	1.50	1.00	-	-	-	-	-	-
Refuse:	7.50	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Golf:	10.00	10.00	10.00	9.00	8.00	7.00	13.00	14.00	13.00	14.00
Pool:	16.00	16.00	16.00	16.00	16.00	14.00	15.00	14.00	15.00	15.00
Total business-type activities	94.40	91.00	90.50	92.90	91.50	88.50	102.00	102.00	105.50	106.50
Internal Service:										
Information Technology	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Totals	223.00	218.50	218.50	230.40	229.00	231.00	248.25	248.50	249.00	247.00

Source: City of Piqua 2013-2004 annual budgets

Method: Using 1.0 for each full-time employee and increments of 0.5 for each part-time employee.

Count taken at December 31.

CITY OF PIQUA, OHIO

Table 15

OPERATING INDICATORS  
BY FUNCTION/PROGRAM  
LAST TEN YEARS

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Health Department</b>										
Restaurant inspections	335	357	439	750	965	536	672	702	688	501
Swimming pool inspections	44	44	42	45	64	52	70	60	42	31
Nuisance consultations	737	1,121	924	1,526	1,931	2,285	2,551	3,447	2,235	1,753
Housing/Property maintenance enforcements	143	119	198	618	1,888	2,016	2,910	2,501	1,395	1,333
<b>Public Works</b>										
Right of way opening permits	37	41	121	110	90	110	100	77	87	52
Subdivision construction plan approvals	0	0	0	0	0	0	2	2	2	0
Area of City (in square miles)	11.8	11.8	11.8	11.8	11.8	11.4	11.4	11.4	11.4	11.3
<b>Street Maintenance</b>										
Miles of streets	103	103	103	103	103	103	103	100.4	100.4	103.3
Miles of streets repaved	3.2	1.5	8.3	3.9	1.8	3.4	5.8	2.5	4.2	3.9
Cubic yards of leaves disposed of	1198	1267	2070	2057	1209	907	804	1555	1022	n/a
Tons of salt used	2,600	1,250	2,250	2,500	1,500	2,750	3,000	450	2,300	n/a
<b>Parks District</b>										
Number of parks	19	19	19	19	19	19	19	19	19	19
Acreage in parks	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8
Building rentals Mote Park	122	98	189	196	266	252	260	340	311	301
Building rentals all other parks	149	167	157	270	228	198	189	200	199	189
<b>Fire Department</b>										
Fire calls	449	447	482	474	439	540	514	500	466	450
Ems Response calls	3,595	3,515	3,536	3,176	3,153	3,230	3,083	3,120	2,990	3,083
Number of Sworn officers	32	26	27	28	29	29	29	29	29	29
Number of Fire houses	1	1	1	1	1	1	1	1	1	1
Number of ambulances and fire response vehicles	16	15	13	13	13	13	13	13	13	12
<b>Police Department</b>										
Calls for service	14,858	17,029	20,628	20,628	23,053	23,195	22,618	24,627	28,895	31,318
Traffic citations	797	1,082	1,299	1,299	1,666	763	1,240	2,182	1,737	1,978
Number of sworn officers	28	29	31	31	33	33	34	34	34	34
Number of police response vehicles	25	25	25	25	25	26	26	26	26	24
<b>Planning &amp; Zoning Department</b>										
Zoning Permit applications	159	182	179	167	99	142	152	62	37	18
Commercial construction permits	93	109	115	82	37	40	47	62	37	18
Commercial construction value in (,000)	\$ 37,342	\$ 9,990	\$ 2,667	\$ 4,635	\$ 2,497	\$ 3,957	\$ 12,124	\$ 7,244	\$ 11,774	\$ 12,619
Residential construction permits	66	73	64	85	62	98	103	107	44	50
Residential construction value in (,000)	\$ 1,046	\$ 1,333	\$ 1,322	\$ 1,649	\$ 1,417	\$ 2,790	\$ 2,836	\$ 4,807	\$ 8,195	\$ 8,558

(Continued)

