



Dave Yost • Auditor of State



CITY OF GAHANNA  
FRANKLIN COUNTY  
DECEMBER 31, 2016

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# 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 Gahanna  
Franklin County  
200 South Hamilton Road  
Gahanna, Ohio 43230

To the Members of City Council and the Mayor:

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 Gahanna, Franklin County, Ohio (the City) as of and for the year ended December 31, 2016, 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, 2017.

### ***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 opinions 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, 2017

CITY OF GAHANNA  
FRANKLIN COUNTY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2016

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2015-001	Financial Statement Presentation	Not Corrected	Prior year errors were corrected in current year. New errors related to financial statement presentation noted in the current year. Repeated within the Management Letter

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CITY OF GAHANNA, OH  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2016





City of Gahanna, Ohio

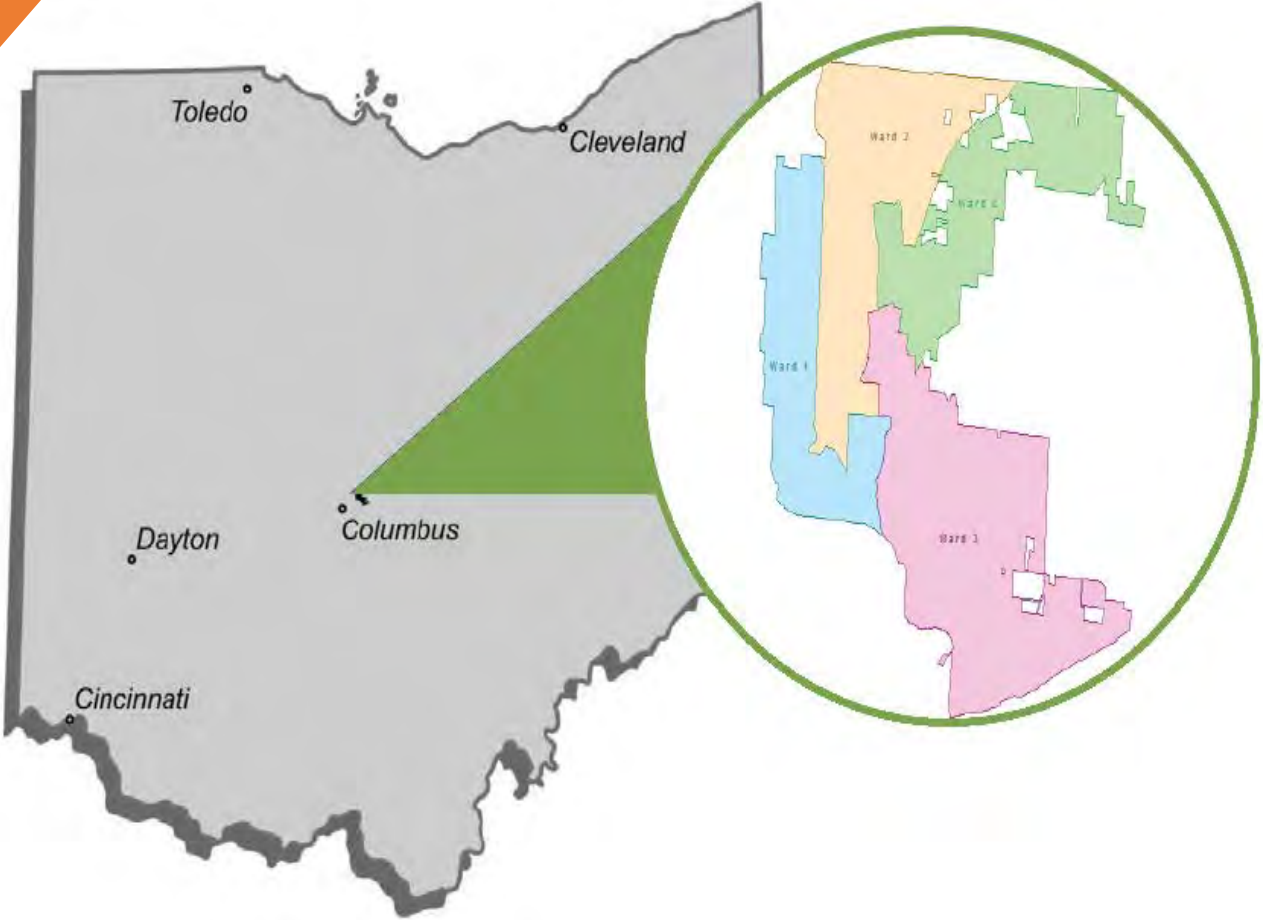
Comprehensive Annual Financial Report

For the Year Ended December 31, 2016

Issued by the Department of Finance

Joann Bury  
Director of Finance

# INTRODUCTORY SECTION



**City Of Gahanna, Ohio**

*Comprehensive Annual Financial Report  
December 31, 2016*

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June 19, 2017

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

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

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

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

## **PROFILE OF THE CITY**

The City is comprised of 12.6 square miles located within Franklin County in central Ohio. Gahanna is approximately 8 miles from downtown Columbus, minutes away from Port Columbus International Airport and provides easy access to major highways within central Ohio including I-270, I-670, I-70, I-71 and US Route 62. Gahanna was founded in 1849 along the Big Walnut Creek by John Clark. Clark named his property the Gahanna Plantation, from which the City of Gahanna derives its name. The name Gahanna is derived from a Native American word for three creeks joining into one and is the former name of the Big Walnut Creek. The City of Gahanna's official Seal refers to this confluence of three creeks with the inscription "Three In One". In its early days, Gahanna maintained a considerable rivalry with the town of Bridgeport. Located directly across Granville Street from Gahanna and also along the banks of the Big Walnut Creek, Bridgeport was founded in 1853 by Jesse Baughman, a former Franklin County Commissioner. The two towns eventually put aside their differences and merged into one. They adopted the name Gahanna as there was already another town of Bridgeport in Ohio. In March of 1881, 55 citizens of Gahanna petitioned Franklin County to incorporate the village which was granted June of 1881 and recorded August 8<sup>th</sup> 1881.



The City is a home rule municipal corporation established under the laws of the State of Ohio and operates under its own City Charter, its constitution. The City Charter can only be amended by a majority of the City's voters. The Charter provides for a Mayor-Council form of government. For 2016, the Mid-Ohio Regional Planning Commission estimated Gahanna's population to be 33,784.

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

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

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

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

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

## **BUDGETARY PROCESS**

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

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

After submission of the tax budget, the City begins developing the annual budget which serves as the foundation for the City's financial planning and control. From July through October the administration develops the annual budget through strategic planning, capital needs assessments, preparation of departmental operating budgets and budget work sessions. Once complete, the administration provides the annual budget request to Council. From November to December Council reviews the budget document, holds budget work sessions and public hearings for citizen input to provide the administration with final input on the budget. Once completed Council submits their input to the Finance Department to make necessary changes to the budget and produce the annual appropriation ordinance. On or before December 31, Council passes an ordinance approving the adoption of the City's appropriations for the following year in accordance with Ohio Revised Code 5705. The appropriation ordinance sets forth the City's authority to spend resources at the fund, function and object levels for all funds. As necessary, the City may amend or supplement the appropriation ordinance by Council action within the limits of the Certificate of Estimated Resources. City Council has passed legislation to allow the Finance Director to transfer appropriations between object levels within the same function and fund up to \$3,000. Transfers in excess of \$3,000 require Council approval.

## **LOCAL ECONOMY**

Based on the 2015 Economic Development Strategy the City has healthcare, food services and accommodations, retail trade and educational services as the top four industries. The City's strongest industry sector is education and healthcare with 18.9% growth and 41% higher concentration compared to the national average. The City ranks twelfth in number of business per 100 people, sixteenth in lowest unemployment (2016 unemployment rate of 3.3%) and twenty-sixth in number of businesses when compared to seventy Ohio municipalities within the same population range. The median household income for the City is \$72,474.

As part of the City's GoForward Gahanna strategic plan adopted April of 2016, there are four strategic results intended to support business and spur job development. Creating a livable, walkable downtown district characterized by arts, culture, retail and entertainment; create 2,750 well-paying jobs in southeast and southwest Gahanna targeting finance and insurance, education and health, professional and business services and manufacturing; developing jobs at a wage level and density that is greater than or equal to the 2015 average; creating an updated unified development plan for the City.

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

cost reducing their cost of doing business in Gahanna. During 2016, over 1,000 jobs were created within the targeted industries and over 400 jobs were retained.

During 2016, research began on creating the livable, walkable downtown as well as a comprehensive review of zoning codes.

## **LONG-TERM FINANCIAL PLANNING**

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

The City has also been faced with a potential contingent liability of more than \$15 million dollars related to a lawsuit regarding the application of the City's reduced income tax credit. The case was heard in the Franklin County Court of Common Pleas and a summary judgement was made in favor of the plaintiffs on September 11, 2014 concluding that the tax form being used by the City misapplies the reduced credit of 83.3% to the lower of the tax payers' residency or workplace tax rate. The City has applied the credit to the lower of the two rates since the establishment of the reduced credit and has appealed this decision. On May 29, 2015 the Franklin County Court of Appeals upheld the Common Pleas Court ruling. The City appealed this decision in the Ohio Supreme Court who decided not to hear the case and sent it back to the Court of Common Pleas. During March of 2016, the Common Pleas Court included tax year 2014 as part of the class. The Regional Income Tax Agency (RITA) and the City will continue to appeal all appealable decisions. As of May 13, 2016, RITA and the City were awaiting a trial court decision regarding RC 9.39. During January of 2017, the trial court decided after oral argument that the City and Ms. Teal did not violate RC 9.39 and the claim was dismissed. A hearing to determine the refund amount will commence on September 18, 2017. The City plans to appeal the trial court's decision on the liability and including tax year 2014. Because the City plans on additional appeals and actual refunds/damages have not been established by the Court the likelihood of an unfavorable outcome and the potential loss to the City cannot yet be determined.

Council and the administration have elected to reserve \$4.1 million for pending litigation should there be an unfavorable outcome through the appeals process. At this time, the lawsuit has no impact on current operations of the City

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

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

- The budget document – Incorporates the SOM and the administrations recommendation on the use of excess reserves for capital improvements. The budget document is submitted to Council for discussion and public input.
- The appropriation ordinance – The final Council approved budget for the year derived from the budget document as amended by Council.

During 2016, the City adopted the GoForward Gahanna five year strategic plan which was created through a collaborative planning process between City administration, Council and the community. The plan will serve as a long-term guide for strategic, operational, resource and policy decisions, while ensuring the City is dedicating its resources appropriately and achieving meaningful results. The 2017 budget incorporates funding to achieve a number of the 22 strategic results including, rebuild of Olde Gahanna streets for downtown walkability; consultation services for a land acquisition strategy, updated development plan, plan design for the west-side intersection and updating architectural standards; construction of the Big Walnut Trail section 4 and Rocky Fork Drive sidewalks; annual street paving and overlay program; and bridge replacement program.

## **RELEVANT FINANCIAL POLICIES**

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

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

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

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

During 2016 the City implemented a virtual credit card purchasing program that allows vendors to receive payments for goods or services via credit card. The program allows vendors to receive payment more efficiently as well as maximize credit card rebates received by the City for using the program.

## **MAJOR INITIATIVES**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual report for the year ended December 31, 2015. In order to be awarded the Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual report in accordance with generally accepted accounting principles and all applicable legal requirements. The Certificate of Achievement is valid for a one year period. The City will submit this current comprehensive annual financial report to the GFOA to be considered for another Certificate of Achievement.

The City prepares a comprehensive budget document for all funds to aid the administration and Council in developing a strategy for the City's future. The City was awarded the Distinguished Budget Presentation Award from the GFOA for its 2016 budget document. In order to receive this award the City must submit its comprehensive budget document to the GFOA where it is judged by three reviewers for 27 specific criteria.

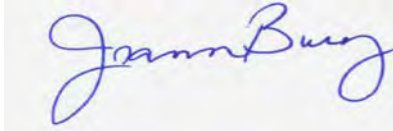
For 2016 and beyond, administration and Council will implement the GoForward Gahanna strategic plan to accomplish the vision and mission of the City. The City's vision is to be an innovative model community that values its rich heritage, pursues high standards, and promotes respect among its citizens. It is the mission of the City to ensure an exceptional quality of life by providing comprehensive services, financial stability, and well-planned development which preserves the natural environment, in order that city government will continue to be responsive, accessible, and accountable to our diverse and growing community of citizens. As part of the implementation of the strategic plan, departments will create individual departmental strategic business plans to align activities of the department with the City-wide strategic plan and to provide measurable results for all stakeholders of the City. The plan will have a significant impact on the revenues, expenditures and operations of the City ultimately improving the economy, quality of life and overall success of the City.

To ensure the City is utilizing public dollars effectively and efficiently the City has also implemented the Lean Gahanna program. The Lean Gahanna program began in 2015 and utilizes six sigma tools, mainly used in private sector industry, to visualize processes, identify waste and inefficiency and improve operations to provide a better value to customers. The City has completed a number of lean projects, saving valuable tax payer dollars and time, as well as, creating an improved customer experience for internal and external customers.

## ACKNOWLEDGEMENTS

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

Respectfully submitted,

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

Joann Bury  
Director of Finance

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

Thomas R. Kneeland  
Mayor



Government Finance Officers Association

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

Presented to

**City of Gahanna  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

Executive Director/CEO

**City of Gahanna  
Elected Officials and Administrative Staff  
As of December 31, 2016**

**ELECTED OFFICIALS**

---

Thomas R. Kneeland	Mayor
Stephen A. Renner	Council President
Brian Larick	Council Vice President
Karen J. Angelou	Council Member
Michael Schnetzer	Council Member
Nancy McGregor	Council Member
Jamie Leeseberg	Council Member
Brian Metzbower	Council Member
Shane Ewald	City Attorney

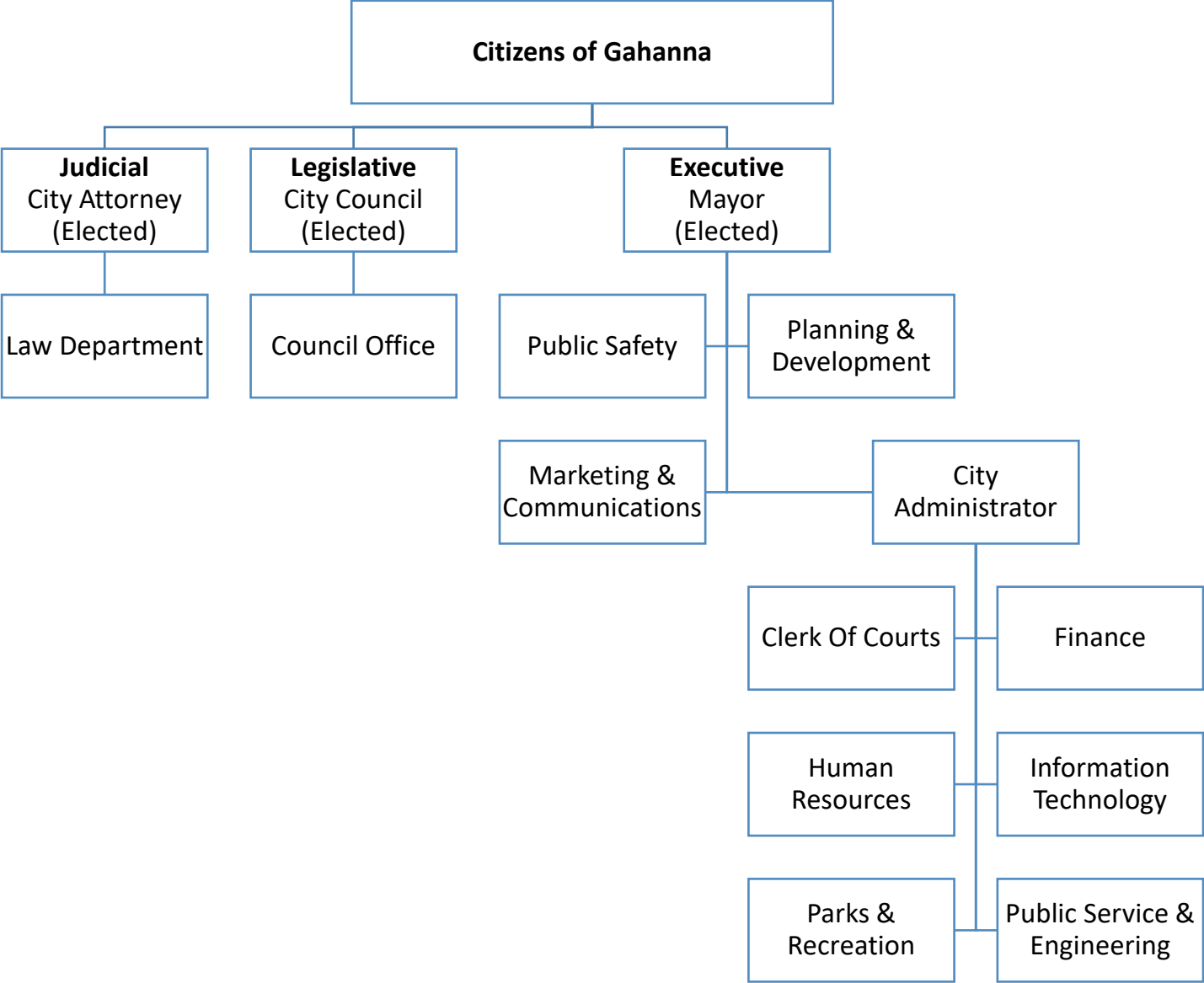
**ADMINISTRATIVE STAFF**

---

Jennifer Teal	City Administrator
Joann Bury	Director of Finance
Dottie Franey	Director of Public Service
Dennis Murphy	Chief of Police
Abby Cochran	Director of Human Resources
Anthony Jones	Director of Planning & Development
Rory Gaydos	Director of Information Technology
Troy Euton	Director of Parks & Recreation
Amanda Parker	Clerk of Courts
Kim McWilliams	Clerk of Council
David Kusz	Director of Marketing & Communication
Mark Thomas	Director of Public Safety



# City of Gahanna, Ohio Organization Chart



# FINANCIAL SECTION





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

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

To the Members of City Council and the Mayor:

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Gahanna, Franklin County, Ohio (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Gahanna, Franklin County, Ohio, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Tax Increment Equivalent Funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Supplementary and Other Information*

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2017, 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.

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, 2017

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The Management's Discussion and Analysis of the City of Gahanna's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2016. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the Basic Financial Statements and the notes to the Basic Financial Statements to enhance their understanding of the City's financial performance.

## **Financial Highlights**

Key financial highlights for 2016 are as follows:

- The Statement of Net Position, reported on an accrual basis of accounting, reports an increase of total net position of the City of \$4,155,880 or 2% from 2015. Net position of Governmental Activities increased \$447,467 or .3% from 2015 and net position of Business-type Activities increased \$3,708,413 or 6% from 2015.
- The Statement of Activities, reported on an accrual basis of accounting, reports general revenues of \$25,008,238 or 78% of total Governmental Activities revenue. Program specific revenues accounted for \$7,136,133 or 22% of total Governmental Activities revenue.
- The Statement of Activities reports \$31,696,904 in expenses related to Governmental Activities; \$7,136,133 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the Governmental Activities, \$24,560,771, were offset by general revenues (primarily income taxes, property taxes and unrestricted grants and entitlements) of \$25,008,238.
- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reported on a modified accrual basis of accounting, reports General Fund revenues and other financing sources of \$27,135,922 in 2016. This represents an increase of \$1,077,133 or 4% from 2015. The expenditures and other financing uses of the General Fund, which totaled \$26,223,276 in 2016, increased \$2,548,607 or 11% from 2015. The net increase in fund balance for the General Fund was \$912,646 or 4%.
- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Tax Increment Equivalent Fund revenues and other financing sources of \$2,221,339 during 2016. The expenditures and other financing uses of the Tax Increment Equivalent Fund were \$2,768,020 during 2016. The net decrease in fund balance for the Tax Increment Equivalent Fund was \$546,681 or 36%.
- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Capital Improvement Fund revenue and other financing sources of \$2,777,162 in 2016. The expenditures of the Capital Improvement Fund totaled \$2,150,352 in 2016. The net increase in fund balance for the Capital Improvement Fund was \$626,810 or 14%.
- The Statement of Net Position reports an increase of \$3,708,413 in net position for 2016 for the Business-type Activities, which consist of the Water, Sewer, Storm Water and OEPA Federal Grant Enterprise Funds. The Water fund had a decrease of net position of \$1,326,821 related to a \$2.4 million transfer to the Sewer fund. The Sewer fund net position increased \$4,731,623 as a result of increases in rates and a \$2.4 million dollar transfer from the Water fund. The Storm Water Fund and OEPA Federal Grant fund had increases in net position of \$132,655 and \$165,862 respectively.

## **Using this Annual Financial Report**

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

The Statement of Net Position located on page 20 and Statement of Activities located on page 21 provide information about the activities of the City as a whole presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund Financial Statements beginning on page 22 provide the next level of detail. For Governmental Funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The Fund Financial Statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

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

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

While this document contains a number of funds used by the City to provide programs and activities, the Government-wide Statements view the City as a whole by looking at all financial transactions and asking the question, "How did we do financially during 2016?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

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

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

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



Fund Financial Statements provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these Fund Financial Statements focus on the City's most significant funds. The analysis of the City's Major Governmental and Proprietary Funds begins on page 12.

### **Governmental Funds**

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

Because the focus of the Governmental Funds is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for Governmental Funds with similar information presented for Governmental Activities in the Government-wide Financial Statements. By doing so, the reader may better understand the long-term impact of the City's near-term financing decisions. Both, the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances, provide a reconciliation to facilitate this comparison between Governmental Funds and Governmental Activities. The reconciliations are located on pages 23 and 25.

The City maintains a number of individual Governmental Funds and has segregated them into two categories: major funds and non-major funds. The City's major Governmental Funds are the General Fund, Tax Increment Equivalent Fund (TIF) and Capital Improvement Fund. Information for major funds is presented separately in the Governmental Fund Balance Sheet and in the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances. Data from the Other Governmental Funds are combined into a single, aggregated presentation. The basic Governmental Fund Financial Statements can be found on pages 22-27 of this report.

### **Proprietary Funds**

The City maintains two types of Proprietary Funds. The first type of Proprietary Funds is the Enterprise Funds used to report the same functions presented as Business-type Activities in the Government-wide Financial Statements. The City uses Enterprise Funds to account for its Water, Sewer and Storm Water management functions. These three funds are also all major Enterprise Funds. The City also maintains an OEPA Federal Grant fund which receives grant funding related to the City's storm water activities. The OEPA Federal Grant fund is a non-major enterprise fund. The second type of Proprietary Fund is the Internal Service Fund used by the City to accumulate and allocate workers compensation insurance costs internally among the City's various funds. The basic Proprietary Fund Financial Statements can be found on pages 28-30 of this report.

### **Fiduciary Funds**

Fiduciary Funds are used to account for resources held for the benefit of parties outside the City. Fiduciary Funds are not reflected in the Government-wide Financial Statements because the resources of those funds are not available to support the City's own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds. Agency Funds are the City's only Fiduciary Fund Type. The basic Fiduciary Fund Financial Statement can be found on page 31 of this report.

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**Notes to the Basic Financial Statements**

The notes provide additional information essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. These notes to the Basic Financial Statements can be found on pages 32-73 of this report.

**Government-Wide Financial Analysis**

The Statement of Net Position provides the perspective of the City as a whole. The table below provides a summary of the City's Net Position at December 31, 2016 and December 31, 2015.

	<b>Net Position</b>					
	Governmental Activities 2016	Governmental Activities 2015	Business-type Activities 2016	Business-type Activities 2015	2016 Total	2015 Total
<b>Assets</b>						
Current and Other Assets	\$ 51,284,391	\$ 49,671,350	\$ 22,905,496	\$ 18,603,764	\$ 74,189,887	\$ 68,275,114
Capital Assets, Net	140,195,458	139,797,138	50,588,472	51,201,504	190,783,930	190,998,642
<b>Total assets</b>	<b>191,479,849</b>	<b>189,468,488</b>	<b>73,493,968</b>	<b>69,805,268</b>	<b>264,973,817</b>	<b>259,273,756</b>
Deferred Outflows of Resources	9,719,490	3,878,594	602,882	288,899	10,322,372	4,167,493
<b>Liabilities</b>						
Current and Other Liabilities	2,079,149	1,068,868	3,063,106	2,959,692	5,142,255	4,028,560
Long-term Liabilities	47,234,907	41,446,830	3,287,003	3,104,129	50,521,910	44,550,959
<b>Total Liabilities</b>	<b>49,314,056</b>	<b>42,515,698</b>	<b>6,350,109</b>	<b>6,063,821</b>	<b>55,664,165</b>	<b>48,579,519</b>
Deferred Inflows of Resources	3,631,871	3,025,439	21,452	13,470	3,653,323	3,038,909
<b>Net Position</b>						
Net Investment in						
Capital Assets	120,714,997	118,970,770	48,493,228	48,938,983	169,208,225	167,909,753
Restricted	14,039,314	15,169,012	-	-	14,039,314	15,169,012
Unrestricted	13,499,101	13,666,163	19,232,061	15,077,893	32,731,162	28,744,056
<b>Total Net Position</b>	<b>\$ 148,253,412</b>	<b>\$ 147,805,945</b>	<b>\$ 67,725,289</b>	<b>\$ 64,016,876</b>	<b>\$ 215,978,701</b>	<b>\$ 211,822,821</b>

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2016, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$215,978,701. At year-end, net position was \$148,253,412 and \$67,725,289 for the Governmental Activities and the Business-type Activities, respectively.

Capital assets reported on the Government-wide Statements represent the largest portion of the City's assets. At year-end, capital assets represented 73% of total assets. Capital assets include land and land improvements, right of ways, easements, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure and construction in progress. Net investment in capital assets at December 31, 2016 was \$120,714,997 and \$48,493,228 in the Governmental Activities and Business-type

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Activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's net investment in capital assets is reported net of related debt, it should be noted the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities. As of December 31, 2016, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate Governmental and Business-type Activities.

A portion of the City's net position, \$14,039,314 represents resources that are subject to external restriction on how they may be used. In the Governmental Activities, the remaining balance of unrestricted net position of \$13,499,101 may be used to meet the government's ongoing obligations to citizens and creditors.

The net pension liability and related deferred inflows/outflows reported on the Government-wide Statements represents the City's proportionate share of each state retirement plan's collective present value of estimated future pension benefits attributable to active and inactive employees' past service, less plan assets available to pay these benefits. Pension expense represents the City's proportionate share of each state retirement plan's change in net pension liability not accounted for as deferred inflows/outflows.

Employees of the City are required by law to be members of the state's public employee retirement system or for law enforcement, the state's police and fire pension fund. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan. The City does not provide any additional retirement benefits beyond what is provided by the state.

Even though the City is not responsible for the administration of the plan or certain key factors affecting the balance of the liability, under GASB 68 the pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. As a result, GASB considers the unfunded portion of the pension promise as a present obligation of the government, part of a bargained-for benefit to the employee, and therefore a proportionate share is reported by the government as a liability since they received the benefit of the exchange.

Unlike most other long-term liabilities, there is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the Statement of Net Position.

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

The table below shows the changes in net position for 2016 and 2015.

	Governmental Activities 2016	Governmental Activities 2015	Business-type Activities 2016	Business-type Activities 2015	2016 Total	2015 Total
<b>Revenues</b>						
<b>Program revenues</b>						
Charges for Services	\$ 3,995,971	\$ 4,292,127	\$ 17,074,732	\$ 14,943,052	\$ 21,070,703	\$ 19,235,179
Operating Grants & Contributions	2,055,703	2,350,014	-	-	2,055,703	2,350,014
Capital Grants & Contributions	1,084,459	3,255,153	187,292	-	1,271,751	3,255,153
<b>Total Program Revenues</b>	<b>7,136,133</b>	<b>9,897,294</b>	<b>17,262,024</b>	<b>14,943,052</b>	<b>24,398,157</b>	<b>24,840,346</b>
<b>General Revenues</b>						
Income Taxes	19,179,575	17,962,254	-	-	19,179,575	17,962,254
Property Taxes	2,007,733	1,927,297	-	-	2,007,733	1,927,297
Revenue in Lieu of Taxes	1,966,279	2,025,314	-	-	1,966,279	2,025,314
Other Local Taxes	509,095	495,884	-	-	509,095	495,884
Unrestricted Grants & Entitlements	1,031,949	1,238,661	-	-	1,031,949	1,238,661
Investment Earnings	386,626	435,926	-	-	386,626	435,926
Miscellaneous	421,451	269,126	58,175	39,586	479,626	308,712
<b>Total General Revenues</b>	<b>25,502,708</b>	<b>24,354,462</b>	<b>58,175</b>	<b>39,586</b>	<b>25,560,883</b>	<b>24,394,048</b>
<b>Total Revenues</b>	<b>32,638,841</b>	<b>34,251,756</b>	<b>17,320,199</b>	<b>14,982,638</b>	<b>49,959,040</b>	<b>49,234,394</b>
<b>Expenses</b>						
General Government	4,535,792	5,516,390	-	-	4,535,792	5,516,390
Security of Persons & Property	11,239,302	10,219,622	-	-	11,239,302	10,219,622
Public Health & Welfare	268,111	258,421	-	-	268,111	258,421
Transportation	5,037,742	4,945,121	-	-	5,037,742	4,945,121
Community Environment	4,866,823	4,496,115	-	-	4,866,823	4,496,115
Leisure Time Activity	4,636,591	3,990,528	-	-	4,636,591	3,990,528
Utility Services	447,664	417,906	-	-	447,664	417,906
Interest & Fiscal Charges	664,879	545,747	-	-	664,879	545,747
Water	-	-	7,723,349	7,204,101	7,723,349	7,204,101
Sewer	-	-	5,355,806	8,328,948	5,355,806	8,328,948
Storm Water	-	-	1,027,101	1,130,109	1,027,101	1,130,109
<b>Total Expenses</b>	<b>31,696,904</b>	<b>30,389,850</b>	<b>14,106,256</b>	<b>16,663,158</b>	<b>45,803,160</b>	<b>47,053,008</b>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before</b>						
Transfers	941,937	3,861,906	3,213,943	(1,680,520)	4,155,880	2,181,386
Transfers	(494,470)	(565,458)	494,470	565,458	-	-
<b>Change in Net Position</b>	<b>447,467</b>	<b>3,296,448</b>	<b>3,708,413</b>	<b>(1,115,062)</b>	<b>4,155,880</b>	<b>2,181,386</b>
Net Position Beginning of Year	147,805,945	144,509,497	64,016,876	65,131,938	211,822,821	209,641,435
<b>Net Position End of Year</b>	<b>\$ 148,253,412</b>	<b>\$ 147,805,945</b>	<b>\$ 67,725,289</b>	<b>\$ 64,016,876</b>	<b>\$ 215,978,701</b>	<b>\$ 211,822,821</b>

### **Governmental Activities**

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

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Net position of Governmental Activities increased \$447,467 in 2016. This is a decrease of \$2.8 million when compared to the 2015 change in net position. In 2015, the City received a number of capital grants for trail construction, road projects and conservation of vernal pools. The reduction of capital grants in 2016 reduced total revenues by \$2.1 million.

Security of persons and property expenses, which primarily supports the operations of the police department, accounted for \$11,239,302 or 35% of the total governmental expenses of the City. These expenses were partially funded by \$162,217 in direct charges to users of the services and \$98,834 in operating grants and contributions.

Transportation expenses which primarily includes street maintenance and improvement programs, accounted for \$5,037,742 or 16% of total governmental expenses of the City. These expenses were partially funded by \$7,674 in direct charges to users of the services, \$1,887,004 in operating grants and contributions and \$1,084,459 in capital grants and contributions.

Community environment expenses, which primarily support economic development programs, accounted for \$4,866,823 or 15% of the total governmental expenses of the City. These expenses were partially funded by \$1,034,062 in direct charges to users of the services.

Leisure time activity expenses, which primarily supports parks and recreation programs and facilities, accounted for \$4,636,591 or 15% of the total governmental expenses of the City. These expenses were partially funded by \$1,485,692 in direct charges to users of the services

General government expense, which includes all general administrative and legislative operations, totaled \$4,535,792 or 14% of total governmental expenses. General government expenses were partially funded by \$1,306,326 in direct charges to users of the services.

Program revenues, which consist of operating grants and contributions and capital grants and contributions, include state and federal government contributions or grants to the City totaling \$2,055,703 in operating grants and contributions and \$1,084,459 in capital grants and contributions. These revenues are restricted to particular programs or purposes based on the legal requirements of the grantor. 95% of the operating and capital grants or \$2,971,463, subsidized transportation programs.

General revenues and transfers totaled \$25,008,238, and amounted to 78% of total governmental revenues. The City's income tax is the primary source of general revenues totaling \$19,179,575 or 75% of general governmental revenues. Other local taxes (including property, revenue in lieu of, and other local taxes) are the other primary sources of general governmental revenues totaling \$4,483,107.

General revenues increased from 2015 to 2016 by \$1,148,246 or 5% as a result of increased income tax revenues. The City experienced economic growth in 2016 driving the increase in income tax collections. Program revenues decreased \$2,761,161 or 28% due to decreases in capital grants and contributions as discussed above.

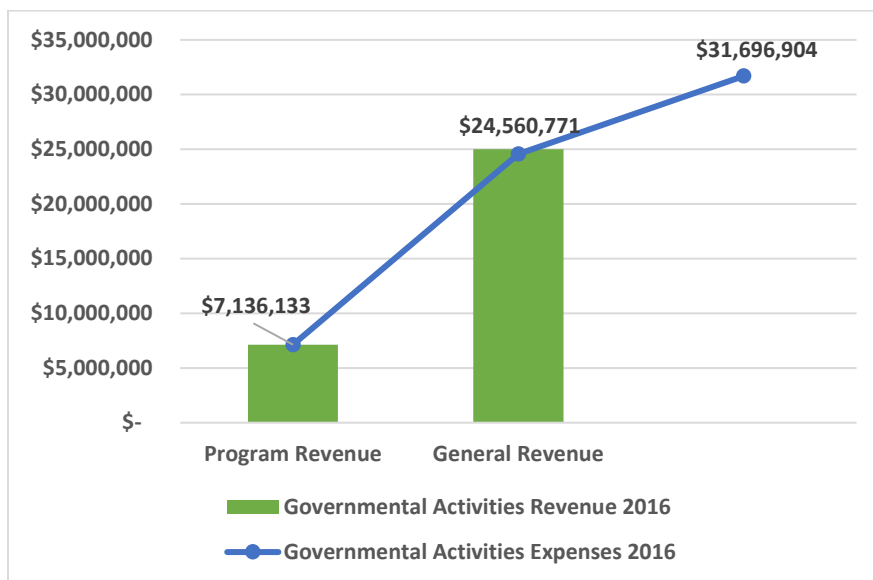
The Statement of Activities shows the cost of program services and the charges for services, grants and contributions offsetting those services. The following table shows, for Governmental Activities, the total cost of services and the net cost of services. That is, it identifies the portion of the cost of these services or 77% of the cost supported by general revenues.

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	<b>Governmental Activities</b>		
	Total Cost of	Net Cost of	% of Cost
	Services	Services	Supported by
	2016	2016	General Revenue
	<u>2016</u>	<u>2016</u>	<u>2016</u>
Program Expenses:			
General Government	\$ 4,535,792	\$ 3,229,466	71%
Security of Persons & Property	11,239,302	10,978,251	98%
Public Health & Welfare	268,111	268,111	100%
Transportation	5,037,742	2,058,605	41%
Community Environment	4,866,823	3,832,761	79%
Leisure Time Activity	4,636,591	3,081,034	66%
Utility Services	447,664	447,664	100%
Interest & Fiscal Charges	664,879	664,879	100%
<b>Total</b>	<b><u>\$ 31,696,904</u></b>	<b><u>\$ 24,560,771</u></b>	<b><u>77%</u></b>

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

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



### Business-type Activities

Business-type Activities include the Water, Sewer, Storm Water and OEPA Federal Grant Enterprise Funds. These programs have program revenues of \$17,262,024, general revenues and transfers of \$552,645 and expenses of \$14,106,256 for 2016. The Statement of Net Position for Business-type Activities reports \$73,493,968 of assets, \$602,882 of deferred outflows of resources, \$6,350,109 of liabilities, \$21,452 of deferred inflows of resources and \$67,725,289 of net position. Program revenues increased \$2,318,972 or 16% from 2015 due to rate and consumption increases. Expenditures decreased by \$2,556,902 or 15% compared to 2015. This was due to a credit applied by the City of Columbus for sewage charges in the amount of \$2.6 million. The City of Columbus charges the City for sewage services based on what is reported to them by the City as going through the system. The City, in error, included all of the Niagara bottling company's water usage as sewage when reporting to Columbus the number of gallons that went into the sewage system.

### Financial Analysis of the Government's Funds

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

### Governmental Funds

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

The City's Governmental Funds (as presented on the Balance Sheet on page 22) reported a combined fund balance of \$39,729,298 which is \$171,930 less than the 2015 total of \$39,901,128. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2016 for all major and nonmajor Governmental Funds.

	Fund Balances <u>12/31/16</u>	Fund Balances <u>12/31/15</u>	Increase <u>(Decrease)</u>
Major funds			
General	\$ 25,826,585	\$ 24,913,939	\$ 912,646
Tax Increment Equivalent	958,278	1,504,959	(546,681)
Capital Improvement	4,994,488	4,367,678	626,810
Other Nonmajor Governmental Funds	7,949,847	9,114,552	(1,164,705)
Total	<u>\$ 39,729,198</u>	<u>\$ 39,901,128</u>	<u>\$ (171,930)</u>

### General Fund

The City's General fund balance increased \$912,646 which is due to an increase in revenues exceeding the increase in expenditures. The following tables assist in illustrating the revenues and expenditures of the General Fund in comparison to 2015.

City of Gahanna, Ohio  
Management's Discussion and Analysis  
For the Year Ended December 31, 2016  
(Unaudited)

	<u>2016</u> <u>Amount</u>	<u>2015</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>General Fund Revenues</u></b>			
Taxes	\$ 20,870,956	\$ 19,676,166	6.07 %
Charges for Services	1,889,142	1,809,242	4.42 %
Licenses, Permits & Fees	1,464,540	1,637,969	(10.59) %
Fines & Forfeitures	369,212	541,602	(31.83) %
Intergovernmental	1,018,971	1,119,809	(9.00) %
Investment Income	369,940	424,715	(12.90) %
Other	447,300	213,957	109.06 %
Total	<u>\$ 26,430,061</u>	<u>\$ 25,423,460</u>	<u>3.96 %</u>

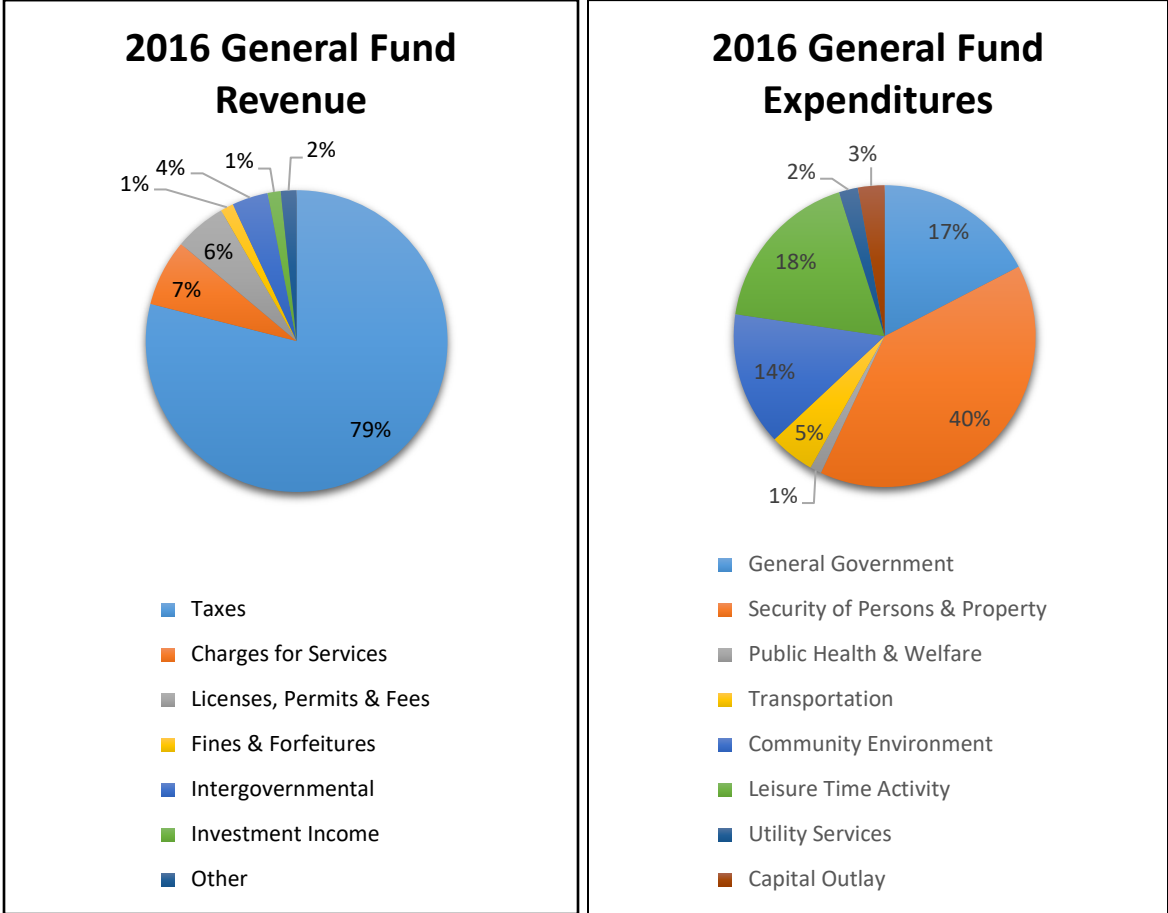
Tax revenue represents 79% of all General Fund revenue and increased by \$1.2 million from 2015 to 2016 mainly due to an increase in income tax revenues. Total revenue increased by \$1,006,601 as a result of the growth in income tax.

	<u>2016</u> <u>Amount</u>	<u>2015</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>General Fund Expenditures</u></b>			
General Government	\$ 3,808,698	\$ 3,599,380	5.82 %
Security of Persons & Property	8,659,503	8,758,277	(1.13) %
Public Health & Welfare	268,111	258,421	3.75 %
Transportation	1,062,498	917,636	15.79 %
Community Environment	3,131,569	2,996,137	4.52 %
Leisure Time Activity	3,893,076	3,487,845	11.62 %
Utility Services	446,502	405,354	10.15 %
Capital Outlay	625,114	817,973	(23.58) %
Debt Service	-	6,191	(100.00) %
Total	<u>\$ 21,895,071</u>	<u>\$ 21,247,214</u>	<u>3.05 %</u>

The increase in expenditures is mainly due to increases in General Government and Leisure Time Activities. General Government expenditures increased as a result of increased contract services and salaries and benefits. The increase in contract services was related to the development of the GoForward Gahanna strategic plan, resident survey, compensation study and increased maintenance of lands and buildings. Salaries and benefits increased as a result of standard increases in wages and benefits and an increase in staffing for Marketing and Communications. Leisure Time Activities increased due to a longer summer season of programming. The summer programming begins on Memorial Day and ends when the school year begins. At times this may result in additional days of programming. Because programming increased additional seasonal staff time was necessary causing an increase in salaries and benefits. Salaries and benefits also increased due to an increase in regular part-time and full-time positions as well as standard increases in wages and benefits. Because of the longer season materials and supplies also increased.



The charts below illustrate the breakdown of revenues and expenditures of the General Fund for 2016.



**Tax Increment Equivalent Fund**

The Tax Increment Equivalent Fund had \$2,221,339 in revenues during 2016, experiencing a 3% decrease in revenue in lieu of taxes. The expenditures and other financing uses of the Tax Increment Equivalent Fund were \$2,768,020 during 2016 a slight increase compared to 2015. The net decrease in fund balance for the Tax Increment Equivalent Fund was \$546,681 or 36%. The City has become more pro-active at finding eligible uses for the revenue in lieu of taxes and will continue to spend down fund balance.

**Capital Improvement Fund**

The Capital Improvement Fund had other financing sources of \$2,777,162 in 2016. There were no revenues received. In 2015 revenue was received for capital grants for trail construction and pledged revenue for repayment of a SIB loan, no such activity occurred in 2016. Other Financing Sources increased \$1,443,633 as a result of a planned increase to the City's capital expenditures. The expenditures of the Capital Improvement Fund totaled \$2,150,352 in 2016. Expenditures decreased as a result of the pay-off of the SIB Loan by MORPC and the City during 2015. The net increase in fund balance for the Capital Improvement Fund was \$626,810 or 14%.

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

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

In the General Fund, actual revenues and other financing sources exceeded budgeted revenues and other financing sources of \$26,660,470 by \$1,758,369. Actual expenditures and other financing uses were \$4,184,104 less than the final budgeted expenditures and other financing uses of \$34,569,883. These variances are the result of the City's conservative budgeting. Budgeted revenues remained unchanged from the original to final budget. Budgeted expenditures and other financing uses increased slightly by \$608,320 from the original budget to the final budget. Planned expenditures increased slightly by \$508,643 while other financing uses increased by \$99,677.

### ***Proprietary Funds***

The City's Proprietary Funds provide the same type of information found in the Government-wide Financial Statements for Business-type Activities, except in more detail. The only difference between the amounts reported as Business-type Activities and the amounts reported in the Proprietary Fund Statements are interfund eliminations between Proprietary Funds and internal balances due to Business-type Activities for internal service transactions and utility services provided to Governmental Activities in the amount of \$30,030. On the Government-wide statements the only interfund activity reported is between the Governmental and Business-type Activities.

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

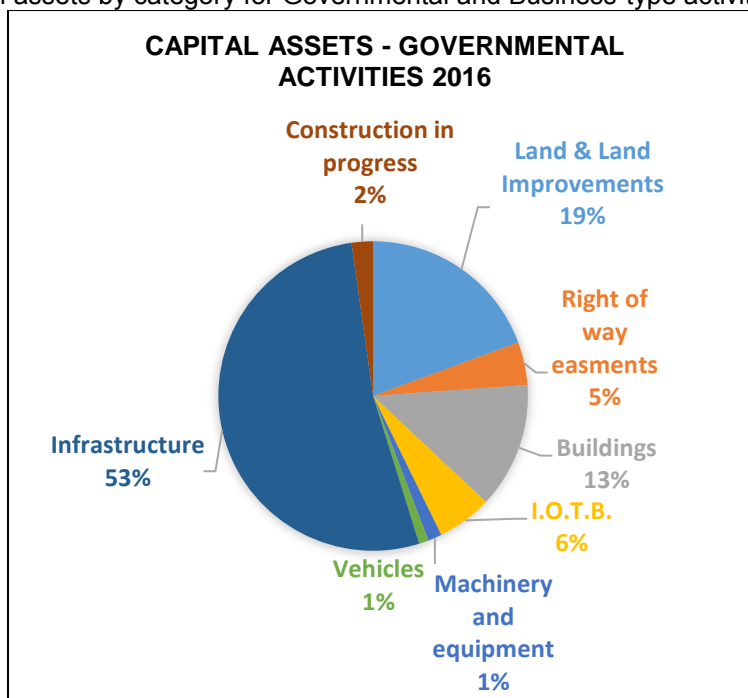
#### ***Capital Assets***

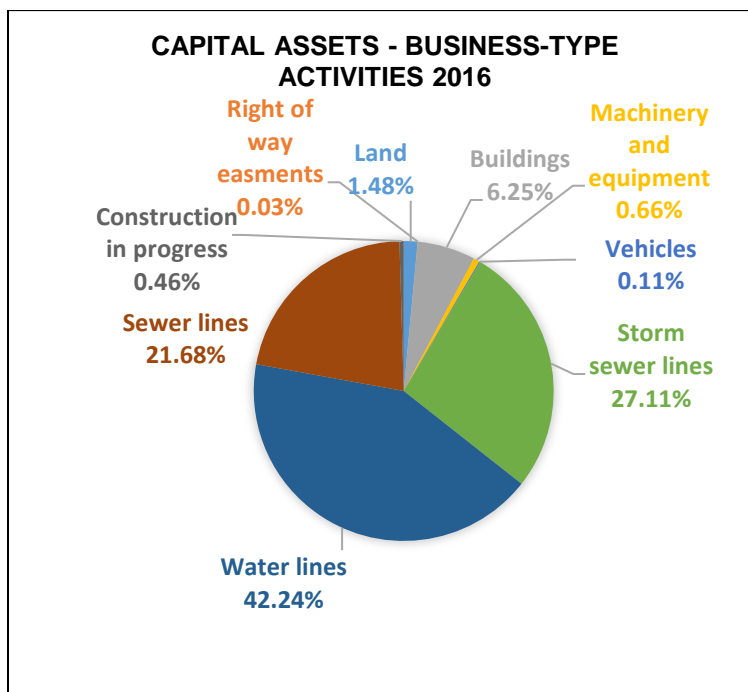
At the end of fiscal year 2016, the City had \$190,783,930 (net of accumulated depreciation) invested in land and land improvements, right of way easements, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure and construction in progress (CIP). Of this total, \$140,195,458 was reported in Governmental Activities and \$50,588,472 was reported in Business-type Activities. The table on the following page shows fiscal 2016 balances compared to 2015:

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

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land & Land Improvements	\$ 27,154,016	\$ 26,975,316	\$ 749,024	\$ 718,405	\$ 27,903,040	\$ 27,693,721
Right of way easments	6,295,511	6,295,511	12,665	12,665	6,308,176	6,308,176
Buildings	18,412,657	18,908,367	3,160,003	3,199,648	21,572,660	22,108,015
I.O.T.B.	8,055,721	8,744,319	-	-	8,055,721	8,744,319
Machinery and equipment	2,019,482	1,809,427	332,863	184,253	2,352,345	1,993,680
Vehicles	1,407,003	1,537,294	54,697	53,294	1,461,700	1,590,588
Storm sewer lines	-	-	13,712,081	13,779,471	13,712,081	13,779,471
Water lines	-	-	21,367,216	21,921,995	21,367,216	21,921,995
Sewer lines	-	-	10,969,337	11,314,923	10,969,337	11,314,923
Infrastructure	73,710,711	72,971,983	-	-	73,710,711	72,971,983
Construction in progress	3,140,357	2,554,921	230,586	16,850	3,370,943	2,571,771
Totals	<u>\$ 140,195,458</u>	<u>\$ 139,797,138</u>	<u>\$ 50,588,472</u>	<u>\$ 51,201,504</u>	<u>\$ 190,783,930</u>	<u>\$ 190,998,642</u>

The City's largest capital asset category is infrastructure which includes roads, bridges, culverts, sidewalks, street lighting and curbs for Governmental Activities and Sewer, Water and Storm Water Lines for Business-type Activities which play a vital role in the income producing ability of the Business-type activities. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 53% and 91% of the City's total Governmental and Business-type capital assets respectively. See Note 8 for detail on the City's capital assets. The charts that follow illustrate the breakdown of capital assets by category for Governmental and Business-type activities.





**Debt Administration**

The City had the following long-term obligations outstanding at December 31, 2016 and 2015

Governmental Activities

	<u>2016</u>	<u>2015</u>
Compensated Absences	\$ 2,132,706	\$ 2,102,128
General Obligation Bonds	21,078,149	22,382,354
OPWC Loans	1,324,623	1,508,909
Lease Purchase Agreement	104,284	208,570
Net Pension Liability	<u>22,595,145</u>	<u>15,244,869</u>
Total Long-term Obligations	<u>\$ 47,234,907</u>	<u>\$ 41,446,830</u>

Business-type Activities

	<u>2016</u>	<u>2015</u>
General Obligation Bonds	\$ 2,095,244	\$ 2,262,520
Net Pension Liability	1,125,882	766,726
Compensated Absences	<u>65,877</u>	<u>74,883</u>
Total Long-term Obligations	<u>\$ 3,287,003</u>	<u>\$ 3,104,129</u>

See Note 14 for detail on the City's long-term obligations.

## **Economic Conditions and Outlook**

The City experienced higher than anticipated revenues during 2016 and actual expenditures were below the planned appropriations for the year resulting in a positive impact on the City's year-end financials. Although this signifies growth for 2016, the City still faces on-going financial challenges. State reductions to multiple revenue sources, and increasing cost to maintain the City's aging assets and infrastructure will continue to impact the City's ability to maintain services and operations at past levels.

In response to the continued financial challenges faced by the City, the administration and elected leaders of the City continued to commit to an unprecedented level of planning, transparency and accountability in 2016. The City continued the implementation of the Sustainable Operating Model (SOM). The SOM is built upon two key components, (1) the City will maintain its existing core infrastructure and assets at a professionally appropriate level; (2) ongoing operating costs will be funded with ongoing revenue sources. One-time windfalls, accumulated savings and short-term cost-cutting measures will not be used to balance the City's operating budget.

The City also adopted the GoForward Gahanna strategic plan April of 2016. The GoForward Gahanna initiative is a collaborative planning process between City administration, Council and the community. The purpose of this process is to engage elected officials, City staff, citizens and community stakeholders in the development of a city-wide strategic plan. The plan will serve as a long-term guide for strategic, operational, resource and policy decisions, while ensuring the City is dedicating its resources appropriately and achieving meaningful results.

The GoForward Gahanna strategic plan contains five strategic priorities, Business and Job Development; Roads, Bridges and Infrastructure; Parks, Trails and Recreation; Character of the City; and Good Government. Each priority has strategic results that customers can expect to experience over the five year period evidencing the City's progress in implementing the plan. In total there are twenty-two strategic results. These are outlined within the statistical section of this report under operating information along with the status of each.

The SOM and GoForward Gahanna initiative will determine the direction of the City over the next five years. Beginning in 2017, the City will also begin creating departmental strategic business plans to further develop the implementation of GoForward Gahanna. This will allow departments to establish long-term goals, performance measures and operational budgets in alignment with the strategic plan.