CITY OF PIQUA, OHIO

Table 15

OPERATING INDICATORS  
BY FUNCTION/PROGRAM  
LAST TEN YEARS

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Power utility</b>										
Residential KWH billed (,000)	88,325	88,836	91,442	92,475	87,344	91,290	94,310	91,042	93,113	86,429
Residential billed revenue (,000)	\$ 8,256	\$ 8,230	\$ 8,512	\$ 8,590	\$ 8,242	\$ 7,805	\$ 6,825	\$ 5,675	\$ 5,824	\$ 5,198
Commercial KWH billed (,000)	95,667	104,435	103,290	107,057	109,155	113,026	114,998	119,563	118,880	114,671
Commercial billed revenue (,000)	\$ 7,402	\$ 7,609	\$ 7,896	\$ 8,132	\$ 8,521	\$ 8,339	\$ 7,219	\$ 6,670	\$ 6,719	\$ 6,258
Industrial KWH billed (,000)	121,672	119,612	112,516	103,184	91,855	110,693	110,690	105,373	96,145	91,083
Industrial billed revenue (,000)	\$ 7,724	\$ 7,340	\$ 7,217	\$ 6,664	\$ 6,310	\$ 7,087	\$ 6,180	\$ 5,141	\$ 4,853	\$ 4,380
Customer base	10,680	10,700	10,935	10,962	10,941	11,086	11,047	11,081	11,124	11,072
Construction line vehicles	26	25	25	25	25	25	25	25	25	25
<b>Water utility</b>										
Residential gallons billed (,000)	369,493	383,528	378,982	393,495	409,533	417,479	441,838	437,129	462,664	456,342
Residential billed revenue (,000)	\$ 3,248	\$ 2,490	\$ 2,285	\$ 2,354	\$ 2,264	\$ 2,149	\$ 1,937	\$ 1,871	\$ 1,856	\$ 1,834
Commercial gallons billed (,000)	116,398	128,138	131,499	132,298	129,742	139,917	160,127	156,082	160,263	155,211
Commercial billed revenue (,000)	\$ 895	\$ 658	\$ 652	\$ 635	\$ 622	\$ 563	\$ 533	\$ 517	\$ 500	\$ 491
Industrial gallons billed (,000)	59,290	46,472	41,973	43,209	44,350	56,398	48,475	41,575	39,167	41,267
Industrial billed revenue (,000)	\$ 298	\$ 186	\$ 164	\$ 169	\$ 161	\$ 179	\$ 139	\$ 120	\$ 111	\$ 115
Customer base	8,751	8,615	8,789	8,721	8,726	8,715	8,776	8,892	8,828	8,811
Vehicles in repair fleet	14	10	10	10	10	10	10	10	10	10
<b>Wastewater utility</b>										
Residential gallons billed (,000)	356,151	379,528	378,651	379,749	396,510	404,465	427,048	427,332	452,488	443,564
Residential billed revenue (,000)	\$ 2,623	\$ 2,637	\$ 2,595	\$ 2,602	\$ 2,451	\$ 2,287	\$ 2,002	\$ 1,960	\$ 2,035	\$ 2,003
Commercial gallons billed (,000)	130,161	115,047	113,783	115,551	124,461	127,089	129,902	134,651	135,340	133,097
Commercial billed revenue (,000)	\$ 546	\$ 540	\$ 555	\$ 554	\$ 544	\$ 500	\$ 436	\$ 438	\$ 438	\$ 434
Industrial gallons billed (,000)	62,841	47,297	47,955	47,559	49,626	63,343	60,383	57,949	53,457	49,427
Industrial billed revenue (,000)	\$ 275	\$ 233	\$ 234	\$ 235	\$ 225	\$ 247	\$ 196	\$ 183	\$ 171	\$ 161
Customer base	8,530	8,386	8,400	8,387	8,400	8,507	8,471	8,491	8,489	8,487
Vehicles in repair fleet	13	9	9	9	9	9	9	9	8	8
<b>Refuse utility</b>										
Residential customers billed	7,882	7,763	7,718	7,659	7,648	7,593	7,600	7,652	7,648	7,594
Commercial customers billed	110	95	98	103	99	96	97	74	75	78
Residential and commercial revenue billed (,000)	\$ 1,492	\$ 1,479	\$ 1,447	\$ 1,438	\$ 1,439	\$ 1,349	\$ 1,245	\$ 1,108	\$ 1,082	\$ 1,037
Tons of refuse collected	7576	7535	7751	7608	7782	8484	8745	9375	9271	9476
Tons of recycled refuse collected	1342	1496	1448	1104	1189	1246	1171	1192	1069	912
Recycling fees collected(,000)	262	262	285	285	288	266	244	224	219	212
Vehicles in service	7	7	7	7	7	7	7	7	7	7
<b>Stormwater utility</b>										
Residential ERUS billed	7424	7435	7447	7430	n/a	n/a	n/a	n/a	n/a	n/a
Commercial ERUS billed	5537	5654	5696	5699	n/a	n/a	n/a	n/a	n/a	n/a
Industrial ERUS billed	1422	1355	1288	1288	n/a	n/a	n/a	n/a	n/a	n/a
Revenue billed (,000)	881	814	814	647	n/a	n/a	n/a	n/a	n/a	n/a
Vehicles in service	4	3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

(Continued)



CITY OF PIQUA, OHIO

Table 15

OPERATING INDICATORS  
BY FUNCTION/PROGRAM  
LAST TEN YEARS

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>Golf Course</u>										
Annual memberships	235	237	159	161	145	162	151	153	256	131
Rounds of golf played	18,121	10,597	15,205	12,800	19,018	22,969	22,750	22,965	25,033	24,151
Revenue collected (,000)	\$ 513	\$ 557	\$ 472	\$ 534	\$ 596	\$ 605	\$ 618	\$ 597	\$ 623	\$ 593
<u>Municipal swimming pool</u>										
Annual memberships	365	269	567	408	328	316	373	n/a	n/a	n/a
Annual attendance	7,377	15,787	9,921	15,697	13,930	19,273	18,119	20,435	21,439	24,670
Revenue collected (,000)	\$ 62	\$ 74	\$ 79	\$ 75	\$ 80	\$ 93	\$ 89	\$ 89	\$ 95	\$ 74
<u>Fort Piqua Plaza</u>										
Large room rentals	72	68	78	56	42	n/a	n/a	n/a	n/a	n/a
Small room rentals	67	28	51	71	43	n/a	n/a	n/a	n/a	n/a
Audio visual equipment rentals	139	68	129	48	27	n/a	n/a	n/a	n/a	n/a
Revenue collected (,000)	\$ 147	\$ 109	\$ 106	\$ 115	\$ 62	n/a	n/a	n/a	n/a	n/a
<u>General government information</u>										
Number of street lights	2,911	2,902	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884
Number of public libraries	1	1	1	1	1	1	1	1	1	1
Volumes of books in public libraries	151,986	146,478	139,927	134,615	132,048	123,333	140,181	136,023	137,389	136,096
High school enrollment	3,705	3,708	3,638	3,692	3,737	3,737	3,766	3,792	3,922	3,932

Source: City of Piqua

(Concluded)

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# Dave Yost • Auditor of State

**CITY OF PIQUA**

**MIAMI COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 22, 2014**