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

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



# **BASIC FINANCIAL STATEMENTS**

City of Gahanna, Ohio  
Statement of Net Position  
December 31, 2016

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash & Investments	\$38,899,086	\$18,276,531	\$57,175,617
Cash with Fiscal Agents	332,219	-	332,219
Receivables			
Income Taxes	4,881,928	-	4,881,928
Property Taxes	2,028,181	-	2,028,181
Other Local Taxes	30,059	-	30,059
Revenue In Lieu of Taxes	1,474,668	-	1,474,668
Accounts	1,124,185	4,344,877	5,469,062
Accrued Interest	102,545	-	102,545
Intergovernmental	2,149,482	167,000	2,316,482
Prepayments	66,360	7,012	73,372
Materials & Supplies Inventory	225,708	80,046	305,754
Internal Balance	(30,030)	30,030	-
Non-depreciable Capital Assets	107,209,338	992,275	108,201,613
Depreciable Capital Assets, Net	32,986,120	49,596,197	82,582,317
<b>Total Assets</b>	<b>191,479,849</b>	<b>73,493,968</b>	<b>264,973,817</b>
<b>Deferred Outflows of Resources</b>			
Deferred Charge On Refunding	1,395,839	123,252	1,519,091
Pension	8,323,651	479,630	8,803,281
<b>Total Deferred Outflows</b>	<b>9,719,490</b>	<b>602,882</b>	<b>10,322,372</b>
<b>Liabilities</b>			
Accounts Payable	343,235	17,686	360,921
Contracts Payable	1,184,527	115,439	1,299,966
Accrued Wages and Benefits	379,804	30,163	409,967
Compensated Absences Payable	16,136	-	16,136
Intergovernmental Payable	100,790	2,893,541	2,994,331
Interest Payable	54,657	6,277	60,934
Long-Term Liabilities			
Due within One Year	2,428,911	218,887	2,647,798
Due in More Than One Year			
Net Pension Liability	22,595,145	1,125,882	23,721,027
Other Due in More Than One Year	22,210,851	1,942,234	24,153,085
<b>Total Liabilities</b>	<b>49,314,056</b>	<b>6,350,109</b>	<b>55,664,165</b>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Subsequent Year	1,971,356	-	1,971,356
Revenue in Lieu of Taxes for the Subsequent Year	1,474,668	-	1,474,668
Pension	185,847	21,452	207,299
<b>Total Deferred Inflows of Resources</b>	<b>3,631,871</b>	<b>21,452</b>	<b>3,653,323</b>
<b>Net Position</b>			
Net Investment in Capital Assets	120,714,997	48,493,228	169,208,225
Restricted for			
Debt Service	1,377,072	-	1,377,072
Capital Projects	6,124,889	-	6,124,889
General Government	700,944	-	700,944
Security of Persons & Property	1,418,887	-	1,418,887
Community Environment	982,840	-	982,840
Transportation	3,434,682	-	3,434,682
Unrestricted	13,499,101	19,232,061	32,731,162
<b>Total Net Position</b>	<b>148,253,412</b>	<b>\$67,725,289</b>	<b>\$215,978,701</b>

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

City of Gahanna, Ohio  
Statement of Activities  
For the Fiscal Year Ended December 31, 2016

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services & Sales	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities</b>							
General Government	\$ 4,535,792	\$ 1,306,326	\$ -	\$ -	\$ (3,229,466)	\$ -	\$ (3,229,466)
Security of Persons & Property	11,239,302	162,217	98,834	-	(10,978,251)	-	\$(10,978,251)
Public Health & Welfare	268,111	-	-	-	(268,111)	-	\$ (268,111)
Transportation	5,037,742	7,674	1,887,004	1,084,459	(2,058,605)	-	\$(2,058,605)
Community Environment	4,866,823	1,034,062	-	-	(3,832,761)	-	\$(3,832,761)
Leisure Time Activities	4,636,591	1,485,692	69,865	-	(3,081,034)	-	\$(3,081,034)
Utility Services	447,664	-	-	-	(447,664)	-	\$(447,664)
Interest & Fiscal Charges	664,879	-	-	-	(664,879)	-	\$(664,879)
<b>Total Governmental Activities</b>	<b>31,696,904</b>	<b>3,995,971</b>	<b>2,055,703</b>	<b>1,084,459</b>	<b>(24,560,771)</b>	<b>-</b>	<b>(24,560,771)</b>
<b>Business-type Activities</b>							
Water	7,723,349	8,363,476	-	-	-	640,127	640,127
Sewer	5,355,806	7,593,655	-	-	-	2,237,849	2,237,849
Storm Water	1,027,101	1,117,601	-	187,292	-	277,792	277,792
<b>Total Business-type Activities</b>	<b>14,106,256</b>	<b>17,074,732</b>	<b>-</b>	<b>187,292</b>	<b>-</b>	<b>3,155,768</b>	<b>3,155,768</b>
<b>Total Primary Government</b>	<b>\$ 45,803,160</b>	<b>\$ 21,070,703</b>	<b>\$ 2,055,703</b>	<b>\$ 1,271,751</b>	<b>\$ (24,560,771)</b>	<b>\$ 3,155,768</b>	<b>\$(21,405,003)</b>
<b>General Revenues</b>							
Income Taxes Levied For							
General Purposes					19,179,575	-	19,179,575
Property Taxes Levied For							
General Purposes					1,506,677	-	1,506,677
Debt Service					248,778	-	248,778
Police					252,278	-	252,278
Revenue in Lieu of Taxes					1,966,279	-	1,966,279
Other Local Taxes					509,095	-	509,095
Grants & Entitlements not Restricted to Specific Programs					1,031,949	-	1,031,949
Investment Earnings					386,626	-	386,626
Miscellaneous					421,451	58,175	479,626
Transfers					(494,470)	494,470	-
<b>Total General Revenues &amp; Transfers</b>					<b>25,008,238</b>	<b>552,645</b>	<b>25,560,883</b>
<b>Change in Net Position</b>					<b>447,467</b>	<b>3,708,413</b>	<b>4,155,880</b>
Net Position Beginning of Year					147,805,945	64,016,876	211,822,821
Net Position End of Year					<b>\$148,253,412</b>	<b>\$67,725,289</b>	<b>\$215,978,701</b>

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



City of Gahanna, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2016

	General	Tax Incremental Equivalent	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash & Investments	\$ 24,847,053	\$ 958,278	\$ 5,209,426	\$ 7,497,694	\$ 38,512,451
Cash with Fiscal Agents	-	-	-	332,219	332,219
Receivables					
Income Taxes	4,881,928	-	-	-	4,881,928
Property Taxes	1,529,038	-	-	499,143	2,028,181
Other Local Taxes	30,059	-	-	-	30,059
Revenue in Lieu of Taxes	-	1,474,668	-	-	1,474,668
Accounts	1,119,160	-	-	5,025	1,124,185
Accrued Interest	102,545	-	-	-	102,545
Intergovernmental	462,749	24,562	-	1,662,171	2,149,482
Prepayments	63,653	-	-	2,707	66,360
Materials & Supplies Inventory	225,708	-	-	-	225,708
<b>Total Assets</b>	<b>33,261,893</b>	<b>2,457,508</b>	<b>5,209,426</b>	<b>9,998,959</b>	<b>50,927,786</b>
<b>Liabilities</b>					
Accounts Payable	337,169	-	-	6,066	343,235
Contracts Payable	184,703	-	214,938	784,886	1,184,527
Accrued Wages & Benefits	366,206	-	-	13,598	379,804
Compensated Absences	16,136	-	-	-	16,136
Intergovernmental Payable	98,689	-	-	2,101	100,790
Due to Other Funds	7,324	-	-	272	7,596
<b>Total Liabilities</b>	<b>1,010,227</b>	<b>-</b>	<b>214,938</b>	<b>806,923</b>	<b>2,032,088</b>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for Subsequent Year	1,486,198	-	-	485,158	1,971,356
Revenue in Lieu of Taxes for the Subsequent Year	-	1,474,668	-	-	1,474,668
Unavailable Property Tax Revenue	42,840	-	-	13,985	56,825
Unavailable Income Tax Revenue	3,357,485	-	-	-	3,357,485
Unavailable Intergovernmental Revenue	380,531	24,562	-	743,046	1,148,139
Unavailable Interest Revenue	68,846	-	-	-	68,846
Unavailable License, Permits & Fees	1,081,877	-	-	-	1,081,877
Unavailable Other Revenue	7,304	-	-	-	7,304
<b>Total Deferred Inflow of Resources</b>	<b>6,425,081</b>	<b>1,499,230</b>	<b>-</b>	<b>1,242,189</b>	<b>9,166,500</b>
<b>Fund Balances</b>					
Nonspendable	320,241	-	-	2,707	322,948
Restricted	-	958,278	4,994,488	7,304,955	13,257,721
Committed	6,666,565	-	-	641,939	7,308,504
Assigned	4,851,710	-	-	246	4,851,956
Unassigned	13,988,069	-	-	-	13,988,069
<b>Total Fund Balances</b>	<b>25,826,585</b>	<b>958,278</b>	<b>4,994,488</b>	<b>7,949,847</b>	<b>39,729,198</b>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<b>\$ 33,261,893</b>	<b>\$ 2,457,508</b>	<b>\$ 5,209,426</b>	<b>\$ 9,998,959</b>	<b>\$ 50,927,786</b>

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

City of Gahanna, Ohio  
 Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2016

**Total Governmental Fund Balances** \$39,729,198

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 140,195,458

Other assets are not available to pay for current period expenditures and therefore are deferred in the funds. 5,720,476

An internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of position. 364,201

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

Compensated Absences	(2,132,706)
General Obligation Debt	(21,078,149)
Accrued Interest	(54,657)
Loans Payable	(1,324,623)
Capital Lease Obligations	(104,284)
	(24,694,419)

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

Deferred Outflows - Pension	8,323,651
Deferred Inflows - Pension	(185,847)
Net Pension Liability	(22,595,145)
	(14,457,341)

Deferred outflows of resources for deferred charges on refunding. In the funds, the difference between the proceeds received from the issuance of the refunding bonds, and the amount placed into escrow to pay the old bonds is reported when the debt is issued. This amount is deferred and amortized as a component of interest expense in the governmental activities 1,395,839

**Net Position of Governmental Activities** \$148,253,412

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

City of Gahanna, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended December 31, 2016

	General	Tax Incremental Equivalent	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Income Taxes	\$ 18,858,453	\$ -	\$ -	\$ -	\$ 18,858,453
Property Taxes	1,503,408	-	-	499,985	2,003,393
Other Local Taxes	509,095	-	-	-	509,095
Revenue in Lieu of Taxes	-	1,966,279	-	-	1,966,279
Charges for Services	1,889,142	215,492	-	-	2,104,634
Licenses, Permits & Fees	1,464,540	-	-	40,025	1,504,565
Fines & Forfeitures	369,212	-	-	52,929	422,141
Intergovernmental	1,018,971	39,568	-	3,130,155	4,188,694
Investment Income	369,940	-	-	18,119	388,059
Rental Income	25,969	-	-	-	25,969
Contributions & Donations	43,047	-	-	-	43,047
Other	378,284	-	-	45,311	423,595
<b>Total Revenues</b>	<b>26,430,061</b>	<b>2,221,339</b>	<b>-</b>	<b>3,786,524</b>	<b>32,437,924</b>
<b>Expenditures</b>					
<b>Current</b>					
General Government	3,808,698	-	84,611	22,185	3,915,494
Security of Persons & Property	8,659,503	-	-	986,261	9,645,764
Public Health & Welfare	268,111	-	-	-	268,111
Transportation	1,062,498	-	1,111,072	2,734,260	4,907,830
Community Environment	3,131,569	1,103,634	-	-	4,235,203
Leisure Time Activity	3,893,076	-	58,906	-	3,951,982
Utility Services	446,502	-	-	1,162	447,664
Capital Outlay	625,114	-	895,763	1,220,168	2,741,045
Debt Service					
Principal Retirement	-	104,286	-	1,358,594	1,462,880
Interest & Fiscal Charges	-	-	-	688,282	688,282
<b>Total Expenditures</b>	<b>21,895,071</b>	<b>1,207,920</b>	<b>2,150,352</b>	<b>7,010,912</b>	<b>32,264,255</b>
Excess (Deficiency) of Revenue Over Expenditures	4,534,990	1,013,419	(2,150,352)	(3,224,388)	173,669
<b>Other Financing Sources (Uses)</b>					
Transfers In	600,000	-	2,777,162	2,559,198	5,936,360
Transfers Out	(4,328,205)	(1,560,100)	-	(542,525)	(6,430,830)
Proceeds From Sale of Capital Assets	58,595	-	-	43,010	101,605
Insurance Proceeds	47,266	-	-	-	47,266
<b>Total Other Financing Sources (Uses)</b>	<b>(3,622,344)</b>	<b>(1,560,100)</b>	<b>2,777,162</b>	<b>2,059,683</b>	<b>(345,599)</b>
<b>Net Change in Fund Balances</b>	<b>912,646</b>	<b>(546,681)</b>	<b>626,810</b>	<b>(1,164,705)</b>	<b>(171,930)</b>
Fund Balances, January 1	24,913,939	1,504,959	4,367,678	9,114,552	39,901,128
Fund Balances, December 31	<u>\$ 25,826,585</u>	<u>\$ 958,278</u>	<u>\$ 4,994,488</u>	<u>\$ 7,949,847</u>	<u>\$ 39,729,198</u>

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

City of Gahanna, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
 Fund Balances of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended December 31, 2016

**Net Change in Fund Balances - Total Governmental Funds** \$ (171,930)

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

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

Capital Outlay	2,741,045
Depreciation	(2,269,654)

The sale, trade in, transfer or donation of capital assets is to increase/(decrease) net position as follows:

Sale or Trade-in of Capital Assets	(73,071)
------------------------------------	----------

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

Income Taxes	321,122
Property Taxes	4,340
License Permits & Fees	(61,338)
Intergovernmental	(59,630)
Investment Income	(1,433)
Other	(2,144)

Repayment of bond and loan principal and leases payable are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not result in an expense in the statement of activities.

1,462,880

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The amortization of the deferred charge on refunding is also amortized over the life of the bonds but is recognized at the time the debt is issued in the funds.

23,403

An internal service fund is used by management to charge the costs of insurance to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.

60,344

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

Compensated Absences	(30,578)
----------------------	----------

Contractually required pension contributions are reported as expenditures in governmental funds however the statement of net position reports as deferred outflows.

1,724,550

Except for amounts reported as deferred inflows/outflows changes in the net pension liability are reported as pension expense in the statement of activities.

(2,810,319)

Net pension liability deferred inflows/outflows are amortized as an expense in the statement of activities.

(410,120)

**Change in Net Position of Governmental Activities**

\$ 447,467

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

City of Gahanna, Ohio  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Year Ended December 31, 2016

Revenues	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive/(Negative)
Income Tax	17,549,200	17,549,200	18,668,024	1,118,824
Property Taxes	1,480,672	1,480,672	1,503,408	22,736
Other Local Taxes	502,300	502,300	509,820	7,520
Charges for Services	1,849,800	1,849,800	1,954,625	104,825
Licenses Permits & Fees	1,564,100	1,564,100	1,514,511	(49,589)
Fines & Forfeitures	533,000	533,000	384,127	(148,873)
Intergovernmental	1,046,828	1,046,828	1,171,698	124,870
Investment Income	483,000	483,000	529,775	46,775
Rent	42,000	42,000	25,969	(16,031)
Contributions & Donations	5,000	5,000	43,047	38,047
Other	26,000	26,000	233,744	207,744
<b>Total Revenues</b>	<b>25,081,900</b>	<b>25,081,900</b>	<b>26,538,748</b>	<b>1,456,848</b>
<b>Expenditures</b>				
General Government	5,738,344	6,168,868	5,344,330	824,538
Security of Persons & Property	9,318,929	9,262,698	8,546,947	715,751
Public Health & Welfare	270,951	270,951	268,111	2,840
Transportation	1,929,083	1,943,548	1,005,081	938,467
Community Environment	4,590,960	4,582,786	3,867,683	715,103
Leisure Time Activities	4,129,256	4,169,584	3,896,159	273,425
Utility Services	743,866	722,091	503,681	218,410
Capital Outlay	2,940,814	3,050,320	2,583,742	466,578
<b>Total Expenditures</b>	<b>29,662,203</b>	<b>30,170,846</b>	<b>26,015,734</b>	<b>4,155,112</b>
<b>Excess/(Deficiency) of Revenues</b>				
<b>Over/(Under) Expenditures</b>	<b>(4,580,303)</b>	<b>(5,088,946)</b>	<b>523,014</b>	<b>5,611,960</b>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	31,000	31,000	64,108	33,108
Insurance Proceeds	5,000	5,000	172,262	167,262
Advance In	-	-	142,770	142,770
Advance Out	(142,770)	(142,770)	(142,770)	-
Transfer In	1,542,570	1,542,570	1,500,951	(41,619)
Transfer Out	(4,156,590)	(4,256,267)	(4,227,275)	28,992
<b>Total Other Financing Sources (Uses)</b>	<b>(2,720,790)</b>	<b>(2,820,467)</b>	<b>(2,489,954)</b>	<b>330,513</b>
<b>Net Change in Fund Balance</b>	<b>(7,301,093)</b>	<b>(7,909,413)</b>	<b>(1,966,940)</b>	<b>5,942,473</b>
Fund balance at beginning of year	18,740,387	18,740,387	18,740,387	-
Prior Year Encumbrance Appropriated	4,336,773	4,336,773	4,336,773	-
<b>Fund balance at end of year</b>	<b>15,776,067</b>	<b>15,167,747</b>	<b>21,110,220</b>	<b>5,942,473</b>

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

City of Gahanna, Ohio  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Tax Increment Equivalent Special Revenue Fund  
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues				
Revenue in Lieu of Taxes	2,253,200	2,253,200	1,966,279	(286,921)
Intergovernmental	29,300	29,300	39,568	10,268
Charges for Services	199,500	199,500	215,492	15,992
Total Revenues	<u>2,482,000</u>	<u>2,482,000</u>	<u>2,221,339</u>	<u>(260,661)</u>
Expenditures				
Community Environment	1,183,200	1,183,200	1,103,634	79,566
Capital Outlay	104,290	104,290	104,286	4
Total Expenditures	<u>1,287,490</u>	<u>1,287,490</u>	<u>1,207,920</u>	<u>79,570</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>1,194,510</u>	<u>1,194,510</u>	<u>1,013,419</u>	<u>(181,091)</u>
Other Financing Sources (Uses)				
Transfer Out	(1,626,400)	(1,626,400)	(1,560,100)	66,300
Total Other Financing Sources (Uses)	<u>(1,626,400)</u>	<u>(1,626,400)</u>	<u>(1,560,100)</u>	<u>66,300</u>
Net Change in Fund Balance	(431,890)	(431,890)	(546,681)	(114,791)
Fund balance at beginning of year	1,504,962	1,504,962	1,504,962	-
Prior Year Encumbrance Appropriated	-	-	-	-
Fund balance at end of year	<u>1,073,072</u>	<u>1,073,072</u>	<u>958,281</u>	<u>(114,791)</u>

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

City of Gahanna, Ohio  
Statement of Net Position  
Proprietary Funds  
December 31, 2016

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	OEPA Federal Grant	Total	
<b>Assets</b>						
<b>Current Assets</b>						
Equity in Pooled Cash & Investments	\$ 6,841,164	\$ 9,098,062	\$ 2,503,092	\$ (165,787)	\$ 18,276,531	386,635
Accounts Receivable	2,061,854	1,996,000	287,023	-	4,344,877	-
Intergovernmental Receivable	-	-	-	167,000	167,000	-
Due From Other Funds	-	-	-	-	-	8,199
Prepayments	6,296	418	298	-	7,012	-
Materials & Supplies Inventory	40,023	40,023	-	-	80,046	-
<b>Total Current Assets</b>	<u>8,949,337</u>	<u>11,134,503</u>	<u>2,790,413</u>	<u>1,213</u>	<u>22,875,466</u>	<u>394,834</u>
<b>Non-current Assets</b>						
<b>Capital Assets</b>						
Non-depreciable Capital Assets	112,434	12,665	867,176	-	992,275	-
Depreciable Capital Assets, Net	24,272,373	11,588,127	13,459,848	275,849	49,596,197	-
<b>Total non-current assets</b>	<u>24,384,807</u>	<u>11,600,792</u>	<u>14,327,024</u>	<u>275,849</u>	<u>50,588,472</u>	<u>-</u>
<b>Total Assets</b>	<u>33,334,144</u>	<u>22,735,295</u>	<u>17,117,437</u>	<u>277,062</u>	<u>73,463,938</u>	<u>394,834</u>
<b>Deferred Outflows of Resources</b>						
Deferred Charge on Refunding Pension	13,621	13,621	96,010	-	123,252	-
Pension	183,880	183,880	111,870	-	479,630	-
<b>Total Deferred Outflows</b>	<u>197,501</u>	<u>197,501</u>	<u>207,880</u>	<u>-</u>	<u>602,882</u>	<u>-</u>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Accounts Payable	16,273	1,167	246	-	17,686	-
Contracts Payable	33,607	49,568	32,264	-	115,439	-
Accrued Wages & Benefits	11,505	11,505	7,153	-	30,163	-
Intergovernmental Payable	1,403,936	1,488,500	1,105	-	2,893,541	-
Due to Other Funds	230	230	143	-	603	-
Accrued Interest Payable	730	730	4,817	-	6,277	-
Current Portion of Compensated Absences Payable	24,282	20,922	20,673	-	65,877	-
Current Portion of General Obligation Bonds Payable	17,230	17,230	118,550	-	153,010	-
<b>Total Current Liabilities</b>	<u>1,507,793</u>	<u>1,589,852</u>	<u>184,951</u>	<u>-</u>	<u>3,282,596</u>	<u>-</u>
<b>Long-term Liabilities</b>						
General Obligation Bonds Payable	229,918	229,918	1,482,398	-	1,942,234	-
Net Pension Liability	433,032	433,032	259,818	-	1,125,882	-
<b>Total Long-term Liabilities</b>	<u>662,950</u>	<u>662,950</u>	<u>1,742,216</u>	<u>-</u>	<u>3,068,116</u>	<u>-</u>
<b>Total Liabilities</b>	<u>2,170,743</u>	<u>2,252,802</u>	<u>1,927,167</u>	<u>-</u>	<u>6,350,712</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>						
Pension	8,251	8,251	4,950	-	21,452	-
<b>Total Deferred Inflows</b>	<u>8,251</u>	<u>8,251</u>	<u>4,950</u>	<u>-</u>	<u>21,452</u>	<u>-</u>
<b>Net Position</b>						
Net Investment in Capital Assets	24,137,659	11,353,644	12,726,076	275,849	48,493,228	-
Unrestricted	7,214,992	9,318,099	2,667,124	1,213	19,201,428	394,834
<b>Total Net Position</b>	<u>31,352,651</u>	<u>20,671,743</u>	<u>15,393,200</u>	<u>277,062</u>	<u>67,694,656</u>	<u>394,834</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds					30,633	
<b>Net Position of Business type Activities</b>					<u>67,725,289</u>	

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

City of Gahanna, Ohio  
Statement of Revenues, Expenditures, and Changes in Net Position  
Proprietary Funds  
For the Year Ended December 31, 2016

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	OEPA Federal Grant	Total	
Operating Revenues						
Charges for Services	\$ 8,363,476	\$ 7,593,655	\$ 1,117,601	\$ -	\$ 17,074,732	\$ 252,711
Other	46,314	9,930	1,931	-	58,175	-
Total Operating Revenues	<u>8,409,790</u>	<u>7,603,585</u>	<u>1,119,532</u>	<u>-</u>	<u>17,132,907</u>	<u>252,711</u>
Operating Expenses						
Personal Services	554,727	551,363	353,968	-	1,460,058	-
Contract Services	5,712,543	3,672,053	41,578	-	9,426,174	124,296
Materials & Supplies	235,436	18,458	1,144	-	255,038	-
Claims Expense	-	-	-	-	-	62,977
Depreciation	632,803	358,982	336,472	1,138	1,329,395	-
Other	581,753	748,863	240,188	-	1,570,804	-
Total Operating Expenses	<u>7,717,262</u>	<u>5,349,719</u>	<u>973,350</u>	<u>1,138</u>	<u>14,041,469</u>	<u>187,273</u>
Operating Income/(Loss)	<u>692,528</u>	<u>2,253,866</u>	<u>146,182</u>	<u>(1,138)</u>	<u>3,091,438</u>	<u>65,438</u>
Nonoperating Revenues/(Expenses)						
Interest & Fiscal Charges	(8,031)	(8,031)	(53,819)	-	(69,881)	-
Loss on Sale of Capital Assets	-	-	-	-	-	-
Total Nonoperating Revenues/(Expenses)	<u>(8,031)</u>	<u>(8,031)</u>	<u>(53,819)</u>	<u>-</u>	<u>(69,881)</u>	<u>-</u>
Income/(Loss) Before Transfers	<u>684,497</u>	<u>2,245,835</u>	<u>92,363</u>	<u>(1,138)</u>	<u>3,021,557</u>	<u>65,438</u>
Contributed Capital	-	-	20,292	167,000	187,292	-
Transfer in	388,687	2,485,788	20,000	-	2,894,475	-
Transfer (out)	<u>(2,400,005)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,400,005)</u>	<u>-</u>
Change in Net Position	<u>(1,326,821)</u>	<u>4,731,623</u>	<u>132,655</u>	<u>165,862</u>	<u>3,703,319</u>	<u>65,438</u>
Net Position, January 1	<u>32,679,472</u>	<u>15,940,120</u>	<u>15,260,545</u>	<u>111,200</u>	<u>63,991,337</u>	<u>329,396</u>
Net Position, December 31	<u>\$31,352,651</u>	<u>\$20,671,743</u>	<u>\$15,393,200</u>	<u>\$ 277,062</u>		<u>\$ 394,834</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds					<u>5,094</u>	
Change in Net Position Business-type Activities					<u>3,708,413</u>	

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



City of Gahanna, Ohio  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2016

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	OEPA Federal Grant		
<b>Cash Flows from Operating Activities</b>						
Cash Received From Customers	8,342,966	7,335,437	1,122,261	-	16,800,664	252,074
Other Operating Cash Receipts	47,967	-	-	-	47,967	-
Cash Payments for Personal Services	(540,681)	(540,677)	(338,644)	-	(1,420,002)	-
Cash Payments for Contractual Services	(5,514,519)	(3,835,184)	(41,767)	-	(9,391,470)	(124,296)
Cash Payments for Materials & Supplies	(228,177)	(21,578)	(1,260)	-	(251,015)	-
Cash Payments for Claims	-	-	-	-	-	(62,977)
Cash Payments for Other Operating Expenses	(588,652)	(754,075)	(238,838)	-	(1,581,565)	-
<b>Net Cash Provided/(Used) by Operating Activities</b>	<b>1,518,904</b>	<b>2,183,923</b>	<b>501,752</b>	<b>-</b>	<b>4,204,579</b>	<b>64,801</b>
<b>Cash Flows From Capital and Related Financing Activities</b>						
Capital Grants Received	-	-	20,292	-	20,292	-
Cash Payments for the Acquisition of Capital Assets	(195,855)	(37,887)	(141,808)	(276,987)	(652,537)	-
Principal Payments on Bonds	(16,371)	(16,371)	(112,950)	-	(145,692)	-
Interest Payments on Bonds	(9,424)	(9,424)	(61,945)	-	(80,793)	-
<b>Net Cash Provided/(Used) by Capital &amp; Related Financing Activities</b>	<b>(221,650)</b>	<b>(63,682)</b>	<b>(296,411)</b>	<b>(276,987)</b>	<b>(858,730)</b>	<b>-</b>
<b>Cash Flows From Noncapital Financing Activities:</b>						
Transfers In	388,687	2,485,788	20,000	0	2,894,475	-
Transfers Out	(2,400,005)	-	-	-	(2,400,005)	-
<b>Net Cash Provided/(Used) Noncapital Financing Activities</b>	<b>(2,011,318)</b>	<b>2,485,788</b>	<b>20,000</b>	<b>-</b>	<b>494,470</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(714,064)</b>	<b>4,606,029</b>	<b>225,341</b>	<b>(276,987)</b>	<b>3,840,319</b>	<b>64,801</b>
Cash & Cash Equivalents January 1, 2016	7,555,228	4,492,033	2,277,751	111,200	14,436,212	321,834
Cash & Cash Equivalents December 31, 2016	6,841,164	9,098,062	2,503,092	(165,787)	18,276,531	386,635
<b>Reconciliation of Operating Income/(Loss) to Net Cash Provided by Operating Activities</b>						
Operating Income/(Loss)	692,528	2,253,866	146,182	(1,138)	3,091,438	65,438
<b>Adjustments</b>						
Depreciation	632,803	358,982	336,472	1,138	1,329,395	-
<b>Change in assets and liabilities</b>						
(Increase)/Decrease in Materials & Supplies Inventory	(2,510)	(2,510)	-	-	(5,020)	-
(Increase)/Decrease in Accounts Receivable	(18,935)	(268,148)	2,729	-	(284,354)	-
(Increase)/Decrease in Due from Other Funds	78	-	-	-	78	(637)
(Increase)/Decrease in Deferred Outflows	(124,669)	(124,669)	(75,773)	-	(325,111)	-
Increase/(Decrease) in Accounts Payable	5,699	(929)	(780)	-	3,990	-
Increase/(Decrease) in Contracts Payable	1,077	16,682	1,975	-	19,734	-
Increase/(Decrease) in Accrued Wages & Benefits	2,177	2,177	1,457	-	5,811	-
Increase/(Decrease) in Due to Other Governments	194,566	(184,258)	200	-	10,508	-
Increase/(Decrease) in Due to Other Funds	(9)	(9)	(5)	-	(23)	-
Increase/(Decrease) in Compensated Absences	(5,108)	(8,468)	4,571	-	(9,005)	-
Increase/(Decrease) in Net Pension Liability	138,137	138,137	82,882	-	359,156	-
Increase/(Decrease) in Deferred Inflows	3,070	3,070	1,842	-	7,982	-
<b>Net cash provided/(used) by operating activities</b>	<b>1,518,904</b>	<b>2,183,923</b>	<b>501,752</b>	<b>-</b>	<b>4,204,579</b>	<b>64,801</b>

Non-cash transactions

At December 31, 2016 and 2015, the Water fund purchased \$31,045 and \$13,400 respectively, in capital assets on account  
At December 31, 2016 and 2015, the Sewer fund purchased \$29,790 and \$14,336 respectively, in capital assets on account  
At December 31, 2016 and 2015, the Storm Water fund purchased \$29,790 and \$0, respectively, in capital assets on account

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

City of Gahanna, Ohio  
 Statement of Fiduciary Assets and Liabilities  
 December 31, 2016

	<u>Agency</u>
Assets	
Equity in Pooled Cash & Investments	\$ 1,288,571
Cash in Segregated Accounts	35,466
Accounts Receivable	496,655
Total Assets	<u>\$ 1,820,692</u>
Liabilities	
Accounts Payable	72
Contracts payable	154,294
Intergovernmental Payable	28,388
Deposits Held & Due to Others	1,637,938
Total Liabilities	<u>\$ 1,820,692</u>

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

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

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

**Reporting Entity**

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the organization’s budget, the issuance of its debt or the levying of its taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the City and the organization is such that exclusion by the City would render the City’s financial statements incomplete or misleading. Based upon these criteria, the City has no component units.

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

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

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

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

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

**A. Basis of Presentation**

The City's Basic Financial Statements consist of Government-wide Statements, including a Statement of Net Position, Statement of Activities and Fund Financial Statements which provide a more detailed level of financial information.

*Government-wide Financial Statements*

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

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

*Fund Financial Statements*

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

**B. Fund Accounting**

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

*Governmental Funds*

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

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

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

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

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

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

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

*Proprietary Funds*

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

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

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

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

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

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

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

*Fiduciary Funds*

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

**C. Measurement Focus**

*Government-wide Financial Statements*

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

*Fund Financial Statements*

All Governmental Funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the Governmental Activities of the Government-wide Financial Statements are prepared. The Governmental Fund Financial Statements therefore include reconciliations with brief explanations to better identify the relationship between the Government-wide Statements and the Statements for Governmental Funds.

Like the Government-wide Statements, all Enterprise Funds are accounted for using a flow of economic resources measurement focus. All assets, all deferred outflows of resources, all liabilities and all deferred inflows of resources associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in total Net Position. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its Enterprise Activities.

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide Financial Statements are prepared using the accrual basis of accounting; Enterprise and Agency Funds also use the accrual basis of accounting. Governmental Funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows and outflows of resources, and in the presentation of expenses versus expenditures.

*Revenues – Exchange and Non-exchange Transactions*

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

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

“Measurable” means the amount of the transaction can be determined and “available” means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within thirty-one days of year end.

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

*Deferred Inflows and Outflows of Resources*

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

A deferred inflow of resources represents an acquisition of net position that applies to future periods and will not be recognized as revenue until that time. Property taxes and revenue in lieu of taxes for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance year 2017 operations have been recorded as a deferred inflow of resources on the Governmental-wide Statement of Net Position and Governmental Funds Balance Sheet. In addition, the Governmental Funds Balance Sheet also includes receivables not collected within the available period as deferred inflows of resources, such as, income taxes, delinquent property taxes, grants and entitlements and other accounts receivable.

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

*Expenses/Expenditures*

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of Governmental Fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in Governmental Funds.

**E. Budgets and Budgetary Accounting**

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

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

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

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

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

**F. Equity in Pooled Cash and Investments**

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

During the year, investments consisted of government and government sponsored entity bonds such as Federal Farm Credit Bank (FFCB) bonds, Federal Home Loan Bank (FHLB) bonds, Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Credit (FHLMC) bonds, US Treasury Obligations and local government securities. The City also invested in U.S. government money market mutual funds, negotiable certificates of deposit and STAR Ohio. Investments are reported at fair value.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Note 4 provides information on the City's recurring fair value measurements as of December 31, 2016. Mutual funds are reported at fair value which is determined by the mutual fund's current shares price.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Government Accounting Standards Board (GASB), Statement No.79, "Certain External Investment Pools and Pool Participants". The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides NAV per share that approximates fair value.

For 2016, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to



Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

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

\$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Investment income is distributed to the funds according to Ohio constitutional and statutory requirements. Investment income credited to the general fund during 2016 amounted to \$369,940 of which 57% or \$210,866 is assigned from other funds.

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

**G. Materials and Supplies Inventory**

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

**H. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2016, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed. At year end, because payments are not available to finance future Governmental Fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the Fund Financial Statements.

**I. Capital Assets**

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

Capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and reductions during the year. Donated capital assets are recorded at acquisition values on the date donated. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. The City maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

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

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

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

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

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

**J. Compensated Absences**

Vacation benefits and compensatory time are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time and compensatory time when earned for all employees after six months of service. Compensatory time is accumulated by employees at the applicable overtime rate for each hour of overtime worked. City employees may carry over vacation and compensatory time in accordance with employment contracts or ordinances.

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

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

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

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

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

**L. Unamortized Bond Premiums**

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

**M. Deferred Charge on Refunding**

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

**N. Fund Balance**

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

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

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

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

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

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

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

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

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

Under the Emergency Reserve policy, the General Fund is required to maintain a fund balance emergency reserve of 25% of planned General Fund operating expenditures and shall be communicated to City Council during the appropriations process. Formal action of City Council is required to use the reserve. As of December 31, 2016, the amount of the reserve was \$6,666,565. This amount is included in the committed fund balance of the General Fund.

**P. Internal Activity**

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

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

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

On Fund Financial Statements, outstanding interfund loans are reported as “Interfund Loans Receivable” and “Interfund Loans Payable.” Unpaid amounts for interfund services are reported as “Due to Other Funds” and “Due from Other Funds”. Interfund balances are eliminated on the Government-wide Statement of Net Position except for any net residual amounts due between Governmental and Business-type Activities, which are presented as “Internal Balances.” The City had no interfund loans at December 31, 2016.

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

**R. Net Position**

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

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The Government-wide Statement of Net Position reports \$14,039,314 of restricted net position, none of which is restricted by enabling legislation.

**S. Operating Revenues and Expenses**

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

**T. Contributions of Capital**

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

**U. Estimates**

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

**NOTE 3 – BUDGETARY BASIS OF ACCOUNTING**

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

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

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

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

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

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

**Net Change in Fund Balance**

	General	Tax Increment Equivalent
Budget basis	\$ (1,966,940)	\$ (546,681)
Net adjustment for revenue accruals	(410,675)	-
Net adjustment for expenditure accruals	(174,286)	-
Funds budgeted elsewhere	(131,025)	-
Adjustment for Encumbrances	3,595,572	-
GAAP basis	<u>\$ 912,646</u>	<u>\$ (546,681)</u>

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

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

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

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

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

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

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

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

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

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

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

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

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

*Cash with Fiscal Agent:* At year end, the City had \$332,219 on deposit with the Franklin County Treasurer. The data regarding insurance and collateralization can be obtained from the Franklin County Comprehensive Annual Financial Report for the year ended December 31, 2016. This amount is not included in the City's depository balance below.

*Cash in Segregated Accounts:* At year end, the City had \$35,466 deposited with a financial institution for monies related to the Mayor's Court Agency Fund. This amount is included in the City's depository balance below.

**Deposits with Financial Institutions**

At December 31, 2016, the carrying amount of all City deposits was \$959,413, which excludes \$3,275 of petty cash on hand. The bank balance of all City deposits was \$1,276,153 of which \$282,912 was covered by FDIC insurance and \$993,241 was uninsured. Of the remaining uninsured bank balance, all was collateralized with securities held by the pledging institution's trust department, not in the City's name.

**Investments**

As of December 31, 2016, the City had the following investments and maturities:

Investment type	Fair Value	Investment Maturities			
		1 Year or Less	1 to 2 Years	2 to 3 Years	Greater Than 3 Years
Government & Government Sponsored Entity Bonds					
FFCB	\$ 9,439,672	\$ 2,248,852	\$ 3,488,145	\$ 1,492,455	\$ 2,210,220
FHLB	3,489,435	999,510	1,496,365	-	993,560
FHLMC	19,596,365	1,997,660	9,455,180	4,457,137	3,686,388
FNMA	15,502,421	998,540	-	11,660,525	2,843,356
US Treasury Notes	2,247,082	1,750,227	496,855	-	-
Uhrichsville, OH BANS	500,065	500,065	-	-	-
Other Investments					
Negotiable CD's	1,343,816	1,096,989	246,827	-	-
U.S. Government Money Market	429,750	429,750	-	-	-
STAR Ohio	4,988,360	4,988,360	-	-	-
Total	<u>\$ 57,536,966</u>	<u>\$ 15,009,953</u>	<u>\$ 15,183,372</u>	<u>\$ 17,610,117</u>	<u>\$ 9,733,524</u>

The weighted average length to maturity of the investments is 2 years.



Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

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

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

*Credit Risk:* The City’s investments in government and government sponsored entity bonds carry a rating of Aaa by Moody’s and AA+ by Standard and Poors. The Uhrichsville BANs are rated SP-1+ by Standard and Poors which is the highest rating for short-term notes. STAROhio and the U.S. government money market mutual funds carry a rating of AAAM by Standard and Poor’s. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

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

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

The following table includes the fair value hierarchy and percentage of each investment type held by the City at December 31, 2016:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>	<u>Fair Value Hierarchy *</u>
Government & Government Sponsored Entity Bonds			
FFCB	\$ 9,439,672	16.41%	Level 2
FHLB	3,489,435	6.06%	Level 2
FHLMC	19,596,365	34.06%	Level 2
FNMA	15,502,421	26.94%	Level 2
US Treasury Notes	2,247,082	3.91%	Level 1
Uhrichsville OH BANS	500,065	0.87%	Level 2
Total Government Securities & Obligations	<u>50,775,040</u>	<u>88.25%</u>	
Other Investments			
Negotiable CD's	1,343,816	2.33%	Level 2
U.S. Government money market	429,750	0.75%	N/A
STAR Ohio	4,988,360	8.67%	N/A
Total	<u>\$ 57,536,966</u>	<u>100%</u>	

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

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

\* - Level 1 fair value inputs consist of institutional bond quotes and evaluations based on various market and industry inputs.

\* - Level 2 fair value inputs consist of market prices, mortgage backed securities pricing, institutional bond quotes and evaluations based on various market and industry inputs.

**NOTE 5 – MUNICIPAL INCOME TAX**

The City levies and collects an income tax of one and one-half percent on all income earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of eighty-three and one-third percent of the tax paid to another municipality. The credit is applied to the lesser of the amount levied by the other municipality or the amount levied by the City. In no instance shall the credit exceed the amount levied by the City. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City monthly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. All proceeds go to the General Fund. The City has entered into an agreement with the Regional Income Tax Agency (RITA) for income tax administration (see Note 18)

**NOTE 6 – PROPERTY TAX**

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2016 public utility property taxes became a lien December 31, 2015, are levied after October 1, 2016, and are collected in 2017 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Gahanna. The County Treasurer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2016 and for which there is an enforceable legal claim. In the Governmental Funds and Governmental Activities, the current portion receivable has been offset by a deferred inflow of resources since current taxes were not levied to finance 2016 operations. The collection of delinquent taxes has been recorded as a receivable and revenue on the accrual basis and a deferred inflow of resources on the modified basis.

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

**NOTE 6 – PROPERTY TAX** (continued)

The full tax rate for all City operations for the year ended December 31, 2016 was \$2.40 per \$1,000 of assessed value. The assessed values of real and public utility upon which 2016 property tax receipts were based are as follows:

<u>Real property</u>		
Residential/agricultural		\$ 717,023,450
Commercial/industrial		193,455,210
<u>Public utility</u>		
Real		86,650
Personal		17,362,270
Total assessed value		<u>\$ 927,927,580</u>

**NOTE 7 – RECEIVABLES**

Receivables at December 31, 2016, are considered fully collectible and will be received within one year with the exception of property taxes and income taxes. Property and income taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. Water, sewer, and storm water charges receivable which, if delinquent, may be certified and collected as a special assessment, are subject to foreclosure for nonpayment.

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

**NOTE 8 – CAPITAL ASSETS**

Capital assets activity for the year ended December 31, 2016 was as follows:

	Balance 12/31/2015	Additions	Deletions	Balance 12/31/2016
<u>Governmental Activities</u>				
Non-depreciable Capital Assets				
Land & Land Improvements	\$ 26,975,316	\$ 178,700	\$ -	\$ 27,154,016
Right of Way Easements	6,295,511	-	-	6,295,511
Infrastructure	69,823,454	796,000	-	70,619,454
Construction in Progress	2,554,921	1,773,457	(1,188,021)	3,140,357
Total Non-depreciable Capital Assets	<u>105,649,202</u>	<u>2,748,157</u>	<u>(1,188,021)</u>	<u>107,209,338</u>
Depreciable Capital Assets				
Buildings	24,647,531	-	-	24,647,531
Improvements Other Than Buildings	16,882,604	90,711	-	16,973,315
Machinery & Equipment	4,482,404	567,442	(75,315)	4,974,531
Vehicles	3,487,198	254,019	(443,358)	3,297,859
Infrastructure	12,865,047	268,737	-	13,133,784
Total Depreciable Capital Assets	<u>62,364,784</u>	<u>1,180,909</u>	<u>(518,673)</u>	<u>63,027,020</u>
Less: Accumulated Depreciation				
Buildings	(5,739,164)	(495,710)	-	(6,234,874)
Improvements Other Than Buildings	(8,138,285)	(779,309)	-	(8,917,594)
Machinery & Equipment	(2,672,977)	(357,342)	75,270	(2,955,049)
Vehicles	(1,949,904)	(311,284)	370,332	(1,890,856)
Infrastructure	(9,716,518)	(326,009)	-	(10,042,527)
Total Accumulated Depreciation	<u>(28,216,848)</u>	<u>(2,269,654)</u>	<u>445,602</u>	<u>(30,040,900)</u>
Governmental Activities Capital Assets, Net	<u>\$ 139,797,138</u>	<u>\$ 1,659,412</u>	<u>\$ (1,261,092)</u>	<u>\$ 140,195,458</u>

Depreciation expense was charged to governmental programs as follows:

General Government	\$ 647,391
Security of Persons & Property	272,157
Community Environment	598,054
Leisure Time Activities	649,047
Transportation	103,005
Total Depreciation Expense	<u>\$ 2,269,654</u>

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

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

	12/31/2015	Additions	Deletions	Balance 12/31/2016
<b>Business-type Activities</b>				
Non-depreciable Capital Assets				
Land & Land Improvements	\$ 718,405	\$ 30,619	\$ -	\$ 749,024
Right of Ways	12,665	-	-	12,665
Construction in Progress	16,850	213,736	-	230,586
Total Non-depreciable Capital Assets	<u>747,920</u>	<u>244,355</u>	<u>-</u>	<u>992,275</u>
Depreciable Capital Assets				
Buildings	4,011,472	-	-	4,011,472
Machinery & Equipment	342,669	174,421	-	517,090
Vehicles	743,779	-	-	743,779
Infrastructure				
Storm Sewer Lines	22,314,688	276,987	-	22,591,675
Water Lines & Other	37,401,945	20,600	-	37,422,545
Sewer Lines & Other	22,614,905	-	-	22,614,905
Total Depreciable Capital Assets	<u>87,429,458</u>	<u>472,008</u>	<u>-</u>	<u>87,901,466</u>
Less: Accumulated Depreciation				
Buildings	(811,824)	(39,645)	-	(851,469)
Machinery & Equipment	(158,416)	(25,811)	-	(184,227)
Vehicles	(690,485)	-	1,403	(689,082)
Infrastructure				
Storm Sewer Lines	(8,535,217)	(344,377)	-	(8,879,594)
Water Lines & Other	(15,479,950)	(575,379)	-	(16,055,329)
Sewer Lines & Other	(11,299,982)	(345,586)	-	(11,645,568)
Total Accumulated Depreciation	<u>(36,975,874)</u>	<u>(1,330,798)</u>	<u>1,403</u>	<u>(38,305,269)</u>
Business-type Activities Capital Assets, Net	<u>\$ 51,201,504</u>	<u>\$ (614,435)</u>	<u>\$ 1,403</u>	<u>\$ 50,588,472</u>

Depreciation expense was charged to the enterprise funds as follows:

Water	\$ 632,803
Sewer	358,982
Storm Water	336,472
OEPA Federal Grant	1,138
Total Depreciation Expense	<u>\$ 1,329,395</u>

**NOTE 9 – DEFINED BENEFIT PENSION PLANS**

**A. Net Pension Liability**

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

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting. Pension obligations are paid from the same fund as the employees' gross pay.

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

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

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

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

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

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

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

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

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

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

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
<b>2016 Statutory Maximum Contribution Rates</b>			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
<b>2016 Actual Contribution Rates</b>			
Employer:			
Pension	12.0 %	16.1 %	16.1 %
Post-employment Health Care Benefits	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

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

The City does not have any members in the Public Safety and Law Enforcement plans. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$896,890 for 2016.

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

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

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

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



Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

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

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

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

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

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

	<u>Police</u>	<u>Firefighters</u>
<b>2016 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
<b>2016 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	<u>12.25 %</u>	<u>12.25 %</u>

The City does not have any members in the Firefighter plan. Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OP&F was \$945,052 for 2016.

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

The net pension liability for OPERS was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F’s total pension liability was measured as of December 31, 2015, and was determined by rolling forward the total pension liability as of January 1, 2015, to December 31, 2015. The City’s proportion of the net pension liability was based on the City’s share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$8,660,630	\$15,060,397	\$23,721,027
Proportion of the Net Pension Liability	0.050000%	0.2341090%	
Pension Expense	\$1,258,783	\$1,994,624	\$3,253,407

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$2,538,605	\$2,392,564	\$4,931,169
Change in City's Proportionate Share of the Net Pension Liability	90,784	1,939,386	2,030,170
City contributions subsequent to the measurement date	896,890	945,052	1,841,942
Total Deferred Outflows of Resources	<u>\$3,526,279</u>	<u>\$5,277,002</u>	<u>\$8,803,281</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	<u>\$165,010</u>	<u>\$42,289</u>	<u>\$207,299</u>

related to pensions from the following sources:

\$1,841,942 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year Ending December 31:			
2016	\$598,654	\$1,011,012	\$1,609,666
2017	639,359	1,011,012	1,650,371
2018	655,026	1,011,012	1,666,038
2019	576,089	880,337	1,456,426
2020	-	365,529	365,529
2021	-	6,010	6,010
Total	<u>\$2,469,128</u>	<u>\$4,284,912</u>	<u>\$6,754,040</u>

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

**E. ACTUARIAL ASSUMPTIONS - OPERS**

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

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

The total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75%
Future Salary Increases, including inflation	4.25% to 10.05% including wage inflation
COLA or Ad Hoc COLA	3%, simple through 2018 then 2.8%, simple
Investment Rate of Return	8%
Actuarial Cost Method	Individual Entry Age

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

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

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is .4% for 2015.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	20.70	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	18.30	7.40
Other investments	18.00	4.59
Total	100.00 %	5.27 %

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

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City’s proportionate share of the net pension liability	\$13,798,500	\$8,660,630	\$4,327,000

**Changes between Measurement Date and Report Date** In October 2016, the OPERS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of December 31, 2016. The most significant change is a reduction in the discount rate from 8% to 7.5%. Although the exact amount of these changes is not known, the impact to the City’s net pension liability is expected to be significant.

**F. Actuarial Assumptions – OP&F**

OP&F’s total pension liability as of December 31, 2015 is based on the results of an actuarial valuation date of January 1, 2015, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2015, are presented below:

Valuation Date	January 1, 2015
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25%
Projected Salary Increases	3.75%
Inflation Assumptions	3.25%
Cost of Living Adjustments	2.60% to 3.00%, simple

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

The most recent experience study was completed for the five year period ended December 31, 2011.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F’s target asset allocation as of December 31, 2015 are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return **	30 Year Expected Real Rate of Return **
Domestic Equity	16.00	6.50	7.80
Non-US Equity	16.00	6.70	8.00
Core Fixed Income *	20.00	3.50	5.35
Global Inflation Protected *	20.00	3.50	4.73
High Yield	15.00	6.35	7.21
Real Estate	12.00	5.80	7.43
Private Markets	8.00	9.50	10.73
Timber	5.00	6.55	7.35
Master Limited Partnerships	8.00	9.65	10.75
Total	120.00 %		

\* levered 2x

\*\* Numbers are net of expected inflation

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

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

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

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

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City’s proportionate share of the net pension liability	\$19,862,645	\$15,060,397	\$10,992,419

**NOTE 10 - POSTRETIREMENT BENEFIT PLANS**

**A. Ohio Public Employees Retirement System**

Plan Description – March of 2016, OPERS received two favorable rulings from the Internal Revenue Service allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition was completed July 1, 2016. As of December 31, 2016, OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants in the Member-Directed Plan. At retirement or refund, participants can be reimbursed for qualified medical expenses from their vested RMA balance.

To qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have twenty years or more of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. The healthcare coverage provided by OPERS meets the definition of an Other Post Employment Benefit as described in GASB Statement 45. Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting [www.opers.org/financial/reports.shtml](http://www.opers.org/financial/reports.shtml), writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans. Employer contribution rates are expressed as a percentage

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

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

of the covered payroll of active employees. In 2016, local government employers contributed 14.00% of covered payroll (18.10% for public safety and law enforcement). These are the maximum employer contribution rates permitted by Ohio Revised Code. Active members do not make contributions to the post-employment healthcare plan.

Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the health care plans. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional and Combined Plans for 2016 was 2.00%. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the RMA for participants in the Member Directed Plan for 2016 was 4%.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2016, 2015, and 2014 were \$148,609, \$140,495, and \$123,273, respectively; which represent 100% of the required obligations for 2016, 2015 and 2014.

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

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

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit or is a spouse or eligible dependent of such person. The healthcare coverage provided by OP&F meets the definition of an Other Post Employment Benefit as described in GASB Statement 45.

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

OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164 or visiting the OP&F website at [www.op-f.org](http://www.op-f.org).

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2016, .5% of the employer contributions were allocated to health care. The

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

amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers for December 31, 2016, 2015 and 2014 were \$24,870, \$24,593, and \$23,605, respectively; which represent 100% of the required obligations for 2016, 2015 and 2014.

**NOTE 11 – EMPLOYEE BENEFITS**

**A. Compensated Absences**

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

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

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

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

**B. Deferred Compensation Plan**

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



Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

**NOTE 11 – EMPLOYEE BENEFITS** (continued)

**C. Health Care Benefits**

The City provides health care benefits through the Central Ohio Health Care Consortium (the “Pool”), a risk-sharing pool that provides basic hospital, surgical and prescription drug coverage. See Note 18 for further information. Dental, vision, and life insurance coverage is provided by Delta Dental, Vision Service Plan, and Cigna Insurance Company, respectively. For those employees covered under the labor contract with United Steel, Paper, Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International (USW), the City provides health care, dental, and vision insurance coverage through the Steelworker Health and Welfare Plan. Life insurance for employees covered under the labor contract with USW is provided by the Cigna Insurance Company.

**NOTE 12 – RISK MANAGEMENT**

**A. Property and Liability**

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

**B. Workers’ Compensation**

During 2011, the City was approved for self-insured status by the Ohio Bureau of Workers’ Compensation and administers its own worker’s compensation program. The City has established an employee benefits self-insurance internal service fund to account for assets set aside for claim settlements and related liabilities associated with the program. Liabilities of the fund are reported when an employee injury has occurred, it is probably that a claim will be filed under the program and the amount of the claim can be reasonably estimated. For 2015 and 2016 there were no transactions that met this criteria as a result the beginning and ending liability amount for both years is \$0. The City utilizes the services of a third party administrator to review, process, and pay employee claims.

**NOTE 13 – INTERFUND TRANSFERS**

Transfers made during the year ended December 31, 2016, were as follows:

		Transfers To						
		General	Capital Improvement	Nonmajor Governmental	Water	Sewer	Storm Water	Total
Transfers From	General	\$ -	\$ 2,777,162	\$ 1,462,668	\$ 34,187	\$ 34,188	\$ 20,000	\$ 4,328,205
	Tax Increment Equivalent	600,000	-	554,000	354,500	51,600	-	1,560,100
	Nonmajor Governmental	-	-	542,525	-	-	-	542,525
	Water	-	-	5	-	2,400,000	-	2,400,005
	Total	\$ 600,000	\$ 2,777,162	\$ 2,559,198	\$ 388,687	\$ 2,485,788	\$ 20,000	\$ 8,830,835

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

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

**NOTE 14 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS**

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

Bonded debt and other long-term obligations payable activity for fiscal year 2016 follows:

Types / Issues	Balance 12/31/2015	Issued	Retired	Balance 12/31/2016	Due Within One Year
<u>Governmental activities:</u>					
<u>General obligation bonds</u>					
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	1,237,016	-	(389,058)	847,958	412,340
Premium on Bonds Issued	103,546	-	(30,930)	72,616	-
2013 - Refunding Bonds					
Serial Bonds 2% to 3%	3,961,050	-	(72,750)	3,888,300	77,600
Term Bonds 3.5% to 4%	4,499,600	-	-	4,499,600	-
Premium on Bonds Issued	662,300	-	(44,153)	618,147	-
2015 - Refunding Bonds					
Serial Bonds 2% to 3%	5,435,450	-	(527,500)	4,907,950	542,050
Term Bonds 3.5% to 4%	642,950	-	-	642,950	-
Premium on Bonds Issued	526,249	-	(43,854)	482,395	-
2015 - Street Improvement Bonds					
Serial Bonds 2% to 3%	2,375,000	-	(185,000)	2,190,000	190,000
Term Bonds 3.5% to 4%	2,720,000	-	-	2,720,000	-
Premium on Bonds Issued	219,193	-	(10,960)	208,233	-
Total general obligations bonds	<u>22,382,354</u>	<u>-</u>	<u>(1,304,205)</u>	<u>21,078,149</u>	<u>1,221,990</u>
<u>Other long-term obligations</u>					
2006 - OPWC Loan 0% (CC13G)	143,569	-	(95,714)	47,855	47,855
2009 - OPWC Loan 0% (CC02L)	777,240	-	(51,816)	725,424	51,816
2011 - OPWC Loan 0% (CC16M)	588,100	-	(36,756)	551,344	36,756
Lease Purchase Agreement	208,570	-	(104,286)	104,284	104,284
Compensated absences payable	2,102,128	1,248,568	(1,217,990)	2,132,706	966,210
Net Pension Liability:					
OPERS	5,131,161	2,403,587	-	7,534,748	-
OP&F	10,113,708	4,946,689	-	15,060,397	-
Total Net Pension Liability	<u>15,244,869</u>	<u>7,350,276</u>	<u>-</u>	<u>22,595,145</u>	<u>-</u>
Total other long-term obligations	<u>19,064,476</u>	<u>8,598,844</u>	<u>(1,506,562)</u>	<u>26,156,758</u>	<u>1,206,921</u>
Total governmental activities	<u>\$ 41,446,830</u>	<u>\$ 8,598,844</u>	<u>\$ (2,810,767)</u>	<u>\$ 47,234,907</u>	<u>\$ 2,428,911</u>

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

**NOTE 14 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS** (continued)

Types / Issues	Balance 12/31/2015	Issued	Retired	Balance 12/31/2016	Due Within One Year
<u>Business-type activities:</u>					
<u>General obligation bonds</u>					
Water fund					
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	\$ 48,991	\$ -	\$ (15,471)	\$ 33,520	\$ 16,330
Premium on Bonds Issued	3,788	-	(1,263)	2,525	-
2015 - Refunding Bonds					
Serial Bonds 2% to 4%	171,900	-	(900)	171,000	900
Term Bonds 3% to 3.5%	25,050	-	-	25,050	-
Premium on Bonds Issued	16,421	-	(1,368)	15,053	-
Sewer fund					
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	48,991	-	(15,471)	33,520	16,330
Premium on Bonds Issued	3,787	-	(1,263)	2,524	-
2015 - Refunding Bonds					
Serial Bonds 2% to 4%	171,900	-	(900)	171,000	900
Term Bonds 3% to 3.5%	25,050	-	-	25,050	-
Premium on Bonds Issued	16,421	-	(1,368)	15,053	-
Storm water fund					
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	280,000	-	(90,000)	190,000	95,000
Premium on Bonds Issued	21,760	-	(7,254)	14,506	-
2013 - Refunding Bonds					
Serial Bonds 2% to 3%	103,950	-	(2,250)	101,700	2,400
Term Bonds 3.5% to 4%	65,400	-	-	65,400	-
Premium on Bonds Issued	12,885	-	(859)	12,026	-
2015 - Refunding Bonds					
Serial Bonds 2% to 4%	1,005,750	-	(20,700)	985,050	21,150
Term Bonds 3% to 3.5%	141,950	-	-	141,950	-
Premium on Bonds Issued	98,526	-	(8,209)	90,317	-
Total General Obligations Bonds	<u>2,262,520</u>	<u>-</u>	<u>(167,276)</u>	<u>2,095,244</u>	<u>153,010</u>
<u>Other long-term obligations</u>					
Compensated absences payable	74,883	81,396	(90,402)	65,877	65,877
Net Pension Liability:					
Water	294,895	138,137	-	433,032	-
Sewer	294,895	138,137	-	433,032	-
Storm Water	176,936	82,882	-	259,818	-
Total Net Pension Liability	<u>766,726</u>	<u>359,156</u>	<u>-</u>	<u>1,125,882</u>	<u>-</u>
Total other long-term obligations	<u>841,609</u>	<u>440,552</u>	<u>(90,402)</u>	<u>1,191,759</u>	<u>65,877</u>
Total business-type activities	<u>\$ 3,104,129</u>	<u>\$ 440,552</u>	<u>\$ (257,678)</u>	<u>\$ 3,287,003</u>	<u>\$ 218,887</u>

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

**NOTE 14 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS** (continued)

The City’s overall voted legal debt margin (the ability to issue additional amounts of general obligation debt) was \$97,432,396, with an unvoted debt margin of \$51,036,017 at December 31, 2016.

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

Year Ending December 31,	Government-Type Activities					
	Serial Bonds		Term Bonds		OPWC Loan	Lease Purchase
	Principal	Interest	Principal	Interest	Principal	Principal
2017	1,221,988	655,887	-	-	136,429	104,284
2018	1,269,670	622,022	-	-	88,572	-
2019	1,298,050	586,852	-	-	88,572	-
2020	1,339,000	547,443	-	-	88,572	-
2021	1,385,650	506,784	-	-	88,572	-
2022-2026	4,719,850	1,232,463	2,669,600	590,549	398,575	-
2027-2031	600,000	61,925	3,887,950	531,351	416,953	-
2032-2035	-	-	1,305,000	115,012	18,378	-
Totals	\$ 11,834,208	\$ 4,213,376	\$ 7,862,550	\$ 1,236,912	\$ 1,324,623	\$ 104,284

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

Year Ending December 31,	Business-Type Activities					
	Water General Obligation Bonds		Sewer General Obligation Bonds		Stormwater General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	17,230	8,756	17,230	8,756	118,550	57,801
2018	18,090	8,049	18,090	8,049	119,150	53,429
2019	18,600	7,311	18,600	7,311	124,750	48,864
2020	19,050	6,567	19,050	6,567	127,900	44,261
2021	20,100	5,805	20,100	5,805	134,150	39,544
2022-2026	111,450	17,241	111,450	17,241	717,650	118,894
2027-2030	25,050	752	25,050	752	141,950	4,259
Totals	\$ 229,570	\$ 54,481	\$ 229,570	\$ 54,481	\$ 1,484,100	\$ 367,052

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

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

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

**NOTE 14 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS** (continued)

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

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

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

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

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

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

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

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

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

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

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

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

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

**NOTE 14 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS** *(continued)*

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

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

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

**B. General Obligation Bonds**

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

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

During 2015, the City issued \$7,620,000 of various purpose refunding bonds to advance refund the remaining 2005 bonds and a portion of the bonds issued during 2007. The 2005 and 2007 refunding resulted in a difference between the reacquisition price and the net carrying amount of the old bonds of \$22,146 and \$672,149 respectively. This is reported as a deferred outflow on the Entity-wide and Proprietary Statement of Net Position and is being amortized as interest and fiscal charges on a straight line basis through 2027. The bond proceeds were deposited in an irrevocable trust with an escrow agent and invested in obligations guaranteed as to both principal and interest by the United States Government. The principal and interest earned by the trust will be used to pay the principal and interest of the refunded bonds. The City completed the advance refunding to reduce debt service payments by \$41,911 and \$540,821 over the life of the bonds and to obtain an economic gain of \$40,701 and \$460,539 for the 2005 and 2007 bonds respectively.

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

**NOTE 14 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS** *(continued)*

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

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

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

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

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

**D. Lease Purchase Agreement**

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

**E. Conduit Debt**

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

**NOTE 15 – OPERATING LEASE**

During 2015, the City entered into an operating lease for 30 golf carts. The City has the option to purchase the golf carts for \$1 after all lease obligations have been paid. The City paid \$29,864 in rental payments during 2016. Future minimum lease payments are as follows:

Fiscal Year Ending December 31,	Operating Lease Obligation
2017	29,864
2018	29,864
2019	29,863
Total Minimum Lease Payments	89,591
Less: Amount Representing Interest	(6,014)
Present Value of Minimum Lease Payments	<u>\$ 83,577</u>

**NOTE 16 – SHARED RISK POOL**

On January 1, 1992, the City joined the Central Ohio Health Care Consortium (the "Pool"), a risk-sharing pool, which provides employee health care benefits for all full-time employees who wish to participate in the Pool. The Pool, which commenced business on January 1, 1992, has ten members consisting of various cities, villages and townships who pool risk for basic hospital, surgical and prescription drug coverage. The members originally entered into an irrevocable agreement to remain members of the Pool for a minimum of three years. This agreement was renewed for an additional three years on January 1, 2016. The Pool is governed by a Board of Directors consisting of one director appointed by each member.

The Board elects a Chairman, a Vice Chairman, a Treasurer and a Secretary. The Board is responsible for its own financial matters and the Pool maintains its own books of account. Budgeting and financing of the Pool is subject to the approval of the Board. The City has no explicit and measurable equity interest in the Pool. The City has no ongoing financial responsibility other than the three year minimum membership. The City pays monthly contributions to the Pool, which are used to cover claims and administrative costs, purchase excess loss insurance for the Pool and establish adequate reserves.

Each member's contribution rate is established based on the number of employees and officers enrolled in the plan and the prior loss experience of the respective member group. In total, the members' contributions represent an amount in excess of the projected pool costs to allow for adequate funding to establish and maintain an excess reserve for future operational needs. The Pool also entered into an agreement with an independent plan supervisor to oversee the day to day operations of the Pool, such as administration and approval of submitted claims, the payment of operating expenses incurred by the Pool and the preparation of a monthly activity report which is presented to the Board. The funds held by the Pool are maintained in a bank trust account established for the sole purpose and benefit of the Pool operations. Financial information for the Pool can be obtained from Debra Miller, Treasurer of the Central Ohio Health Care Consortium, 47 Hall Street, Powell, Ohio 43065. The City's payment to the Pool for insurance coverage was \$2,275,448 during 2016.

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

**NOTE 17 – UNDIVIDED INTEREST**

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



**NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS**

In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) under the authority of Chapter 167 of the Ohio Revised Code to administer tax collection and enforcement concerns facing Cities and Villages. The purpose of the RCOG is to foster cooperation between the municipalities through sharing facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal corporations who are members of the RCOG and for the purpose of collecting income taxes on behalf of each member municipality, doing all things allowed by law to accomplish such purpose. The first official act of the RCOG was to form the Regional Income Tax Agency (RITA). Today RITA serves as the income tax collection agency for 279 municipalities throughout the State of Ohio. During 2016, the City paid \$342,767, in income tax collection fees to RITA.

**NOTE 19 – CONTINGENT LIABILITIES**

**A. Litigation**

July 3, 2012 the City became party to a class action lawsuit concerning the application of the reduced credit on individual income tax forms for residents of the City who work in a different municipality with a higher income tax rate. In most Ohio municipalities, income taxes are levied on the income of residents as well as non-residents who work or provide services within the municipality. The collection of income taxes, for the most part, is performed through the residents' employer as a local income tax withholding based on the tax levied by the municipality where they are employed. Although taxes may be levied on an individual by multiple municipalities, they are only required to file an individual income tax form with the municipality they reside in. Some municipalities provide 100% credit for paying income taxes where a resident works and some municipalities provide a reduced credit. Gahanna provides a reduced credit under City Code Section 161.081 previously City Code Section 161.18(a).

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

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

The City has consistently applied the credit to the lesser of the workplace tax paid or the residency tax liability since the establishment of the reduced credit and does not believe the City's individual income tax form misapplies the credit. Therefore the City has not over collected income taxes due from residents.

September 11, 2014 a summary judgement was made in the Franklin County Court of Common Pleas in favor of the plaintiffs concluding that the plaintiffs' interpretation of City Code Section 161.18(a) is correct and the individual income tax form should be amended to reflect the court's ruling or should stop being used. The Court also approved the case to proceed as a class action lawsuit. November 7, 2015 an appeal was filed by the City regarding the Court's summary judgement.

During 2015, the appeals court upheld the trial court's decision and determined the class claims begin July of 2009. RITA and the City appealed to the Ohio Supreme Court, who decided not to hear the case and

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

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

sent it back to the Court of Common Pleas. March 2016, the Common Pleas Court included tax year 2014 as part of the class. May 13, 2016, RITA and the City were awaiting a trial court decision regarding RC 9.39. January of 2017, the trial court decided after oral argument that the City and Ms. Teal did not violate RC 9.39 and the claim was dismissed. The likelihood of an unfavorable outcome for the City cannot be determined at this time. A hearing to determine the refund amount will commence on September 18, 2017. The City plans to appeal the trial court’s decision on the liability and including tax year 2014. The range of loss is currently between \$11,721,333 and \$15,770,282 which does not include any additional shifts in costs that may be incurred for class action administrative fees or attorney fees. Because the City plans on additional appeals and actual refunds/damages have not been established by the Court the likelihood of an unfavorable outcome and the potential loss to the City cannot yet be determined.

**B. Federal And State Grants**

For the period January 1, 2016 to December 31, 2016, the City received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

**NOTE 20 – OTHER COMMITMENTS**

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

<u>Fund</u>	<u>Year-End</u> <u>Encumbrances</u>
General Fund	\$ 3,148,721
Capital Improvement	3,536,683
Other Governmental	<u>2,978,624</u>
Total	<u>\$ 9,664,028</u>

Notes to the Basic Financial Statements  
For the Fiscal Year Ended December 31, 2016

**NOTE 21 – FUND BALANCE**

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

Fund balance	General	Tax Increment Equivalent	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable</b>					
Materials & Supplies Inventory	\$ 225,708	\$ -	\$ -	\$ -	\$ 225,708
Prepays	63,653	-	-	2,707	66,360
Unclaimed Monies	30,880	-	-	-	30,880
<b>Total Nonspendable</b>	<b>320,241</b>	<b>-</b>	<b>-</b>	<b>2,707</b>	<b>322,948</b>
<b>Restricted</b>					
Debt Service	-	-	-	1,354,906	1,354,906
Capital Improvements	-	-	2,813,839	1,130,401	3,944,240
Hamilton Road Widening	-	-	1,729,650	-	1,729,650
General Government	-	-	-	700,944	700,944
Police Pension	-	-	-	943,753	943,753
Security of Persons & Property	-	-	-	452,202	452,202
Tax Increment Financing Districts	-	958,278	-	-	958,278
Transportation	-	-	450,999	1,077,545	1,528,544
Detroit Street Rebuilds	-	-	-	1,645,204	1,645,204
<b>Total Restricted</b>	<b>-</b>	<b>958,278</b>	<b>4,994,488</b>	<b>7,304,955</b>	<b>13,257,721</b>
<b>Committed</b>					
Capital Improvements	-	-	-	589,116	589,116
Emergency Reserve	6,666,565	-	-	-	6,666,565
Leisure Time Activities	-	-	-	10,796	10,796
Transportation	-	-	-	42,027	42,027
<b>Total Committed</b>	<b>6,666,565</b>	<b>-</b>	<b>-</b>	<b>641,939</b>	<b>7,308,504</b>
<b>Assigned</b>					
Capital Improvements	1,671,828	-	-	246	-
Subsequent Year Appropriations	1,702,989	-	-	-	1,702,989
General Government	608,544	-	-	-	608,544
Security of Persons & Property	61,187	-	-	-	61,187
Community Environment	687,624	-	-	-	687,624
Leisure Time Activities	112,631	-	-	-	112,631
Transportation	6,907	-	-	-	6,907
<b>Total Assigned</b>	<b>4,851,710</b>	<b>-</b>	<b>-</b>	<b>246</b>	<b>3,179,882</b>
Unassigned	13,988,069	-	-	-	13,988,069
<b>Total Fund Balances</b>	<b>\$ 25,826,585</b>	<b>\$ 958,278</b>	<b>\$ 4,994,488</b>	<b>\$ 7,949,847</b>	<b>\$ 38,057,124</b>

**NOTE 22 – TAX ABATEMENTS**

The City has passed multiple resolutions and/or ordinances designating and amending five areas as Community Reinvestment Areas (CRA) under Ohio Revised Code (ORC) Sections 3735.65 to 3735.70. The ORC allows the City to exempt property owners from real property taxes on improvements made to existing structures and construction of new structures within the boundaries of the CRAs. These areas must be designated, through a statement of finding within the City's resolution, as one in which housing facilities or structures of historical significance are located and new housing construction and repair of existing facilities or structures are discouraged.

Notes to the Basic Financial Statements  
 For the Fiscal Year Ended December 31, 2016

**NOTE 22 – TAX ABATEMENTS** *(continued)*

The purpose of the tax exemption is to encourage economic stability; maintain real property value; and generate new employment by improving existing structures or building new structures. In accordance with ORC, the City may provide up to 100% tax exemption for up to 10 years on improvements made to dwellings with not more than two units with a remodel cost of \$2,500 or more; up to 12 years for dwellings with more than two units or commercial/industrial properties with a remodel or expansion cost of \$5,000 or more; and up to 15 years for new construction of a dwelling or commercial/industrial property.

For Commercial/industrial properties the percent exempted and number of years is based on project investment, the number of jobs created/retained and annual income tax paid to the City. This information is entered into an incentive financial information model to estimate if the rate of return for each dollar of incentive provided is equal to or exceeds the incentive being provided. For residential properties the percent exempted and number of years is based on the type of dwelling, total cost of improvements and potential increase of property value assigned by the Franklin County auditor as a result of the improvement.

The commitment made by the property owners to receive the incentive includes paying for the costs of the improvement or new construction, remaining current on property tax payments and maintaining the property within the City’s property and zoning laws. Additional commitments, such as, job growth and/or retention, requirement to stay at the location for a predetermined amount of time and/or others are set forth in separate agreements with the property owners and only apply to commercial/industrial properties.

Annually the Tax Incentive Review Council (TIRC) meets to determine if properties under exemption are within their commitments. The TIRC will make recommendations to the Housing Officer and Council to revoke or reduce the exemption based on failure to comply. In accordance with ORC, the Housing Officer and Council have the right to revoke or reduce an exemption, after the first year of exemption, based on their own inspection of the property without recommendation from the TIRC.

The gross dollar amount by which the City’s tax revenues were reduced as a result of the creation of the Community Reinvestment Areas is as follows:

CRA #	Foregone Property Tax Revenue
1	\$ 560,150
2	14,826
3	-
4	44,616
5	137,247
Total	<u>\$ 756,839</u>

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

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

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

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

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

April 18, 2016 Council adopted the GoForward Gahanna Strategic Plan which established a rating policy for the City. By 2019, major arterial roads will have a PCR (Pavement Condition Rating) of 70 or better and by 2021, local roads will have a PCR of 65 or better. Each roadway in the City is assessed on an annual basis.

City of Gahanna, Ohio

Required Supplementary Information  
Condition Assessment of the City's Infrastructure

The following summarizes the physical condition assessment of City roads as of December 31, for 2016, 2015 and 2014:

Year	Paved Lane Miles Assessed	Average Pavement Condition Rating	Percent of Lane Miles Rated 75 or Better	Percent of Local Lane Miles Rated 65 or Better	Percent of Arterial Lane Miles rated 70 or better
2016 – Local	235.88	84.9	N/A	95%	N/A
2016 – Arterial	89.97	92.8	N/A	N/A	98%
2015	325.60	84.7	87.5%	N/A	N/A
2014	325.09	87.6	92.2%	N/A	N/A

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

Year	Budget	Actual	Difference
2016	\$3,155,333	\$2,668,071	\$487,262
2015	2,910,565	2,238,230	672,335
2014	884,591	859,256	25,335
2013	952,479	928,191	24,288
2012	922,902	832,484	90,418

City of Gahanna, Ohio

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

	2015	2014	2013
City's Proportion of the Net Pension Liability	0.0500%	0.0489%	0.0489%
City's Proportionate Share of the Net Pension Liability	\$ 8,660,630	\$ 5,897,887	\$ 5,764,673
City's Covered Employee Payroll	\$ 7,021,051	\$ 6,681,899	\$ 6,911,988
City's Proportionate Share of the Net Pension Liability as a percentage of of its Covered Employee Payroll	123.35%	88.27%	83.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.08%	86.45%	86.36%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>
City's Proportion of the Net Pension Liability	0.2341090%	0.1952296%	0.1952296%
City's Proportionate Share of the Net Pension Liability	\$ 15,060,397	\$ 10,113,707	\$ 9,508,294
City's Covered Employee Payroll	\$ 4,918,556	\$ 4,651,844	\$ 4,599,800
City's Proportionate Share of the Net Pension Liability as a percentage of of its Covered Employee Payroll	306.20%	217.41%	206.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.77%	72.20%	73.00%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.



City of Gahanna, Ohio

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 896,890	\$ 842,970	\$ 801,926	\$ 899,589
Contribution in Relation to the Contractually Required Contribution	\$ 896,890	\$ 842,970	\$ 801,926	\$ 899,589
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Employee Payroll	\$ 7,483,576	\$ 7,021,051	\$ 6,681,899	\$ 6,911,988
Contribution as a Percentage of Covered- Employee Payroll	12%	12%	12%	13%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.

City of Gahanna, Ohio

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

	2016	2015	2014	2013
Contractually Required Contribution	\$ 945,052	\$ 934,525	\$ 884,773	\$ 728,861
Contribution in Relation to the Contractually Required Contribution	\$ 945,052	\$ 934,525	\$ 884,773	\$ 728,861
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
City's Covered Employee Payroll	\$ 4,969,968	\$ 4,918,556	\$ 4,651,844	\$ 4,599,800
Contribution as a Percentage of Covered- Employee Payroll	19%	19%	19%	16%

(1) Information not available prior to 2013. The schedules will reflect ten years of data over time.



# **SUPPLEMENTAL DATA**

*City Of Gahanna, Ohio*

*Nonmajor Governmental Fund Descriptions*

**SPECIAL REVENUE FUNDS**

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

**Street Fund**

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

**State Highway Fund**

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

**Law Enforcement Trust Fund**

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

**Enforcement & Education**

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

**Parks & Recreation Donation**

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

**Permanent Improvement**

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

**Court**

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

*City Of Gahanna, Ohio*

*Nonmajor Governmental Fund Descriptions*

**County Permissive**

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

**Cul-De-Sac Maintenance**

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

**Court Computerization**

The Court Computer Fund receives a proportionate share of cash or proceeds from cases heard in the Municipal Mayor's Court and is restricted under ORC Section 1901.261(A) for computerization of the court. The fee is in addition to the Court fee established under City Charter Code 133.093 and ORC 1901.261(B).

**Federal Law Enforcement Seizure**

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

**Treasury Equitable Sharing**

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

**AG Peace Officer Training**

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

**Right of Way**

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

**Police Pension Fund**

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

**Public Landscape Trust**

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

*City Of Gahanna, Ohio*

*Nonmajor Governmental Fund Descriptions*

**CAPITAL PROJECTS FUNDS**

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

**OPWC**

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

**Bond Capital Improvement Fund**

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

**Park Improvement & Acquisition**

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

**Park**

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

**Park In-Lieu of Fees**

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

**Court Building Fund**

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

**DEBT SERVICE FUNDS**

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

**General Bond Retirement Fund**

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

*City Of Gahanna, Ohio*

*Nonmajor Governmental Fund Descriptions*

**Special Assessment Fund**

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

City of Gahanna, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2016

	SPECIAL REVENUE FUNDS			
	Street Fund	State Highway	Law Enforcement Trust	Enforcement & Education
<b>Assets</b>				
Equity in Pooled Cash & Investments	\$ 265,848	\$ 302,953	\$ 102,681	\$ 32,572
Cash with Fiscal Agents	-	-	-	-
Receivables				
Property Taxes	-	-	-	-
Accounts	25	-	-	-
Intergovernmental	793,834	53,775	-	117
Prepayments	39	-	-	-
<b>Total Assets</b>	<b><u>1,059,746</u></b>	<b><u>356,728</u></b>	<b><u>102,681</u></b>	<b><u>32,689</u></b>
<b>Liabilities</b>				
Accounts Payable	4,292	137	1,637	-
Contracts Payable	4,147	619	-	-
Accrued Wages & Benefits	13,598	-	-	-
Intergovernmental Payable	2,101	-	-	-
Due to Other Funds	272	-	-	-
<b>Total Liabilities</b>	<b><u>24,410</u></b>	<b><u>756</u></b>	<b><u>1,637</u></b>	<b><u>-</u></b>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for Subsequent Year	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-
Unavailable Intergovernmental Revenue	666,707	45,226	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>666,707</u></b>	<b><u>45,226</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances</b>				
Nonspendable	39	-	-	-
Restricted	368,590	310,746	101,044	32,689
Committed	-	-	-	-
Assigned	-	-	-	-
<b>Total Fund Balances</b>	<b><u>368,629</u></b>	<b><u>310,746</u></b>	<b><u>101,044</u></b>	<b><u>32,689</u></b>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<b><u>\$ 1,059,746</u></b>	<b><u>\$ 356,728</u></b>	<b><u>\$ 102,681</u></b>	<b><u>\$ 32,689</u></b>



City of Gahanna, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2016

	SPECIAL REVENUE FUNDS			
	Parks & Recreation Donation	Permanent Improvement	Court	County Permissive
<b>Assets</b>				
Equity in Pooled Cash & Investments	\$ 2,980	\$ 1,130,401	\$ 250,541	\$ 65,990
Cash with Fiscal Agents	-	-	-	332,219
Receivables				
Property Taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	1,612	-
Prepayments	-	-	2,668	-
<b>Total Assets</b>	<b><u>2,980</u></b>	<b><u>1,130,401</u></b>	<b><u>254,821</u></b>	<b><u>398,209</u></b>
<b>Liabilities</b>				
Accounts Payable	-	-	-	-
Contracts Payable	-	-	-	-
Accrued Wages & Benefits	-	-	-	-
Intergovernmental Payable	-	-	-	-
Due to Other Funds	-	-	-	-
<b>Total Liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for Subsequent Year	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances</b>				
Nonspendable	-	-	2,668	-
Restricted	-	1,130,401	252,153	398,209
Committed	2,980	-	-	-
Assigned	-	-	-	-
<b>Total Fund Balances</b>	<b><u>2,980</u></b>	<b><u>1,130,401</u></b>	<b><u>254,821</u></b>	<b><u>398,209</u></b>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<b><u>\$ 2,980</u></b>	<b><u>\$ 1,130,401</u></b>	<b><u>\$ 254,821</u></b>	<b><u>\$ 398,209</u></b>

City of Gahanna, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2016

SPECIAL REVENUE FUNDS

	<u>Cul-De-Sac Maintenance</u>	<u>Court Computerization</u>	<u>Federal Law Enforcement Seizure</u>	<u>Treasury Equitable Sharing</u>	<u>AG Peace Officer Training</u>
<b>Assets</b>					
Equity in Pooled Cash & Investments	\$ 42,027	\$ 2,521	\$ 221,132	\$ 87,897	\$ 9,440
Cash with Fiscal Agents	-	-	-	-	-
Receivables					
Property Taxes	-	-	-	-	-
Accounts	-	-	-	-	-
Intergovernmental	-	570	-	-	-
Prepayments	-	-	-	-	-
<b>Total Assets</b>	<u>42,027</u>	<u>3,091</u>	<u>221,132</u>	<u>87,897</u>	<u>9,440</u>
<b>Liabilities</b>					
Accounts Payable	-	-	-	-	-
Contracts Payable	-	-	-	-	-
Accrued Wages & Benefits	-	-	-	-	-
Intergovernmental Payable	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for Subsequent Year	-	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Nonspendable	-	-	-	-	-
Restricted	-	3,091	221,132	87,897	9,440
Committed	42,027	-	-	-	-
Assigned	-	-	-	-	-
<b>Total Fund Balances</b>	<u>42,027</u>	<u>3,091</u>	<u>221,132</u>	<u>87,897</u>	<u>9,440</u>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<u>\$ 42,027</u>	<u>\$ 3,091</u>	<u>\$ 221,132</u>	<u>\$ 87,897</u>	<u>\$ 9,440</u>

City of Gahanna, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2016

	SPECIAL REVENUE FUNDS			
	Right Of Way	Police Pension	Public Landscape Trust	Total Nonmajor Special Revenue
<b>Assets</b>				
Equity in Pooled Cash & Investments	\$ 440,700	\$ 943,753	\$ 7,816	3,909,252
Cash with Fiscal Agents	-	-	-	332,219
Receivables				
Property Taxes	-	253,802	-	253,802
Accounts	5,000	-	-	5,025
Intergovernmental	-	15,821	-	865,729
Prepayments	-	-	-	2,707
<b>Total Assets</b>	<b>445,700</b>	<b>1,213,376</b>	<b>7,816</b>	<b>5,368,734</b>
<b>Liabilities</b>				
Accounts Payable	-	-	-	6,066
Contracts Payable	-	-	-	4,766
Accrued Wages & Benefits	-	-	-	13,598
Intergovernmental Payable	-	-	-	2,101
Due to Other Funds	-	-	-	272
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,803</b>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for Subsequent Year	-	246,691	-	246,691
Unavailable Property Tax Revenue	-	7,111	-	7,111
Unavailable Intergovernmental Revenue	-	15,821	-	727,754
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>269,623</b>	<b>-</b>	<b>981,556</b>
<b>Fund Balances</b>				
Nonspendable	-	-	-	2,707
Restricted	445,700	943,753	-	4,304,845
Committed	-	-	7,816	52,823
Assigned	-	-	-	-
<b>Total Fund Balances</b>	<b>445,700</b>	<b>943,753</b>	<b>7,816</b>	<b>4,360,375</b>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<b>\$ 445,700</b>	<b>\$ 1,213,376</b>	<b>\$ 7,816</b>	<b>\$ 5,368,734</b>

City of Gahanna, Ohio  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2016

	CAPITAL PROJECTS FUNDS			
	OPWC	Bond Capital Improvement	Park Improvement & Acquisition	Park
<b>Assets</b>				
Equity in Pooled Cash & Investments	\$ -	\$ 1,645,204	\$ 246	\$ 225,291
Cash with Fiscal Agents	-	-	-	-
Receivables				
Property Taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	780,120	-	-	-
Prepayments	-	-	-	-
<b>Total Assets</b>	<b>780,120</b>	<b>1,645,204</b>	<b>246</b>	<b>225,291</b>
<b>Liabilities</b>				
Accounts Payable	-	-	-	-
Contracts Payable	780,120	-	-	-
Accrued Wages & Benefits	-	-	-	-
Intergovernmental Payable	-	-	-	-
Due to Other Funds	-	-	-	-
<b>Total Liabilities</b>	<b>780,120</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for Subsequent Year	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>				
Nonspendable	-	-	-	-
Restricted	-	1,645,204	-	-
Committed	-	-	-	225,291
Assigned	-	-	246	-
<b>Total Fund Balances</b>	<b>-</b>	<b>1,645,204</b>	<b>246</b>	<b>225,291</b>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<b>\$ 780,120</b>	<b>\$ 1,645,204</b>	<b>\$ 246</b>	<b>\$ 225,291</b>

City of Gahanna, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2016

	<u>CAPITAL PROJECTS FUNDS</u>		
	<u>Park In-Lieu Of Fees</u>	<u>Court Building</u>	<u>Total Nonmajor Capital Projects</u>
<b>Assets</b>			
Equity in Pooled Cash & Investments	\$ 112,943	\$ 249,852	2,233,536
Cash with Fiscal Agents	-	-	-
Receivables			
Property Taxes	-	-	-
Accounts	-	-	-
Intergovernmental	-	1,030	781,150
Prepayments	-	-	-
<b>Total Assets</b>	<u>112,943</u>	<u>250,882</u>	<u>3,014,686</u>
<b>Liabilities</b>			
Accounts Payable	-	-	-
Contracts Payable	-	-	780,120
Accrued Wages & Benefits	-	-	-
Intergovernmental Payable	-	-	-
Due to Other Funds	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>780,120</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for Subsequent Year	-	-	-
Unavailable Property Tax Revenue	-	-	-
Unavailable Intergovernmental Revenue	-	-	-
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>			
Nonspendable	-	-	-
Restricted	-	-	1,645,204
Committed	112,943	250,882	589,116
Assigned	-	-	246
<b>Total Fund Balances</b>	<u>112,943</u>	<u>250,882</u>	<u>2,234,566</u>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<u>\$ 112,943</u>	<u>\$ 250,882</u>	<u>\$ 3,014,686</u>

City of Gahanna, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2016

	DEBT SERVICE FUNDS			Total Nonmajor Governmental Funds
	General Bond Retirement	Special Assessment	Total Nonmajor Debt Service	
<b>Assets</b>				
Equity in Pooled Cash & Investments	\$ 1,354,884	\$ 22	1,354,906	7,497,694
Cash with Fiscal Agents	-	-	-	332,219
Receivables				
Property Taxes	245,341	-	245,341	499,143
Accounts	-	-	-	5,025
Intergovernmental	15,292	-	15,292	1,662,171
Prepayments	-	-	-	2,707
<b>Total Assets</b>	<b>1,615,517</b>	<b>22</b>	<b>1,615,539</b>	<b>9,998,959</b>
<b>Liabilities</b>				
Accounts Payable	-	-	-	6,066
Contracts Payable	-	-	-	784,886
Accrued Wages & Benefits	-	-	-	13,598
Intergovernmental Payable	-	-	-	2,101
Due to Other Funds	-	-	-	272
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>806,923</b>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for Subsequent Year	238,467	-	238,467	485,158
Unavailable Property Tax Revenue	6,874	-	6,874	13,985
Unavailable Intergovernmental Revenue	15,292	-	15,292	743,046
<b>Total Deferred Inflows of Resources</b>	<b>260,633</b>	<b>-</b>	<b>260,633</b>	<b>1,242,189</b>
<b>Fund Balances</b>				
Nonspendable	-	-	-	2,707
Restricted	1,354,884	22	1,354,906	7,304,955
Committed	-	-	-	641,939
Assigned	-	-	-	246
<b>Total Fund Balances</b>	<b>1,354,884</b>	<b>22</b>	<b>1,354,906</b>	<b>7,949,847</b>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balances</b>	<b>\$ 1,615,517</b>	<b>\$ 22</b>	<b>\$ 1,615,539</b>	<b>\$ 9,998,959</b>

City of Gahanna, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2016

	SPECIAL REVENUE FUNDS			
	Street Fund	State Highway	Law Enforcement Trust	Enforcement & Education
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, Permits & Fees	-	-	-	-
Fines & Forfeitures	-	-	500	2,573
Intergovernmental	1,569,356	166,679	-	-
Investment Income	-	-	-	-
Other	40,301	-	-	-
Total Revenues	<u>1,609,657</u>	<u>166,679</u>	<u>500</u>	<u>2,573</u>
Expenditures				
Current				
General Government	-	-	-	-
Security of Persons & Property	-	-	15,474	-
Transportation	1,028,675	61,296	-	-
Utility Services	1,162	-	-	-
Capital outlay	111,888	-	-	-
Debt service				
Principal Retirement	-	-	-	-
Interest & Fiscal Charges	-	-	-	-
Total Expenditures	<u>1,141,725</u>	<u>61,296</u>	<u>15,474</u>	<u>-</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	467,932	105,383	(14,974)	2,573
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(494,600)	-	-	-
Proceeds From Sale of Capital Assets	43,010	-	-	-
Total Other Financing Sources (Uses)	<u>(451,590)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	16,342	105,383	(14,974)	2,573
Fund Balances, January 1	352,287	205,363	116,018	30,116
Fund Balances, December 31	<u>\$ 368,629</u>	<u>\$ 310,746</u>	<u>\$ 101,044</u>	<u>\$ 32,689</u>

City of Gahanna, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2016

	SPECIAL REVENUE FUNDS			
	Parks & Recreation Donation	Permanent Improvement	Court	County Permissive
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, Permits & Fees	-	-	-	-
Fines & Forfeitures	-	-	25,237	-
Intergovernmental	-	-	-	156,555
Investment Income	-	-	-	-
Other	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>25,237</u>	<u>156,555</u>
Expenditures				
Current				
General Government	-	-	18,456	-
Security of Persons & Property	-	-	-	-
Transportation	-	-	-	-
Utility Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal Retirement	-	-	-	-
Interest & Fiscal Charges	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>18,456</u>	<u>-</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	-	-	6,781	156,555
Other Financing Sources (Uses)				
Transfers In	-	-	3,459	-
Transfers Out	-	-	-	-
Proceeds From Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>3,459</u>	<u>-</u>
Net Change in Fund Balance	-	-	10,240	156,555
Fund Balances, January 1	2,980	1,130,401	244,581	241,654
Fund Balances, December 31	<u>\$ 2,980</u>	<u>\$ 1,130,401</u>	<u>\$ 254,821</u>	<u>\$ 398,209</u>



City of Gahanna, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2016

	SPECIAL REVENUE FUNDS				
	Cul-De-Sac Maintenance	Court Computerization	Federal Law Enforcement Seizure	Treasury Equitable Sharing	AG Peace Officer Training
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits & Fees	-	-	-	-	-
Fines & Forfeitures	-	3,091	-	-	-
Intergovernmental	-	-	2,536	83,164	4,880
Investment Income	-	-	2,091	-	-
Other	-	-	-	-	-
Total Revenues	<u>-</u>	<u>3,091</u>	<u>4,627</u>	<u>83,164</u>	<u>4,880</u>
Expenditures					
Current					
General Government	-	-	-	-	-
Security of Persons & Property	-	-	5,566	-	-
Transportation	-	-	-	-	-
Utility Services	-	-	-	-	-
Capital outlay	-	-	23,821	-	-
Debt service					
Principal Retirement	-	-	-	-	-
Interest & Fiscal Charges	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>29,387</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	-	3,091	(24,760)	83,164	4,880
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Proceeds From Sale of Capital Assets	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	3,091	(24,760)	83,164	4,880
Fund Balances, January 1	42,027	-	245,892	4,733	4,560
Fund Balances, December 31	<u>\$ 42,027</u>	<u>\$ 3,091</u>	<u>\$ 221,132</u>	<u>\$ 87,897</u>	<u>\$ 9,440</u>

City of Gahanna, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2016

	SPECIAL REVENUE FUNDS			
	Right Of Way	Police Pension	Public Landscape Trust	Total Nonmajor Special Revenue
Revenues				
Property Taxes	\$ -	\$ 248,233	\$ -	\$ 248,233
Licenses, Permits & Fees	30,025	-	-	30,025
Fines & Forfeitures	-	-	-	31,401
Intergovernmental	-	31,795	-	2,014,965
Investment Income	-	-	-	2,091
Other	5,000	-	-	45,301
<b>Total Revenues</b>	<u>35,025</u>	<u>280,028</u>	<u>-</u>	<u>2,372,016</u>
Expenditures				
Current				
General Government	-	-	-	18,456
Security of Persons & Property	-	965,221	-	986,261
Transportation	-	-	-	1,089,971
Utility Services	-	-	-	1,162
Capital outlay	-	-	-	135,709
Debt service				
Principal Retirement	-	-	-	-
Interest & Fiscal Charges	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>965,221</u>	<u>-</u>	<u>2,231,559</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	35,025	(685,193)	-	140,457
Other Financing Sources (Uses)				
Transfers In	-	743,160	-	746,619
Transfers Out	-	-	-	(494,600)
Proceeds From Sale of Capital Assets	-	-	-	43,010
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>743,160</u>	<u>-</u>	<u>295,029</u>
<b>Net Change in Fund Balance</b>	35,025	57,967	-	435,486
Fund Balances, January 1	410,675	885,786	7,816	3,924,889
<b>Fund Balances, December 31</b>	<u>\$ 445,700</u>	<u>\$ 943,753</u>	<u>\$ 7,816</u>	<u>\$ 4,360,375</u>

City of Gahanna, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2016

	CAPITAL PROJECTS FUNDS			
	OPWC	Bond Capital Improvement	Park Improvement & Acquisition	Park
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, Permits & Fees	-	-	-	10,000
Fines & Forfeitures	-	-	-	-
Intergovernmental	1,084,459	-	-	-
Investment Income	-	16,028	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<b>1,084,459</b>	<b>16,028</b>	<b>-</b>	<b>10,000</b>
Expenditures				
Current				
General Government	-	-	-	-
Security of Persons & Property	-	-	-	-
Transportation	-	1,644,289	-	-
Utility Services	-	-	-	-
Capital outlay	1,084,459	-	-	-
Debt service				
Principal Retirement	-	-	-	-
Interest & Fiscal Charges	-	-	-	-
<b>Total Expenditures</b>	<b>1,084,459</b>	<b>1,644,289</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over (Under) Expenditures	-	(1,628,261)	-	10,000
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	(44,466)
Proceeds From Sale of Capital Assets	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(44,466)</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>(1,628,261)</b>	<b>-</b>	<b>(34,466)</b>
Fund Balances, January 1	-	3,273,465	246	259,757
<b>Fund Balances, December 31</b>	<b>\$ -</b>	<b>\$ 1,645,204</b>	<b>\$ 246</b>	<b>\$ 225,291</b>

City of Gahanna, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2016

	CAPITAL PROJECTS FUNDS		
	Park In-Lieu Of Fees	Court Building	Total Nonmajor Capital Projects
Revenues			
Property Taxes	\$ -	\$ -	\$ -
Licenses, Permits & Fees	-	-	10,000
Fines & Forfeitures	-	21,528	21,528
Intergovernmental	-	-	1,084,459
Investment Income	-	-	16,028
Other	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>21,528</b>	<b>1,132,015</b>
Expenditures			
Current			
General Government	-	-	-
Security of Persons & Property	-	-	-
Transportation	-	-	1,644,289
Utility Services	-	-	-
Capital outlay	-	-	1,084,459
Debt service			
Principal Retirement	-	-	-
Interest & Fiscal Charges	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>2,728,748</b>
Excess (Deficiency) of Revenue Over (Under) Expenditures	-	21,528	(1,596,733)
Other Financing Sources (Uses)			
Transfers In	44,466	-	44,466
Transfers Out	-	(3,459)	(47,925)
Proceeds From Sale of Capital Assets	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>44,466</b>	<b>(3,459)</b>	<b>(3,459)</b>
<b>Net Change in Fund Balance</b>	<b>44,466</b>	<b>18,069</b>	<b>(1,600,192)</b>
Fund Balances, January 1	68,477	232,813	3,834,758
<b>Fund Balances, December 31</b>	<b>\$ 112,943</b>	<b>\$ 250,882</b>	<b>\$ 2,234,566</b>

City of Gahanna, Ohio  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2016

	DEBT SERVICE FUNDS			Total Nonmajor Governmental Funds
	General Bond Retirement	Special Assessment	Total Nonmajor Debt Service	
Revenues				
Property Taxes	\$ 251,752	\$ -	\$ 251,752	\$ 499,985
Licenses, Permits & Fees	-	-	-	40,025
Fines & Forfeitures	-	-	-	52,929
Intergovernmental	30,731	-	30,731	3,130,155
Investment Income	-	-	-	18,119
Other	10	-	10	45,311
Total Revenues	<u>282,493</u>	<u>-</u>	<u>282,493</u>	<u>3,786,524</u>
Expenditures				
Current				
General Government	3,729	-	3,729	22,185
Security of Persons & Property	-	-	-	986,261
Transportation	-	-	-	2,734,260
Utility Services	-	-	-	1,162
Capital outlay	-	-	-	1,220,168
Debt service				
Principal Retirement	1,358,594	-	1,358,594	1,358,594
Interest & Fiscal Charges	688,282	-	688,282	688,282
Total Expenditures	<u>2,050,605</u>	<u>-</u>	<u>2,050,605</u>	<u>7,010,912</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	(1,768,112)	-	(1,768,112)	(3,224,388)
Other Financing Sources (Uses)				
Transfers In	1,768,113	-	1,768,113	2,559,198
Transfers Out	-	-	-	(542,525)
Proceeds From Sale of Capital Assets	-	-	-	43,010
Total Other Financing Sources (Uses)	<u>1,768,113</u>	<u>-</u>	<u>1,768,113</u>	<u>2,059,683</u>
Net Change in Fund Balance	1	-	1	(1,164,705)
Fund Balances, January 1	1,354,883	22	1,354,905	9,114,552
Fund Balances, December 31	<u>\$ 1,354,884</u>	<u>\$ 22</u>	<u>1,354,906</u>	<u>\$ 7,949,847</u>

*City Of Gahanna, Ohio*

*Agency Fund Descriptions*

**AGENCY FUNDS**

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

**GYFBL**

The GYFBL Fund is the Gahanna Lions Youth Football League fund and accounts for registration payments for youth that qualify to be part of the program. The fund also receives fundraising and donation revenue for the program. The Gahanna Lions Youth Football League is a separate organization and City is acting as their fiscal agent until they are fully established.

**Senior Escrow**

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

**Veterans Memorial**

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

**Refuse Escrow**

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

**Developers Escrow**

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

**TIZ Real Estate Escrow**

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

**Mayor's Court**

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

City of Gahanna, Ohio  
 Combining Statement of Assets and Liabilities  
 Agency Funds  
 December 31, 2016

	GYFBL Fund	Senior Escrow Fund	Veterans Memorial Fund	Refuse Escrow Fund	Developers Escrow Fund
<b>Assets</b>					
Equity in Pooled Cash & Investments	\$ 1,596	\$ 4,855	\$ 8,377	\$ 709,571	\$ 566,592
Cash in Segregated Accounts	-	-	-	-	-
Accounts Receivable	-	-	-	494,235	-
<b>Total Assets</b>	<u>\$ 1,596</u>	<u>\$ 4,855</u>	<u>\$ 8,377</u>	<u>\$ 1,203,806</u>	<u>\$ 566,592</u>
<b>Liabilities</b>					
Accounts Payable	-	72	-	-	-
Contracts payable	-	-	-	146,444	7,850
Intergovernmental Payable	-	-	-	-	2,429
Deposits Held & Due to Others	1,596	4,783	8,377	1,057,362	556,313
<b>Total Liabilities</b>	<u>\$ 1,596</u>	<u>\$ 4,855</u>	<u>\$ 8,377</u>	<u>\$ 1,203,806</u>	<u>\$ 566,592</u>

City of Gahanna, Ohio  
 Combining Statement of Assets and Liabilities  
 Agency Funds  
 December 31, 2016

	TIZ Real Estate Escrow Fund	Mayors Court Fund	Total Agency Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets</b>			
Equity in Pooled Cash & Investments	\$ (2,420)	\$ -	\$ 1,288,571
Cash in Segregated Accounts	-	35,466	35,466
Accounts Receivable	2,420	-	496,655
<b>Total Assets</b>	<u><u>\$ -</u></u>	<u><u>\$ 35,466</u></u>	<u><u>\$ 1,820,692</u></u>
<b>Liabilities</b>			
Accounts Payable	-	-	72
Contracts payable	-	-	154,294
Intergovernmental Payable	-	25,959	28,388
Deposits Held & Due to Others	-	9,507	1,637,938
<b>Total Liabilities</b>	<u><u>\$ -</u></u>	<u><u>\$ 35,466</u></u>	<u><u>\$ 1,820,692</u></u>



City of Gahanna, Ohio  
Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2016

	Beginning Balance January 1, 2016	Additions	Deductions	Ending Balance December 31, 2016
<b>GYFBL</b>				
Assets				
Cash & Cash Equivalents	\$ -	\$ 1,596	\$ -	\$ 1,596
Total Assets	<u>\$ -</u>	<u>\$ 1,596</u>	<u>\$ -</u>	<u>\$ 1,596</u>
Liabilities				
Deposits Held & Due to Others	\$ -	\$ 1,596	\$ -	\$ 1,596
Total Liabilities	<u>\$ -</u>	<u>\$ 1,596</u>	<u>\$ -</u>	<u>\$ 1,596</u>
<b>Senior Escrow Fund</b>				
Assets				
Cash & Cash Equivalents	\$ 5,268	\$ -	\$ (413)	\$ 4,855
Total Assets	<u>\$ 5,268</u>	<u>\$ -</u>	<u>\$ (413)</u>	<u>\$ 4,855</u>
Liabilities				
Accounts Payable	\$ -	\$ 72	\$ -	\$ 72
Deposits Held & Due to Others	5,268	-	(485)	4,783
Total Liabilities	<u>\$ 5,268</u>	<u>\$ 72</u>	<u>\$ (485)</u>	<u>\$ 4,855</u>
<b>Veterans Memorial Fund</b>				
Assets				
Cash & Cash Equivalents	\$ 8,379	\$ -	\$ (2)	\$ 8,377
Total Assets	<u>\$ 8,379</u>	<u>\$ -</u>	<u>\$ (2)</u>	<u>\$ 8,377</u>
Liabilities				
Deposits Held & Due to Others	\$ 8,379	\$ -	\$ (2)	\$ 8,377
Total Liabilities	<u>\$ 8,379</u>	<u>\$ -</u>	<u>\$ (2)</u>	<u>\$ 8,377</u>
<b>Refuse Escrow Fund</b>				
Assets				
Cash & Cash Equivalents	\$ 505,501	\$ 204,070	\$ -	\$ 709,571
Accounts Receivable	492,943	494,235	(492,943)	494,235
Total Assets	<u>\$ 998,444</u>	<u>\$ 698,305</u>	<u>\$ (492,943)</u>	<u>\$ 1,203,806</u>
Liabilities				
Contracts Payable	\$ 147,045	\$ 146,444	\$ (147,045)	\$ 146,444
Deposits Held & Due to Others	851,399	205,963	-	1,057,362
Total Liabilities	<u>\$ 998,444</u>	<u>\$ 352,407</u>	<u>\$ (147,045)</u>	<u>\$ 1,203,806</u>
<b>Developers Escrow Fund</b>				
Assets				
Cash & Cash Equivalents	\$ 529,544	\$ 37,048	\$ -	\$ 566,592
Total Assets	<u>\$ 529,544</u>	<u>\$ 37,048</u>	<u>\$ -</u>	<u>\$ 566,592</u>
Liabilities				
Contracts Payable	\$ 10,410	\$ 7,850	\$ (10,410)	\$ 7,850
Intergovernmental Payable	1,091	2,429	(1,091)	2,429
Deposits Held & Due to Others	518,043	38,270	-	556,313
Total Liabilities	<u>\$ 529,544</u>	<u>\$ 48,549</u>	<u>\$ (11,501)</u>	<u>\$ 566,592</u>
<b>TIZ Real Estate Escrow Fund</b>				
Assets				
Cash & Cash Equivalents	\$ (2,420)	\$ -	\$ -	\$ (2,420)
Accounts Receivable	2,420	2,420	(2,420)	2,420
Total Assets	<u>\$ (2,420)</u>	<u>\$ 2,420</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities				
Deposits Held & Due to Others	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Gahanna, Ohio  
Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2016

	Beginning Balance January 1, 2016	Additions	Deductions	Ending Balance December 31, 2016
<b>Mayors Court Fund</b>				
Assets				
Cash in Segregated Accounts	\$ 58,758	\$ 35,466	\$ (58,758)	\$ 35,466
<b>Total Assets</b>	<b>\$ 58,758</b>	<b>\$ 35,466</b>	<b>\$ (58,758)</b>	<b>\$ 35,466</b>
Liabilities				
Intergovernmental Payable	\$ 41,909	\$ 25,959	\$ (41,909)	\$ 25,959
Deposits Held & Due to Others	16,849	-	(7,342)	9,507
<b>Total Liabilities</b>	<b>\$ 58,758</b>	<b>\$ 25,959</b>	<b>\$ (49,251)</b>	<b>\$ 35,466</b>
<b>Total Agency Funds</b>				
Assets				
Cash & Cash Equivalents	\$ 1,046,272	\$ 242,714	\$ (415)	\$ 1,288,571
Cash in Segregated Accounts	58,758	35,466	(58,758)	35,466
Accounts Receivable	495,363	496,655	(492,943)	496,655
<b>Total Assets</b>	<b>\$ 1,600,393</b>	<b>\$ 774,835</b>	<b>\$ (552,116)</b>	<b>\$ 1,820,692</b>
Liabilities				
Accounts Payable	\$ -	\$ 72	\$ -	\$ 72
Contracts Payable	157,455	154,294	(157,455)	154,294
Intergovernmental Payable	43,000	28,388	(43,000)	28,388
Deposits Held & Due to Others	1,399,938	245,829	(7,829)	1,637,938
<b>Total Liabilities</b>	<b>\$ 1,600,393</b>	<b>\$ 428,583</b>	<b>\$ (208,284)</b>	<b>\$ 1,820,692</b>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 General Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
<b>Revenues</b>			
Income Tax	17,549,200	18,668,024	1,118,824
Property Taxes	1,480,672	1,503,408	22,736
Other Local Taxes	502,300	509,820	7,520
Charges for Services	1,849,800	1,954,625	104,825
Licenses Permits & Fees	1,564,100	1,514,511	(49,589)
Fines & Forfeitures	533,000	384,127	(148,873)
Intergovernmental	1,046,828	1,171,698	124,870
Investment Income	483,000	529,775	46,775
Rent	42,000	25,969	(16,031)
Contributions & Donations	5,000	43,047	38,047
Other	26,000	233,744	207,744
<b>Total Revenues</b>	<b>25,081,900</b>	<b>26,538,748</b>	<b>1,456,848</b>
<b>Expenditures</b>			
<b>General Government</b>			
<b>Council Office</b>			
Salaries & Benefits	364,500	342,793	21,707
Contractual Services	327,312	252,439	74,873
Supplies & Materials	73,738	42,436	31,302
<b>Total Council Office</b>	<b>765,550</b>	<b>637,668</b>	<b>127,882</b>
<b>Finance</b>			
Salaries & Benefits	385,839	340,720	45,119
Contractual Services	986,385	889,272	97,113
Supplies & Materials	39,878	19,989	19,889
<b>Total Finance</b>	<b>1,412,102</b>	<b>1,249,981</b>	<b>162,121</b>
<b>Human Resources</b>			
Salaries & Benefits	296,097	265,739	30,358
Contractual Services	123,138	74,283	48,855
Supplies & Materials	56,819	42,523	14,296
<b>Total Human Resources</b>	<b>476,054</b>	<b>382,545</b>	<b>93,509</b>
<b>Office of the Mayor</b>			
Salaries & Benefits	716,282	667,400	48,882
Contractual Services	425,556	374,948	50,608
Supplies & Materials	27,358	19,434	7,924
<b>Total Office of the Mayor</b>	<b>1,169,196</b>	<b>1,061,782</b>	<b>107,414</b>
<b>Public Service</b>			
Salaries & Benefits	612,327	572,848	39,479
Contractual Services	842,782	744,992	97,790
Supplies & Materials	996,423	690,585	305,838
Capital Outlay	71,581	32,496	39,085
<b>Total Public Service</b>	<b>2,523,113</b>	<b>2,040,921</b>	<b>482,192</b>
<b>Department of Law</b>			
Salaries & Benefits	121,565	104,966	16,599
Contractual Services	344,204	286,013	58,191
Supplies & Materials	17,518	14,365	3,153
<b>Total Department of Law</b>	<b>483,287</b>	<b>405,344</b>	<b>77,943</b>
<b>Total General Government</b>	<b>6,829,302</b>	<b>5,778,241</b>	<b>1,051,061</b>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 General Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
<b>Security of Persons &amp; Property</b>			
Office of the Mayor			
Salaries & Benefits	8	-	8
Contractual Services	40,700	40,227	473
Total Office of the Mayor	40,708	40,227	481
Public Safety			
Salaries & Benefits	8,476,020	7,917,755	558,265
Contractual Services	410,391	307,609	102,782
Supplies & Materials	336,280	281,356	54,924
Capital Outlay	996,004	995,631	373
Total Public Safety	10,218,695	9,502,351	716,344
Total Security of Persons & Property	10,259,403	9,542,578	716,825
<b>Public Health &amp; Welfare</b>			
Public Safety			
Contractual Services	270,951	268,111	2,840
Total Public Safety	270,951	268,111	2,840
Total Public Health & Welfare	270,951	268,111	2,840
<b>Transportation</b>			
Public Service			
Salaries & Benefits	486,063	445,411	40,652
Contractual Services	28,816	8,562	20,254
Supplies & Materials	1,465,138	583,005	882,133
Capital Outlay	1,083,154	847,207	235,947
Total Public Service	3,063,171	1,884,185	1,178,986
Total Transportation	3,063,171	1,884,185	1,178,986
<b>Community Environment</b>			
Council Office			
Salaries & Benefits	35,920	29,537	6,383
Contractual Services	3,000	2,897	103
Supplies & Materials	6,466	3,000	3,466
Total Council Office	45,386	35,434	9,952
Finance			
Supplies & Materials	417,000	414,602	2,398
Total Finance	417,000	414,602	2,398
Information Technology			
Salaries & Benefits	483,076	441,396	41,680
Contractual Services	297,621	262,776	34,845
Supplies & Materials	509,995	340,955	169,040
Capital Outlay	196,470	165,714	30,756
Total Information Technology	1,487,162	1,210,841	276,321
Public Service			
Contractual Services	63,300	43,811	19,489
Supplies & Materials	95,811	29,492	66,319
Capital Outlay	174,907	23,285	151,622
Total Public Service	334,018	96,588	237,430
Planning & Development			
Salaries & Benefits	866,120	818,747	47,373
Contractual Services	724,630	691,609	33,021
Supplies & Materials	1,081,246	788,860	292,386
Capital Outlay	125,000	125,000	-
Total Planning & Development	2,796,996	2,424,216	372,780
Total Community Environment	5,080,562	4,181,681	898,881

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 General Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Leisure Time Activities			
Parks & Recreation			
Salaries & Benefits	2,735,978	2,545,035	190,943
Contractual Services	439,087	429,106	9,981
Supplies & Materials	1,089,188	992,388	96,800
Capital Outlay	403,204	394,409	8,795
Total Parks & Recreation	<u>4,667,457</u>	<u>4,360,938</u>	<u>306,519</u>
Total Leisure Time Activities	<u>4,667,457</u>	<u>4,360,938</u>	<u>306,519</u>
Total Expenditures	<u>30,170,846</u>	<u>26,015,734</u>	<u>4,155,112</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(5,088,946)</u>	<u>523,014</u>	<u>5,611,960</u>
Other Financing Sources (Uses)			
Sale of Assets	31,000	64,108	33,108
Insurance Proceeds	5,000	172,262	167,262
Advance In	-	142,770	142,770
Advance Out	(142,770)	(142,770)	-
Transfer In	1,542,570	1,500,951	(41,619)
Transfer Out	(4,256,267)	(4,227,275)	28,992
Total Other Financing Sources (Uses)	<u>(2,820,467)</u>	<u>(2,489,954)</u>	<u>330,513</u>
Net Change in Fund Balance	(7,909,413)	(1,966,940)	5,942,473
Fund balance at beginning of year	18,740,387	18,740,387	-
Prior Year Encumbrance Appropriated	4,336,773	4,336,773	-
Fund balance at end of year	<u>15,167,747</u>	<u>21,110,220</u>	<u>5,942,473</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Tax Increment Equivalent Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Revenue in Lieu of Taxes	2,253,200	1,966,279	(286,921)
Intergovernmental	29,300	39,568	10,268
Charges for Services	199,500	215,492	15,992
Total Revenues	<u>2,482,000</u>	<u>2,221,339</u>	<u>(260,661)</u>
Expenditures			
Community Environment			
Finance			
Contractual Services	1,183,200	1,103,634	79,566
Capital Outlay	104,290	104,286	4
Total Expenditures	<u>1,287,490</u>	<u>1,207,920</u>	<u>79,570</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>1,194,510</u>	<u>1,013,419</u>	<u>(181,091)</u>
Other Financing Sources (Uses)			
Transfer Out	(1,626,400)	(1,560,100)	66,300
Total Other Financing Sources (Uses)	<u>(1,626,400)</u>	<u>(1,560,100)</u>	<u>66,300</u>
Net Change in Fund Balance	(431,890)	(546,681)	(114,791)
Fund balance at beginning of year	1,504,962	1,504,962	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u><u>1,073,072</u></u>	<u><u>958,281</u></u>	<u><u>(114,791)</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Capital Improvement Capital Projects Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	-	142,700	142,700
Total Revenues	-	142,700	142,700
Expenditures			
Capital Improvement			
Finance			
Capital Outlay	5,882,180	5,738,343	143,837
Total Expenditures	5,882,180	5,738,343	143,837
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(5,882,180)	(5,595,643)	286,537
Other Financing Sources (Uses)			
Advance In	142,700	142,700	-
Advance Out	(142,700)	(142,700)	-
Transfer In	2,620,000	2,620,000	-
Total Other Financing Sources (Uses)	2,620,000	2,620,000	-
Net Change in Fund Balance	(3,262,180)	(2,975,643)	286,537
Fund balance at beginning of year	1,421,267	1,421,267	-
Prior Year Encumbrance Appropriated	3,012,180	3,012,180	-
Fund balance at end of year	1,171,267	1,457,804	286,537

City of Gahanna, Ohio  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Street Special Revenue Fund  
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	1,620,000	1,571,049	(48,951)
Other	1,000	38,178	37,178
Total Revenues	<u>1,621,000</u>	<u>1,609,227</u>	<u>(11,773)</u>
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	716,385	658,972	57,413
Contractual Services	132,932	124,593	8,339
Supplies & Materials	316,876	270,039	46,837
Capital Outlay	133,500	118,787	14,713
Total Expenditures	<u>1,299,693</u>	<u>1,172,391</u>	<u>127,302</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>321,307</u>	<u>436,836</u>	<u>115,529</u>
Other Financing Sources (Uses)			
Sale of Assets	-	43,010	43,010
Insurance Proceeds	-	2,098	2,098
Transfer Out	(494,600)	(494,600)	-
Total Other Financing Sources (Uses)	<u>(494,600)</u>	<u>(449,492)</u>	<u>45,108</u>
Net Change in Fund Balance	(173,293)	(12,656)	160,637
Fund balance at beginning of year	196,708	196,708	-
Prior Year Encumbrance Appropriated	54,828	54,828	-
Fund balance at end of year	<u><u>78,243</u></u>	<u><u>238,880</u></u>	<u><u>160,637</u></u>



City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 State Highway Special Revenue Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	108,000	166,902	58,902
Total Revenues	<u>108,000</u>	<u>166,902</u>	<u>58,902</u>
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	29,950	6,630	23,320
Contractual Services	37,259	37,209	50
Supplies & Materials	31,141	27,533	3,608
Total Expenditures	<u>98,350</u>	<u>71,372</u>	<u>26,978</u>
Net Change in Fund Balance	9,650	95,530	85,880
Fund balance at beginning of year	192,700	192,700	-
Prior Year Encumbrance Appropriated	4,200	4,200	-
Fund balance at end of year	<u>206,550</u>	<u>292,430</u>	<u>85,880</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Law Enforcement Trust Special Revenue Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Forfeitures	<u>47,600</u>	<u>500</u>	<u>(47,100)</u>
Total Revenues	<u>47,600</u>	<u>500</u>	<u>(47,100)</u>
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	<u>25,109</u>	<u>25,109</u>	<u>-</u>
Total Expenditures	<u>25,109</u>	<u>25,109</u>	<u>-</u>
Net Change in Fund Balance	22,491	(24,609)	(47,100)
Fund balance at beginning of year	112,263	112,263	-
Prior Year Encumbrance Appropriated	<u>10,109</u>	<u>10,109</u>	<u>-</u>
Fund balance at end of year	<u>144,863</u>	<u>97,763</u>	<u>(47,100)</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Enforcement & Education Special Revenue Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Forfeitures	3,700	2,650	(1,050)
Total Revenues	<u>3,700</u>	<u>2,650</u>	<u>(1,050)</u>
Expenditures			
Security of Persons & Property			
Public Safety	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	3,700	2,650	(1,050)
Fund balance at beginning of year	29,922	29,922	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u><u>33,622</u></u>	<u><u>32,572</u></u>	<u><u>(1,050)</u></u>

*City of Gahanna, Ohio*  
*Schedule of Revenues, Expenditures and Changes in*  
*Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)*  
*Parks & Recreation Donation Special Revenue Fund*  
*For the Year Ended December 31, 2016*

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

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Permanent Improvement Special Revenue Fund  
 For the Year Ended December 31, 2016

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

City of Gahanna, Ohio  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Court Special Revenue Fund  
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Forfeitures	42,900	26,745	(16,155)
Total Revenues	<u>42,900</u>	<u>26,745</u>	<u>(16,155)</u>
Expenditures			
General Government			
Supplies & Materials	26,261	19,022	7,239
Total Expenditures	<u>26,261</u>	<u>19,022</u>	<u>7,239</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>16,639</u>	<u>7,723</u>	<u>(8,916)</u>
Other Financing Sources (Uses)			
Transfer In	-	3,459	3,459
Total Other Financing Sources (Uses)	<u>-</u>	<u>3,459</u>	<u>3,459</u>
Net Change in Fund Balance	16,639	11,182	(5,457)
Fund balance at beginning of year	238,510	238,510	-
Prior Year Encumbrance Appropriated	561	561	-
Fund balance at end of year	<u>255,710</u>	<u>250,253</u>	<u>(5,457)</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 County Permissive Special Revenue Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	<u>150,000</u>	<u>-</u>	<u>(150,000)</u>
Total Revenues	<u>150,000</u>	<u>-</u>	<u>(150,000)</u>
Expenditures			
Transportation			
Public Service			
Capital Outlay	<u>208,582</u>	<u>-</u>	<u>208,582</u>
Total Expenditures	<u>208,582</u>	<u>-</u>	<u>208,582</u>
Net Change in Fund Balance	(58,582)	-	58,582
Fund balance at beginning of year	57,409	57,409	-
Prior Year Encumbrance Appropriated	<u>8,582</u>	<u>8,582</u>	<u>-</u>
Fund balance at end of year	<u><u>7,409</u></u>	<u><u>65,991</u></u>	<u><u>58,582</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Cul-De-Sac Maintenance Special Revenue Fund  
 For the Year Ended December 31, 2016

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



City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Court Computerization Special Revenue Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Forfeitures	-	2,521	2,521
Total Revenues	-	2,521	2,521
Total Expenditures	-	-	-
Net Change in Fund Balance	-	2,521	2,521
Fund balance at beginning of year	-	-	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	-	2,521	2,521

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Federal Law Enforcement Seizure Special Revenue Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	25,000	2,536	(22,464)
Investment Income	-	2,091	2,091
Total Revenues	<u>25,000</u>	<u>4,627</u>	<u>(20,373)</u>
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	15,521	15,521	-
Capital Outlay	90,821	90,820	1
Total Expenditures	<u>106,342</u>	<u>106,341</u>	<u>1</u>
Net Change in Fund Balance	(81,342)	(101,714)	(20,372)
Fund balance at beginning of year	154,549	154,549	-
Prior Year Encumbrance Appropriated	91,342	91,342	-
Fund balance at end of year	<u>164,549</u>	<u>144,177</u>	<u>(20,372)</u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Treasury Equitable Sharing Special Revenue Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	-	83,164	83,164
Total Revenues	-	83,164	83,164
Total Expenditures	-	-	-
Net Change in Fund Balance	-	83,164	83,164
Fund balance at beginning of year	4,733	4,733	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	4,733	87,897	83,164

*City of Gahanna, Ohio*  
*Schedule of Revenues, Expenditures and Changes in*  
*Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)*  
*AG Peace Officer Training Special Revenue Fund*  
*For the Year Ended December 31, 2016*

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	-	4,880	4,880
Total Revenues	-	4,880	4,880
Expenditures			
Security of Persons & Property			
Public Safety			
Contractual Services	4,560	4,560	-
Total Expenditures	4,560	4,560	-
Net Change in Fund Balance	(4,560)	320	4,880
Fund balance at beginning of year	4,560	4,560	-
Prior Year Encumbrance Appropriated	4,560	4,560	-
Fund balance at end of year	4,560	9,440	4,880

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Right of Way Special Revenue Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
License Permits & Fees	30,000	30,025	25
Total Revenues	30,000	30,025	25
Total Expenditures	-	-	-
Net Change in Fund Balance	30,000	30,025	25
Fund balance at beginning of year	410,675	410,675	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	440,675	440,700	25

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Police Pension Special Revenue Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Property Taxes	245,696	248,233	2,537
Intergovernmental	31,304	31,795	491
Total Revenues	<u>277,000</u>	<u>280,028</u>	<u>3,028</u>
Expenditures			
Security of Persons & Property			
Public Safety			
Salaries & Benefits	1,014,560	961,363	53,197
Contractual Services	5,600	3,858	1,742
Total Expenditures	<u>1,020,160</u>	<u>965,221</u>	<u>54,939</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(743,160)</u>	<u>(685,193)</u>	<u>57,967</u>
Other Financing Sources (Uses)			
Transfer In	743,160	743,160	-
Total Other Financing Sources (Uses)	<u>743,160</u>	<u>743,160</u>	<u>-</u>
Net Change in Fund Balance	-	57,967	57,967
Fund balance at beginning of year	885,786	885,786	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u><u>885,786</u></u>	<u><u>943,753</u></u>	<u><u>57,967</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Police Duty Weapons Special Revenue Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Other	<u>12,500</u>	<u>13,766</u>	<u>1,266</u>
Total Revenues	<u>12,500</u>	<u>13,766</u>	<u>1,266</u>
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	<u>13,300</u>	<u>13,292</u>	<u>8</u>
Total Expenditures	<u>13,300</u>	<u>13,292</u>	<u>8</u>
Net Change in Fund Balance	(800)	474	1,274
Fund balance at beginning of year	14,251	14,251	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u><u>13,451</u></u>	<u><u>14,725</u></u>	<u><u>1,274</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Public Landscape Trust Special Revenue Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Total Revenues	-	-	-
Expenditures			
Leisure Time Activities			
Parks & Rec			
Contractual Services	7,000	-	7,000
Total Expenditures	7,000	-	7,000
Net Change in Fund Balance	(7,000)	-	7,000
Fund balance at beginning of year	7,816	7,816	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	816	7,816	7,000



City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Vending Machine Special Revenue Fund  
 For the Year Ended December 31, 2016

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

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Reserve for Sick & Vacation Special Revenue Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Total Revenues	-	-	-
Expenditures			
General Government			
Finance			
Salaries & Benefits	160,180	156,981	3,199
Total Expenditures	160,180	156,981	3,199
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(160,180)	(156,981)	3,199
Other Financing Sources (Uses)			
Transfer In	25,000	25,000	-
Total Other Financing Sources (Uses)	25,000	25,000	-
Net Change in Fund Balance	(135,180)	(131,981)	3,199
Fund balance at beginning of year	529,182	529,182	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	394,002	397,201	3,199

City of Gahanna, Ohio  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
OPWC Capital Projects Fund  
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Intergovernmental	<u>2,531,700</u>	<u>304,340</u>	<u>(2,227,360)</u>
Total Revenues	<u>2,531,700</u>	<u>304,340</u>	<u>(2,227,360)</u>
Expenditures			
Capital Improvement			
Finance			
Capital Outlay	<u>2,029,638</u>	<u>2,029,638</u>	<u>-</u>
Total Expenditures	<u>2,029,638</u>	<u>2,029,638</u>	<u>-</u>
Net Change in Fund Balance	502,062	(1,725,298)	(2,227,360)
Fund balance at beginning of year	(2,029,638)	(2,029,638)	-
Prior Year Encumbrance Appropriated	<u>2,029,638</u>	<u>2,029,638</u>	<u>-</u>
Fund balance at end of year	<u><u>502,062</u></u>	<u><u>(1,725,298)</u></u>	<u><u>(2,227,360)</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Bond Capital Improvement Capital Projects Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Investment Income	-	16,028	16,028
Total Revenues	-	16,028	16,028
Expenditures			
General Government			
Finance			
Contractual Services	888	-	888
Transportation			
Finance			
Capital Outlay	3,268,912	3,268,912	-
Total Expenditures	3,269,800	3,268,912	888
Net Change in Fund Balance	(3,269,800)	(3,252,884)	16,916
Fund balance at beginning of year	3,665	3,665	-
Prior Year Encumbrance Appropriated	3,269,800	3,269,800	-
Fund balance at end of year	3,665	20,581	16,916

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Park Improvement & Acquisition Capital Projects Fund  
 For the Year Ended December 31, 2016

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

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Park Capital Projects Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
License Permits & Fees	<u>4,000</u>	<u>11,000</u>	<u>7,000</u>
Total Revenues	<u>4,000</u>	<u>11,000</u>	<u>7,000</u>
Expenditures			
Leisure Time Activities			
Parks & Rec			
Capital Outlay	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Total Expenditures	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(196,000)</u>	<u>(189,000)</u>	<u>7,000</u>
Other Financing Sources (Uses)			
Transfer Out	<u>(44,466)</u>	<u>(44,466)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(44,466)</u>	<u>(44,466)</u>	<u>-</u>
Net Change in Fund Balance	(240,466)	(233,466)	7,000
Fund balance at beginning of year	258,757	258,757	-
Prior Year Encumbrance Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>18,291</u></u>	<u><u>25,291</u></u>	<u><u>7,000</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Park In-Lieu of Fees Capital Projects Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Total Revenues	-	-	-
Expenditures			
Leisure Time Activities			
Parks & Rec			
Capital Outlay	100,000	100,000	-
Total Expenditures	100,000	100,000	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(100,000)	(100,000)	-
Other Financing Sources (Uses)			
Transfer In	44,466	44,466	-
Total Other Financing Sources (Uses)	44,466	44,466	-
Net Change in Fund Balance	(55,534)	(55,534)	-
Fund balance at beginning of year	68,477	68,477	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	12,943	12,943	-

*City of Gahanna, Ohio*  
*Schedule of Revenues, Expenditures and Changes in*  
*Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)*  
*Court Building Capital Projects Fund*  
*For the Year Ended December 31, 2016*

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Fines & Forfeitures	26,700	22,443	(4,257)
Total Revenues	<u>26,700</u>	<u>22,443</u>	<u>(4,257)</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>26,700</u>	<u>22,443</u>	<u>(4,257)</u>
Other Financing Sources (Uses)			
Transfer Out	(3,459)	(3,459)	-
Total Other Financing Sources (Uses)	<u>(3,459)</u>	<u>(3,459)</u>	<u>-</u>
Net Change in Fund Balance	23,241	18,984	(4,257)
Fund balance at beginning of year	230,868	230,868	-
Prior Year Encumbrance Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>254,109</u></u>	<u><u>249,852</u></u>	<u><u>(4,257)</u></u>



City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 General Bond Retirement Debt Service Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Property Taxes	237,506	251,752	14,246
Intergovernmental	35,494	30,731	(4,763)
Total Revenues	<u>273,000</u>	<u>282,483</u>	<u>9,483</u>
Expenditures			
General Government			
Finance			
Contractual Services	5,500	3,730	1,770
Supplies & Materials	4,000	-	4,000
Debt Service	2,273,400	2,273,361	39
Total Expenditures	<u>2,282,900</u>	<u>2,277,091</u>	<u>5,809</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(2,009,900)</u>	<u>(1,994,608)</u>	<u>15,292</u>
Other Financing Sources (Uses)			
Transfer In	2,089,900	1,994,608	(95,292)
Total Other Financing Sources (Uses)	<u>2,089,900</u>	<u>1,994,608</u>	<u>(95,292)</u>
Net Change in Fund Balance	80,000	-	(80,000)
Fund balance at beginning of year	1,348,547	1,348,547	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	<u><u>1,428,547</u></u>	<u><u>1,348,547</u></u>	<u><u>(80,000)</u></u>

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Special Assessment Debt Service Fund  
 For the Year Ended December 31, 2016

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

City of Gahanna, Ohio  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Equity - Budget and Actual (Non-GAAP Budgetary Basis)  
 Workers Compensation Internal Service Fund  
 For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive/(Negative)
Revenues			
Charges for Services	<u>267,540</u>	<u>252,074</u>	<u>(15,466)</u>
Total Revenues	<u>267,540</u>	<u>252,074</u>	<u>(15,466)</u>
Expenditures			
Contract Services			
Human Resources			
Contractual Services	<u>229,500</u>	<u>187,272</u>	<u>42,228</u>
Total Expenditures	<u>229,500</u>	<u>187,272</u>	<u>42,228</u>
Net Change in Fund Equity	38,040	64,802	26,762
Fund equity at beginning of year	321,832	321,832	-
Prior Year Encumbrance Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund equity at end of year	<u>359,872</u>	<u>386,634</u>	<u>26,762</u>

# STATISTICAL SECTION



City Of Gahanna, Ohio

Statistical Section

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

<b><u>Contents</u></b>	<b><u>Pages</u></b>
<b>Financial Trends</b>	<b>138-142</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>143-151</b>
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These schedules contain information to help the reader assess the City's most significant local revenue sources, municipal income tax and property taxes.

<b>Debt Capacity</b>	<b>152-155</b>
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These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

<b>Demographic and Economic Information</b>	<b>156-157</b>
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

<b>Operating Information</b>	<b>158-161</b>
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These schedules contain service data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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

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

	2016	2015	2014	Restated 2013	Restated 2012	Restated 2011	Restated 2010	Restated 2009	2008	2007
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 120,714,997	\$ 118,970,770	\$ 118,249,600	\$ 116,148,500	\$ 63,455,491	\$ 68,285,441	\$ 64,354,828	\$ 61,259,010	\$ 60,042,672	\$ 57,581,230
Restricted	14,039,314	15,169,012	12,389,607	12,445,887	13,687,434	11,049,344	13,723,679	14,162,242	11,935,778	10,330,264
Unrestricted	13,499,101	13,666,163	13,870,290	24,788,995	21,235,666	17,947,623	21,249,773	21,997,293	25,220,459	29,950,475
Total Governmental Activities	\$ 148,253,412	\$ 147,805,945	\$ 144,509,497	\$ 153,383,382	\$ 98,378,591	\$ 97,282,408	\$ 99,328,280	\$ 97,418,545	\$ 97,198,909	\$ 97,861,989
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 48,493,228	\$ 48,938,983	\$ 48,731,148	\$ 48,345,728	\$ 49,068,153	\$ 49,960,158	\$ 50,158,280	\$ 49,292,971	\$ 49,865,655	\$ 49,756,999
Unrestricted	19,232,061	15,077,893	16,400,790	17,861,779	17,742,989	18,568,401	19,766,123	23,292,753	22,516,890	19,557,483
Total Business-Type activities	\$ 67,725,289	\$ 64,016,876	\$ 65,131,938	\$ 66,207,507	\$ 66,811,142	\$ 68,528,559	\$ 69,924,403	\$ 72,585,724	\$ 72,382,545	\$ 69,314,482
<b>Primary Government</b>										
Net Investment in Capital Assets	\$ 169,208,225	\$ 167,909,753	\$ 166,980,748	\$ 164,494,228	\$ 112,523,644	\$ 118,245,599	\$ 114,513,108	\$ 110,551,981	\$ 109,908,327	\$ 107,338,229
Restricted	14,039,314	15,169,012	12,389,607	12,445,887	13,687,434	11,049,344	13,723,679	14,162,242	11,935,778	10,330,264
Unrestricted	32,731,162	28,744,056	30,271,080	42,650,774	38,978,655	36,516,024	41,015,896	45,290,046	47,737,349	49,507,958
Total Primary Government	\$ 215,978,701	\$ 211,822,821	\$ 209,641,435	\$ 219,590,889	\$ 165,189,733	\$ 165,810,967	\$ 169,252,683	\$ 170,004,269	\$ 169,581,454	\$ 167,176,451

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

	2016	2015	Restated 2014	2013	Restated 2012	Restated 2011	Restated 2010	Restated 2009	2008	2007
<b>Expenses</b>										
Governmental Activities										
General Government	\$ 4,535,792	\$ 5,516,390	\$ 4,135,409	\$ 4,538,713	\$ 4,456,167	\$ 4,591,521	\$ 4,959,182	\$ 4,006,381	\$ 4,417,484	\$ 3,654,789
Security of Persons & Property	11,239,302	10,219,622	9,464,485	8,994,894	9,347,802	8,553,504	8,686,610	9,082,898	8,882,162	8,519,978
Public Health & Welfare	268,111	258,421	223,003	216,427	206,424	215,060	195,382	195,382	181,080	174,923
Transportation	5,037,742	4,945,121	2,961,415	4,659,802	4,059,871	5,610,420	3,571,469	4,198,845	5,402,208	4,880,366
Community Environment	4,866,823	4,496,115	4,926,795	4,224,762	4,517,023	5,790,535	4,376,125	5,168,287	5,574,128	5,597,590
Leisure Time Activities	4,636,591	3,990,528	3,658,521	3,949,682	3,591,675	2,643,767	3,285,193	3,238,751	3,004,206	2,564,826
Utility Services	447,664	417,906	478,318	562,939	504,919	474,867	2,253,385	2,295,336	1,691,119	1,468,793
Interest & Fiscal Charges	664,879	545,747	709,657	761,277	928,555	1,039,207	900,076	925,503	963,467	778,936
Total Governmental Activities Expenses	31,696,904	30,389,850	26,557,603	27,908,496	27,612,436	28,918,881	28,227,422	29,111,383	30,115,834	27,640,201
Business-Type Activities										
Water	7,723,349	7,204,101	6,030,998	6,403,114	6,748,836	5,903,450	6,385,501	5,080,513	4,293,663	4,186,573
Sewer	5,355,806	8,328,948	8,004,427	7,337,381	7,424,007	6,676,639	7,642,442	6,343,851	5,329,467	5,523,203
Storm Water	1,027,101	1,130,109	955,932	886,458	963,282	821,295	811,894	611,248	1,603,400	1,294,822
Total Business-Type Activities Expenses	14,106,256	16,663,158	14,991,357	14,626,953	15,136,125	13,401,384	14,839,837	12,035,612	11,226,530	11,004,598
Total Primary Government Expenses	\$ 45,803,160	\$ 47,053,008	\$ 41,548,960	\$ 42,535,449	\$ 42,748,561	\$ 42,320,265	\$ 43,067,259	\$ 41,146,995	\$ 41,342,364	\$ 38,644,799
<b>Program Revenues</b>										
Governmental Activities										
Charges for Services	\$ 1,306,326	\$ 1,725,026	\$ 1,779,433	\$ 1,944,536	\$ 799,150	\$ 1,062,848	\$ 663,857	\$ 553,735	\$ 649,653	\$ 720,829
Security of Persons & Property	162,217	183,274	183,739	207,783	354,525	154,552	178,005	545,423	151,581	156,602
Public Health & Welfare	-	-	-	-	-	-	-	-	-	-
Transportation	7,674	8,047	9,304	11,389	39,100	46,786	390,699	362,326	433,508	353,846
Community Environment	1,034,062	907,641	1,100,020	750,802	506,381	304,844	242,223	242,223	407,771	449,657
Leisure Time Activities	1,485,692	1,468,139	1,384,657	1,336,484	1,511,989	961,039	1,054,016	1,031,125	730,881	725,808
Utility Services	-	-	-	-	-	159,432	1,960,712	1,867,026	1,863,163	1,666,698
Interest & Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Operating Grants & Contributions	2,055,703	2,350,014	2,617,569	1,902,075	2,099,228	1,748,552	2,267,903	1,898,377	1,830,914	1,857,991
Capital Grants & Contributions	1,084,459	3,255,153	1,159,852	1,531,363	630,617	1,179,040	1,183,273	1,557,616	1,145,349	3,808,995
Total Governmental Activities	7,136,133	9,897,294	8,234,574	7,686,432	5,940,990	5,637,093	7,966,215	8,057,851	7,212,820	9,740,426
Business-Type Activities										
Charges for Services	8,363,476	7,560,244	7,571,853	7,189,091	6,722,456	5,788,248	5,587,024	4,274,932	4,552,582	4,243,182
Water	7,593,655	6,251,577	5,620,111	5,548,467	5,261,204	5,057,911	5,439,343	6,774,106	8,434,677	7,941,555
Storm Water	1,117,601	1,131,231	1,079,371	1,085,246	987,008	980,800	934,765	923,661	1,006,822	902,136
Operating Grants & Contributions	187,292	-	202,917	60,000	-	-	45,000	-	-	-
Capital Grants & Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	17,262,024	14,943,052	14,474,252	13,885,804	12,970,668	11,826,959	12,006,132	11,972,699	13,984,081	13,086,873
Program Revenues	24,398,157	24,840,346	22,708,826	21,572,236	18,911,658	17,464,052	19,972,347	20,030,550	21,206,901	22,827,299
Total Primary Government	(24,560,771)	(20,492,556)	(18,323,029)	(20,222,064)	(21,671,446)	(23,281,788)	(20,261,207)	(21,053,532)	(22,903,014)	(17,899,775)
Business-Type Activities	3,155,768	(1,720,106)	(517,105)	(741,149)	(2,165,457)	(1,574,425)	(2,833,705)	(62,913)	2,767,551	2,082,275
Total Primary Government	\$ (21,405,003)	\$ (22,212,662)	\$ (18,840,134)	\$ (20,963,213)	\$ (23,836,903)	\$ (24,856,213)	\$ (23,094,912)	\$ (21,116,445)	\$ (20,135,463)	\$ (15,817,500)
Net Expense										

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

**General Revenues and Other  
Changes in Net Position**

	2016	2015	2014	2013	2012	Restated 2011	Restated 2010	Restated 2009	2008	2007
<b>Governmental Activities</b>										
Income Tax Levied For	\$ 19,179,575	\$ 17,962,254	\$ 16,504,593	\$ 16,796,204	\$ 16,531,571	\$ 14,415,698	\$ 12,902,669	\$ 13,037,720	\$ 13,434,476	\$ 15,124,934
General Purposes	1,506,677	1,445,670	1,408,366	1,415,106	1,444,786	1,532,042	1,612,081	1,586,545	1,602,232	1,529,731
Property Taxes Levied For	248,278	241,999	234,525	237,652	240,742	260,652	258,003	251,693	251,353	245,512
General Purposes	252,278	239,628	236,116	236,561	247,503	266,656	266,656	259,990	259,980	253,720
Police	1,966,279	2,025,314	1,699,552	1,435,780	1,908,942	1,002,203	2,661,218	67,885	1,420,967	1,052,840
Revenue in Lieu of Taxes	509,095	495,884	465,007	408,373	435,863	421,791	868,501	842,211	902,649	892,450
Other Local Taxes	1,031,949	1,238,661	1,208,215	1,453,288	741,106	1,991,744	2,413,448	3,395,583	2,287,655	2,076,691
Grants & Entitlements not Restricted	386,626	435,926	596,924	115,597	741,106	1,991,744	2,413,448	1,098,874	2,308,530	3,246,695
Investment Earnings	-	-	-	-	(35,400)	178,767	(27,004)	346,999	(492,910)	-
Increase/(Decrease) in FV of Investments	-	-	-	-	-	-	-	95,995	11,055	-
Gain on Sale of Capital Assets	-	-	-	-	-	-	-	339,393	300,967	-
Miscellaneous	421,451	269,126	194,416	535,882	1,004,594	539,491	43,977	300,967	300,967	738,301
Transfers	(494,470)	(565,458)	(20,000)	(145,754)	(244,637)	(20,000)	434,711	(44,726)	(47,000)	(50,000)
<b>Total Governmental Activities</b>	<b>25,008,238</b>	<b>23,789,004</b>	<b>22,527,714</b>	<b>22,490,689</b>	<b>22,767,629</b>	<b>21,235,916</b>	<b>22,170,942</b>	<b>21,273,168</b>	<b>22,239,954</b>	<b>25,112,874</b>
<b>Business Type Activities</b>										
Investment Earnings	-	-	-	-	-	28	63	2,383	40,404	49,601
Miscellaneous	58,175	39,586	77,110	42,728	203,403	158,553	-	218,983	213,108	91,436
Transfers	494,470	565,458	20,000	145,754	244,637	20,000	172,321	44,726	47,000	50,000
<b>Total Business-Type Activities</b>	<b>552,645</b>	<b>605,044</b>	<b>97,110</b>	<b>188,482</b>	<b>448,040</b>	<b>178,581</b>	<b>172,384</b>	<b>266,092</b>	<b>300,512</b>	<b>191,037</b>
<b>Total Primary Government</b>	<b>\$ 25,560,883</b>	<b>\$ 24,394,048</b>	<b>\$ 22,624,824</b>	<b>\$ 22,679,171</b>	<b>\$ 23,215,669</b>	<b>\$ 21,414,497</b>	<b>\$ 22,343,326</b>	<b>\$ 21,539,260</b>	<b>\$ 22,540,466</b>	<b>\$ 25,303,911</b>
<b>Change in Net Position</b>										
Governmental Activities	447,467	3,296,448	4,204,685	2,268,625	1,096,183	(2,045,872)	1,909,735	219,636	(663,060)	7,213,099
Business-Type Activities	3,708,413	(1,115,062)	(419,995)	(552,667)	(1,717,417)	(1,395,844)	(2,661,321)	203,179	3,068,063	2,273,312
<b>Total Primary Government</b>	<b>\$ 4,155,880</b>	<b>\$ 2,181,386</b>	<b>\$ 3,784,690</b>	<b>\$ 1,715,958</b>	<b>\$ (621,234)</b>	<b>\$ (3,441,716)</b>	<b>\$ (751,586)</b>	<b>\$ 422,815</b>	<b>\$ 2,405,003</b>	<b>\$ 9,486,411</b>



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

	2016	2015	2014	2013	2012	2011	Restated * 2010	2009	2008	2007
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,092,012	\$ 10,429,996	\$ 14,078,731
Unreserved	-	-	-	-	-	-	-	12,828,174	13,964,988	17,592,196
Nonspendable	320,241	415,987	451,228	351,145	311,003	324,995	347,140	-	-	-
Committed	6,666,565	6,567,000	7,590,692	1,190,692	1,190,692	1,274,618	1,611,494	-	-	-
Assigned	4,851,710	6,794,860	4,251,908	3,314,438	6,156,546	3,661,298	5,254,630	-	-	-
Unassigned	13,988,069	11,136,092	10,235,991	15,203,690	10,395,966	16,251,643	12,678,805	-	-	-
<b>Total General Fund</b>	<b>\$ 25,826,585</b>	<b>\$ 24,913,939</b>	<b>\$ 22,529,819</b>	<b>\$ 20,059,965</b>	<b>\$ 18,054,207</b>	<b>\$ 21,512,554</b>	<b>\$ 19,892,069</b>	<b>\$ 18,920,186</b>	<b>\$ 24,394,984</b>	<b>\$ 31,670,927</b>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,257,799	\$ 2,986,118	\$ 3,117,288
Unreserved, reported in:										
Special Revenue Funds	-	-	-	-	-	-	-	5,419,456	4,349,271	4,114,356
Debt Service Fund	-	-	-	-	-	-	-	-	-	1,280,477
Capital Projects Funds	-	-	-	-	-	-	-	4,256,324	3,519,235	3,659,285
Nonspendable	2,707	39	5,760	2,164	3,784	2,335	3,027	-	-	-
Restricted	13,257,721	14,373,034	11,531,254	11,784,236	12,933,340	9,722,408	11,813,879	-	-	-
Committed	641,939	613,870	839,354	636,846	522,648	455,915	450,445	-	-	-
Assigned	246	246	246	246	246	246	246	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>\$ 13,902,613</b>	<b>\$ 14,987,189</b>	<b>\$ 12,376,614</b>	<b>\$ 12,423,492</b>	<b>\$ 13,460,018</b>	<b>\$ 10,180,904</b>	<b>\$ 12,267,597</b>	<b>\$ 12,933,579</b>	<b>\$ 10,854,624</b>	<b>\$ 12,171,406</b>

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

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

	2016	2015	2014	2013	2012	2011	Restated 2010	2009	2008	2007
<b>Revenues</b>										
Income Taxes	\$ 18,858,453	\$ 17,719,609	\$ 17,066,389	\$ 16,540,915	\$ 15,176,200	\$ 14,405,894	\$ 13,838,380	\$ 12,973,103	\$ 14,131,280	\$ 14,448,528
Property Taxes	2,003,393	1,947,202	1,891,759	1,898,016	1,953,823	2,056,265	2,140,235	2,118,489	2,096,004	2,008,773
Other Local Taxes	509,095	495,884	465,007	408,373	435,863	421,791	901,175	841,659	876,774	865,751
Revenue in Lieu of Taxes	1,966,279	2,025,314	1,699,552	1,435,780	1,908,942	1,002,203	1,661,218	1,342,299	1,199,393	1,679,793
Charges for Services	2,104,634	1,925,843	1,803,476	1,604,154	1,147,643	1,224,707	3,542,692	3,290,260	3,101,067	2,712,026
Licenses Permits & Fees	1,504,565	1,794,823	1,875,386	1,876,445	1,114,882	896,537	343,701	308,831	459,019	620,923
Fines & Forfeitures	422,141	649,427	626,312	553,782	773,617	534,385	535,885	881,155	519,527	610,811
Intergovernmental	4,188,694	6,785,707	4,905,347	5,216,865	4,437,473	4,465,679	6,782,304	5,766,762	4,712,686	6,946,721
Investment Income	388,059	430,456	593,294	1,124,668	520,233	674,841	715,554	1,212,167	2,294,196	3,065,056
Rental Income	25,969	19,495	36,655	49,863	67,915	78,363	92,762	121,612	156,943	-
Contributions & Donations	43,047	-	-	10	2,615	26,510	2,560	1,560	17,000	4,800
Increase (Decrease) in Fair Value of Investments	-	-	(35,400)	509,907	(35,400)	178,767	(27,004)	346,989	(492,910)	249,771
Other	423,595	223,461	146,442	509,907	351,937	449,968	433,117	364,944	242,013	738,301
<b>Total Revenues</b>	<b>\$ 32,437,924</b>	<b>\$ 34,017,221</b>	<b>\$ 31,109,619</b>	<b>\$ 30,206,578</b>	<b>\$ 27,855,743</b>	<b>\$ 26,415,910</b>	<b>\$ 31,962,579</b>	<b>\$ 29,569,840</b>	<b>\$ 29,314,992</b>	<b>\$ 33,951,254</b>
<b>Expenditures</b>										
Current:										
General Government	3,915,494	3,872,201	3,408,521	3,825,471	3,402,233	4,085,990	4,303,225	3,787,165	3,847,668	3,292,378
Security of Persons & Property	9,645,764	9,739,039	9,120,846	8,755,192	9,065,929	8,590,044	8,528,510	8,427,575	8,394,841	7,887,657
Public Health & Welfare	268,111	258,421	223,003	216,427	206,424	215,060	195,382	195,382	181,060	174,923
Transportation	4,907,830	4,862,411	2,907,602	3,128,758	2,594,625	6,908,770	2,214,302	2,030,005	2,405,685	2,674,654
Community Environment	4,235,203	3,961,655	4,445,893	3,823,133	4,167,512	4,127,834	2,943,729	4,505,304	3,928,308	4,169,888
Leisure Time Activities	3,951,962	3,497,745	3,052,861	3,244,203	2,920,356	2,595,505	2,760,515	2,987,090	2,691,317	2,218,050
Utility Services	447,664	418,745	478,318	562,939	504,919	474,867	2,283,385	2,295,336	1,691,119	1,457,644
Capital Outlay	2,741,045	3,477,539	1,828,163	2,766,860	3,372,482	3,801,856	7,369,642	7,610,239	12,536,384	12,773,759
Debt Service	-	-	-	-	-	-	-	-	-	-
Principal Retirement	1,462,880	3,282,862	2,515,355	2,495,422	1,662,652	979,500	773,436	772,864	1,222,926	973,430
Interest and Fiscal Charges	688,282	728,558	769,261	838,760	895,176	892,242	916,677	942,074	982,484	760,188
Insurance Costs	-	-	-	-	-	-	-	-	-	94,262
<b>Total Expenditures</b>	<b>\$ 32,264,255</b>	<b>\$ 34,099,176</b>	<b>\$ 28,749,923</b>	<b>\$ 29,663,165</b>	<b>\$ 28,792,308</b>	<b>\$ 32,662,668</b>	<b>\$ 32,258,803</b>	<b>\$ 33,523,034</b>	<b>\$ 37,871,772</b>	<b>\$ 36,476,833</b>
Excess (deficiency) of revenue over (under) expenditures	\$ 173,669	\$ (81,955)	\$ 2,359,696	\$ 543,413	\$ (936,565)	\$ (6,246,758)	\$ (296,224)	\$ (3,953,194)	\$ (8,556,780)	\$ (2,525,579)
Other Financing Sources (Uses)										
Transfers In	5,936,360	4,138,699	4,325,720	3,321,151	4,983,806	3,076,136	2,012,348	4,346,478	3,352,331	2,403,837
Transfers (out)	(6,430,830)	(4,626,099)	(4,345,720)	(3,327,522)	(4,983,806)	(3,096,136)	(2,012,348)	(4,391,204)	(3,399,331)	(2,453,837)
Lease Purchase Transaction	-	-	-	9,287	-	730,000	-	-	-	-
Insurance Recovery	47,286	58,482	40,053	49,236	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	101,605	49,156	43,227	37,293	42,711	28,799	43,977	123,905	11,055	29,090
Premium and interest on Bonds Sold	-	772,849	-	772,683	-	-	-	-	-	215,162
Bonds Issued	-	5,095,000	-	-	-	-	-	-	-	8,683,665
Refunding Bonds Issued	-	6,078,400	-	8,795,300	-	-	-	-	-	-
Issuance of Loans	-	-	-	206,769	714,621	5,041,751	588,148	478,172	-	-
Payments to Refunded Bond Escrow	-	-	-	-	-	-	-	-	-	-
Total Other Financing (Sources) Uses	(345,599)	5,076,650	63,280	425,819	757,332	5,760,550	602,125	557,351	(35,945)	8,877,917
<b>Net Change in Fund Balance</b>	<b>\$ (171,930)</b>	<b>\$ 4,994,695</b>	<b>\$ 2,422,976</b>	<b>\$ 969,232</b>	<b>\$ (179,233)</b>	<b>\$ (466,208)</b>	<b>\$ 305,901</b>	<b>\$ (3,395,843)</b>	<b>\$ (8,592,725)</b>	<b>\$ 6,352,338</b>
Debt Service as a Percentage of Noncapital Expenditures	7.2%	13.10%	12.20%	12.40%	10.06%	6.49%	6.79%	6.62%	8.70%	7.31%

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

Year	Income Tax Rate	Withholding	% of Total	Individual	% of Total	Net Profit	% of Total	Total
2016	1.50%	\$ 13,010,477	69.68%	\$3,651,194	19.56%	\$2,009,056	10.76%	\$18,670,727
2015	1.50%	\$ 12,106,831	68.95%	\$3,542,776	20.18%	\$1,909,759	10.88%	\$17,559,366
2014	1.50%	11,773,903	69.43%	3,148,912	18.57%	2,035,352	12.00%	16,958,167
2013	1.50%	11,394,114	69.35%	3,513,214	21.38%	1,522,423	9.27%	16,429,751
2012	1.50%	10,858,782	72.37%	3,337,927	22.25%	806,921	5.38%	15,003,630
2011	1.50%	9,843,007	65.32%	3,272,454	21.72%	1,952,819	12.96%	15,068,280
2010	1.50%	9,206,203	68.65%	3,213,644	23.96%	990,298	7.38%	13,410,145
2009	1.50%	9,139,894	68.47%	3,109,729	23.30%	1,098,749	8.23%	13,348,372
2008	1.50%	9,502,622	66.86%	3,162,712	22.25%	1,547,741	10.89%	14,213,075
2007	1.50%	10,094,925	69.18%	3,085,567	21.14%	1,412,734	9.68%	14,593,226

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

Range of Amount Withheld	2016		2007	
	Number of Withholding Accounts	Percent of Total Withholding Received	Number of Withholding Accounts	Percent of Total Withholding Received
\$500,000 and higher	2	14.38%	3	24.37%
\$499,999 - \$100,000	20	25.22%	9	13.17%
\$99,999 - \$75,000	3	2.26%	3	2.68%
\$74,999 - \$50,000	-	0.00%	7	4.59%
\$49,999 - \$25,000	-	0.00%	3	1.54%
Total	25	41.86%	25	46.34%
All Others	3,645	58.14%	2,889	53.66%
Total	<u>3,670</u>	<u>100%</u>	<u>2,914</u>	<u>100%</u>

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

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

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

Range of Income Assessed	2016		2007	
	Number of Individuals	Percent of Total Individuals	Number of Individual Accounts	Percent of Total Individuals
\$500,000 and higher	49	0.67%	90	0.72%
\$499,999 - \$400,000	40	0.54%	64	0.51%
\$399,999 - \$300,000	84	1.14%	111	0.88%
\$299,999 - \$200,000	380	5.17%	388	3.09%
\$199,999 - \$100,000	<u>1,758</u>	<u>23.92%</u>	<u>2,304</u>	<u>18.35%</u>
Total	2,311	31.44%	2,957	23.55%
All Others	5,039	68.56%	9,020	71.83%
Total	<u><u>7,350</u></u>	<u><u>100%</u></u>	<u><u>12,558</u></u>	<u><u>95%</u></u>

Source: RITA

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

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

Collection Year	Real Property (a)		Tangible Personal Property (b)		Public Utility (c)		Total		Direct Tax Rate
	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	
2016	\$ 910,478,660	\$ 2,601,367,600	\$ -	\$ -	\$ 17,448,920	\$ 49,854,057	\$ 927,927,580	\$ 2,651,221,657	2.40
2015	901,367,310	2,575,335,171	-	-	11,611,250	33,175,000	912,978,560	2,608,510,171	2.40
2014	892,421,180	2,549,774,800	-	-	10,344,730	29,556,371	902,765,910	2,579,331,171	2.40
2013	890,838,100	2,545,251,714	-	-	9,768,120	27,908,914	900,606,220	2,573,160,628	2.40
2012	894,928,870	2,556,939,629	-	-	9,701,520	27,718,629	904,630,390	2,584,658,258	2.40
2011	950,816,350	2,716,618,143	-	-	11,572,850	33,065,286	962,389,200	2,749,683,429	2.40
2010	941,679,190	2,690,511,971	460,083	460,083	13,067,930	37,336,943	955,207,203	2,728,308,997	2.40
2009	937,586,400	2,678,818,286	920,167	920,167	11,751,890	33,576,829	950,258,457	2,713,315,282	2.40
2008	925,152,780	2,643,293,657	11,683,301	186,932,816	10,352,920	29,579,771	947,189,001	2,859,806,244	2.40
2007	910,588,030	2,601,680,086	18,119,579	144,956,632	10,674,100	30,497,429	939,381,709	2,777,134,147	2.40

Source : Franklin County Auditor

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

City of Gahanna, Ohio

Real Property Tax Rates - Direct and Overlapping

Last Ten Years

City of Gahanna-Gahanna Jefferson SD (District #025)

(Per \$1000 Assessed Value)

Collection Year	City of Gahanna	Franklin County	Gahanna Jefferson School District	Columbus Metropolitan Library	Eastland Career Center	Township	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2016	2.40	18.47	73.26	2.80	2.00	14.50	113.43	82.420307	89.456444
2015	2.40	18.47	72.61	2.80	2.00	14.50	112.78	81.780925	89.676388
2014	2.40	18.47	72.10	2.80	2.00	14.50	112.27	81.526464	87.852181
2013	2.40	18.47	72.10	2.80	2.00	14.50	112.27	81.437803	87.746158
2012	2.40	18.07	72.10	2.80	2.00	14.50	111.87	80.346654	86.988447
2011	2.40	18.07	66.73	2.80	2.00	10.70	102.70	68.378701	76.810544
2010	2.40	18.07	66.73	2.20	2.00	10.70	102.10	66.132253	74.823675
2009	2.40	18.02	66.78	2.20	2.00	10.70	102.10	64.714526	74.080299
2008	2.40	18.49	65.80	2.20	2.00	10.70	101.59	61.707361	73.615481
2007	2.40	18.44	66.95	2.20	2.00	10.70	102.69	62.684601	75.462045

Note: The City of Gahanna consists of three taxing Districts:

City of Gahanna - Gahanna Jefferson School District (District #025)

City of Gahanna - Columbus City School District (District #026)

City of Gahanna - Jefferson Township/Gahanna Jefferson School District (District #027)

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

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

<b>Collection Year</b>	<b>City of Gahanna</b>	<b>Franklin County</b>	<b>Columbus City School District</b>	<b>Columbus Metropolitan Library</b>	<b>Township</b>	<b>Total Rate</b>	<b>Residential/ Agriculture Effective Rate</b>	<b>Commercial/ Industrial Effective Rate</b>
2016	2.40	18.47	75.90	2.80	14.50	114.07	82.095288	93.735180
2015	2.40	18.47	76.10	2.80	14.50	114.27	82.268192	93.908604
2014	2.40	18.47	76.00	2.80	14.50	114.17	81.325141	92.797438
2013	2.40	18.47	76.15	2.80	14.50	114.32	81.296732	92.451919
2012	2.40	18.07	75.85	2.80	14.50	113.62	79.826491	91.239815
2011	2.40	18.07	75.50	2.80	10.70	109.47	72.249939	85.773798
2010	2.40	18.07	75.50	2.20	10.70	108.87	69.950174	83.543560
2009	2.40	18.02	75.50	2.20	10.70	108.82	68.404347	82.468688
2008	2.40	18.49	67.65	2.20	10.70	101.44	58.343956	75.461416
2007	2.40	18.44	67.65	2.20	10.70	101.39	58.169705	75.546499

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

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



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

Collection Year	City of Gahanna	Franklin County	Gahanna Jefferson School District	Columbus Metropolitan Library	Eastland Career Center	Township	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2016	1.63	18.47	73.26	2.80	2.00	12.57	110.73	78.713435	86.947576
2015	1.63	18.47	72.61	2.80	2.00	13.57	111.08	78.833316	87.975055
2014	1.63	18.47	72.10	2.80	2.00	12.57	109.57	77.504360	85.401273
2013	1.63	18.47	72.10	2.80	2.00	9.57	106.57	74.407900	82.391582
2012	1.63	18.07	72.10	2.80	2.00	9.54	106.14	73.293370	81.642260
2011	1.63	18.07	66.73	2.80	2.00	9.54	100.77	65.334279	74.459773
2010	1.63	18.07	66.73	2.20	2.00	9.54	100.17	63.044436	72.519424
2009	1.63	18.02	66.78	2.20	2.00	9.54	100.17	61.632338	71.822031
2008	1.63	18.49	65.80	2.20	2.00	9.49	99.61	59.339024	71.738044
2007	1.63	18.44	66.95	2.20	2.00	10.46	101.68	60.101102	73.719136

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

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

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

December 31, 2016		
	Total Assessed Valuation	% of Total Assessed Valuation
<b>Public Utilities</b>		
1 . Ohio Power Company	\$20,534,550	2.21%
<b>Real Estate</b>		
1 . Stoneridge Plaza Shops LLC	10,424,510	1.12%
2 . Vista at Rocky Fork LP	7,910,010	0.85%
3 . Columbus Southern Power Co	5,585,210	0.60%
4 . AERC Christopher Wren Inc.	5,330,500	0.57%
5 . Cole of Phoenix AZ LLC	4,577,910	0.49%
6 . McGraw Hill Education LLC	3,692,510	0.40%
7 . Meritex Properties LLC	3,465,020	0.37%
8 . NHI-REIT of Next House LLC	3,430,000	0.37%
9 . RCS-COP II LLC	3,395,010	0.37%
10 . BW Investors LLC	3,125,190	0.34%
ALL OTHERS	<u>856,457,160</u>	<u>92.30%</u>
TOTAL ASSESSED VALUATION	<u>\$927,927,580</u>	<u>100.00%</u>

December 31, 2007		
	Total Assessed Valuation	% of Total Assessed Valuation
<b>Public Utilities</b>		
1 . Columbus Southern Power Co	\$9,794,430	1.04%
3 . Columbia Gas of Ohio Inc	1,481,700	0.16%
<b>Real Estate</b>		
1 . Morse & Hamilton L P	10,390,070	1.11%
2 . Vista at Rocky Fork L P	7,470,930	0.80%
3 . AERC Christopher Wren Inc	4,620,000	0.49%
4 . Continental/Eagle IV LLC	3,288,400	0.35%
5 . Gahanna Realty LLC	3,283,000	0.35%
6 . Morrison Arbors LLC	3,232,810	0.34%
7 . Gahanna Retirement	3,220,010	0.34%
8 . McGraw Hill Inc	3,218,990	0.34%
9 . Ozre Lodging II LLC	3,218,610	0.34%
10 . HPT CW Properties Trust	2,310,000	0.25%
<b>Tangible Personal Property *</b>		
1 . Mc Graw Hill Companies Inc	2,068,075	0.22%
2 . Ohio Bell Telephone Company	591,365	0.06%
3 . Amerigraph LLC	525,940	0.06%
4 . St. Jude Medical Sales Company	472,185	0.05%
5 . Petsmart Inc	455,180	0.05%
6 . Siemens Airfield Solutions Inc	413,200	0.04%
7 . Tamarkin Company	354,065	0.04%
8 . JE Grote Company	269,688	0.03%
9 . Kroger Co	264,395	0.03%
10 . Basell USA Inc	256,020	0.03%
ALL OTHERS	<u>878,182,646</u>	<u>93.49%</u>
TOTAL ASSESSED VALUATION	<u>\$939,381,709</u>	<u>100.00%</u>

Source : Franklin County Auditor's Office

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

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

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

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2016	\$ 2,280,868	\$ 2,235,736	98.02	\$ 44,751	\$ 2,280,487	99.98	\$ 56,825	2.49
2015	2,188,637	2,145,670	98.04	53,312	2,198,982	100.47	54,058	2.47
2014	2,164,785	2,053,384	94.85	45,268	2,098,652	96.95	72,390	3.34
2013	2,224,429	1,941,685	87.29	49,069	1,990,754	89.50	85,142	3.83
2012	2,230,058	2,126,685	95.36	60,926	2,187,611	98.10	93,839	4.21
2011	2,363,365	2,256,672	95.49	47,912	2,304,584	97.51	133,898	5.67
2010	2,358,218	2,206,189	93.55	63,634	2,269,823	96.25	117,843	5.00
2009	2,349,651	2,217,000	94.35	62,031	2,279,031	96.99	121,338	5.16
2008	2,337,158	2,208,843	94.51	58,246	2,267,089	97.00	146,594	6.27
2007	2,293,450	2,165,583	94.42	53,578	2,219,161	96.76	129,032	5.63

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

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

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

Year	Governmental Activities			Business-type Activities		Total Primary Government	(b) Percentage of Personal Income	(b) Per Capita
	(a) Bonded Debt	(a) Loans	(a) Capital Lease	(a) Bonded Debt	(a) Loans			
2016	\$ 21,078,149	\$ 1,324,623	\$ 104,284	\$ 2,095,244	\$ -	\$ 24,602,300	1.69%	\$ 728
2015	22,382,354	1,508,909	208,570	2,262,520	-	26,362,353	1.89%	790
2014	17,516,544	3,763,376	317,988	2,255,759	-	23,853,667	1.76%	716
2013	17,426,526	5,276,923	425,369	2,328,474	-	25,457,292	1.96%	765
2012	17,951,420	6,466,036	521,428	2,418,580	12,349	27,369,813	2.15%	823
2011	18,708,521	6,552,680	625,714	2,531,479	24,277	28,442,671	2.24%	825
2010	19,436,206	1,658,458	-	2,638,794	35,798	23,769,256	2.06%	715
2009	20,095,598	1,196,024	18,330	2,744,402	46,926	24,101,280	2.04%	700
2008	20,745,576	813,566	45,502	2,844,424	57,675	24,506,743	1.13%	323
2007	21,890,554	861,423	75,593	3,144,446	62,911	26,034,927	0.98%	279

Sources :

(a) Notes to the Financial Statements

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

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

Year	(a) Assessed Value	Governmental Activities			Business-Type Activities	Total Primary Government	% of Net Bonded Debt to Assessed Valuation	(d) Net Bonded Debt Per Capita
		(b) Gross Bonded Debt	(c) Less Debt Service	Net Bonded Debt	(b) Gross Bonded Debt	Net Bonded Debt		
2016	\$ 927,927,580	\$ 21,078,149	\$ 1,354,884	\$ 19,723,265	\$ 2,095,244	\$ 21,818,509	2.35%	\$ 584
2015	912,978,560	22,382,354	1,354,883	21,027,471	2,262,520	23,289,991	2.55%	630
2014	902,765,910	17,516,544	1,240,331	16,276,213	2,255,759	18,531,972	2.05%	488
2013	900,606,220	17,426,526	1,240,353	16,186,173	2,328,474	18,514,647	2.06%	486
2012	904,630,390	17,951,420	1,183,758	16,767,662	2,418,580	19,186,242	2.12%	504
2011	962,389,200	18,708,521	1,186,778	17,521,743	2,531,479	20,053,222	2.08%	508
2010	955,207,203	19,436,206	1,104,011	18,332,195	2,638,794	20,970,989	2.20%	551
2009	950,258,457	20,095,598	1,153,618	18,941,980	2,744,402	21,686,382	2.28%	550
2008	947,189,001	20,745,576	1,153,617	19,591,959	2,844,424	22,436,383	2.37%	570
2007	939,381,709	21,890,554	1,090,455	20,800,099	3,144,446	23,944,545	2.55%	609

Sources :

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

*City of Gahanna, Ohio*  
*Computation of Direct and Overlapping General Obligation Bonded Debt*  
*as of December 31, 2016*

Governmental Unit	Gross Debt Outstanding	Percent Applicable to City	Amount Applicable to City
City of Gahanna (a)	\$ 1,105,000	100.00%	\$1,105,000
Franklin County	212,975,000	3.46%	7,368,935
Jefferson Township	627,500	0.74%	4,644
Mifflin Township	825,000	96.61%	797,033
Columbus City School District	370,083,891	0.08%	296,067
Gahanna-Jefferson School District	6,680,805	63.97%	4,273,711
Eastland Fairfield Career Center	1,750,000	11.97%	209,475
SWACO	<u>50,930,000</u>	3.30%	<u>1,680,690</u>
Total Direct	1,105,000		1,105,000
Total Overlapping	<u>643,872,196</u>		<u>14,630,555</u>
Total Direct and Overlapping	<u>\$ 644,977,196</u>		<u>\$15,735,555</u>

Note: Overlapping governments with no outstanding debt are not reflected

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

Source: Ohio Municipal Advisory Council

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

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Assessed Valuation	927,927,680	912,978,560	902,765,910	900,606,220	904,630,390	962,389,200	955,207,203	950,258,457	947,189,001	939,381,709
Overall Debt Limit - 10.5% of Assessed Valuation	97,432,396	95,862,749	94,790,421	94,563,653	94,986,191	101,050,866	100,296,756	99,777,138	99,454,845	98,635,079
Net Indebtedness (a)	19,723,265	21,027,471	16,276,213	16,186,173	16,767,662	17,521,743	18,332,195	18,941,980	19,591,959	20,800,099
Exempt (b)	(19,723,265)	(21,027,471)	(16,276,213)	(16,186,173)	(16,767,662)	(17,521,743)	(18,332,195)	(18,941,980)	(19,591,959)	(20,800,099)
Legal Debt Margin	97,432,396	95,862,749	78,514,208	78,377,480	78,218,529	83,528,123	81,964,561	80,895,158	79,862,886	77,834,980
Total Net Debt Applicable to the Limit as a Percentage of the Debt Limit	0%	0%	17%	17%	18%	17%	18%	19%	20%	21%
Unvoted Debt Limit - 5.5% of Assessed Valuation (General Limitation)	51,036,017	50,213,821	49,652,125	49,533,342	49,754,671	52,931,406	52,536,396	52,264,215	52,095,395	51,665,994
Unvoted Net Indebtedness	-	-	16,276,213	16,186,173	16,767,662	17,521,743	18,332,195	18,941,980	19,591,959	20,800,099
Legal Debt Margin	51,036,017	50,213,821	33,375,912	33,347,169	32,987,009	35,409,663	34,204,201	33,322,235	32,503,436	30,865,895
Total Net Debt Applicable to the Limit as a Percentage of the Debt Limit	0%	0%	33%	33%	34%	33%	35%	36%	38%	40%

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

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

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

Source: Franklin County Auditor and Bond Counsel

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

<u>Year</u>	<u>(a) Estimated Population</u>	<u>(b) Per Capita Income</u>	<u>Personal Income</u>	<u>(c) Unemployment Rate</u>	<u>(d) School Enrollment</u>
2016	33,784	43,095	1,455,914,732	3.30%	7,496
2015	33,359	41,840	1,395,727,613	3.30%	7,243
2014	33,323	40,582	1,352,300,085	4.10%	7,190
2013	33,288	39,058	1,300,172,983	5.60%	7,019
2012	33,262	38,199	1,270,569,650	5.30%	7,073
2011	34,468	36,765	1,267,216,020	6.50%	7,075
2010	33,248	34,782	1,156,445,336	7.70%	7,142
2009	34,443	34,235	1,179,144,003	7.20%	7,147
2008	34,355	34,988	1,202,006,244	4.80%	7,036
2007	34,170	34,953	1,194,339,160	4.10%	6,997

Sources :

(a) Population for the City is estimated based on estimates from Mid-Ohio Regional Planning Commission

(b) US Department of Commerce, Bureau of Economic Analysis, Franklin County & US Census Bureau

(c) Ohio Labor Market Information

(d) Gahanna Jefferson School District CAFR



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

2016	
Employer	Type of Business
American Electric Power	Public Utility
Gahanna-Jefferson Schools	Public School District
McGraw-Hill Education LLC	Education Materials Supplier
Ohio Power Company	Public Utility
Columbus Academy	Private School K-12
City of Gahanna	Municipality
Ohio Health Physicians Group	Healthcare Provider
Donatos Pizzeria LLC	Food Service
ADP Total Source III Inc	Service Provider
The Ohio State University	Healthcare Provider

2007	
Employer	Type of Business
American Electric Power	Public Utility
Alliance Data Systems	Marketing Services
Gahanna-Jefferson Schools	Public School District
McGraw-Hill	Education Materials Supplier
City of Gahanna	Municipality
State of Ohio	State Government
Columbus Academy	Private School K-12
Eagle Family Foods	Food Supplier
The Kroger Company	Grocery
Donatos Pizzeria LLC	Food Service

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

Source: RITA, City Tax

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

	2016	2015 ***	2014 ***	2013	2012	2011	2010	2009 **	2008	2007
<b>General Government</b>										
Council Elected Officials	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Council Office Full-Time	2.50	3.00	3.00	2.40	2.80	2.80	2.80	2.80	3.10	3.10
Council Office Part-Time	1.00	1.00	-	3.00	2.00	2.00	2.00	1.00	1.00	1.00
Council Office Appointed Board Member	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Office of the Mayor Elected Officials	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Office of the Mayor Full-Time	5.00	4.05	4.00	6.00	6.00	5.00	5.00	5.00	4.00	4.00
Office of the Mayor Part-Time	6.00	3.00	3.00	2.00	2.00	4.00	3.00	4.00	4.00	4.00
Department of Law Elected Officials	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Department of Law Full-Time	-	-	-	0.10	0.30	0.30	0.30	0.30	0.30	0.30
Department of Law Part-Time	2.00	-	1.00	1.00	-	-	-	-	-	-
Human Resources Full-Time	3.00	3.00	3.00	3.00	3.00	2.00	3.00	2.00	3.00	2.00
Human Resources Part-Time	-	-	-	-	-	1.00	1.00	1.00	1.00	1.00
Finance Full-Time	4.00	4.95	4.00	5.00	5.00	5.00	6.00	5.50	4.00	4.00
Finance Part-Time	1.00	1.00	1.00	-	-	-	-	1.00	1.00	1.00
Income Tax Full-Time	-	-	-	-	-	-	-	3.50	4.00	5.00
Income Tax Part-Time	-	-	-	-	-	-	-	3.00	3.00	3.00
Public Service Full-Time	5.45	5.45	5.45	6.95	7.95	7.95	9.25	10.25	10.25	10.25
Public Service Part-Time	2.00	2.00	2.00	2.00	2.00	-	1.00	2.00	2.00	2.00
Public Service Seasonal	1.00	2.00	2.00	2.00	2.00	-	1.00	2.00	2.00	2.00
<b>Total</b>	<b>47.95</b>	<b>44.45</b>	<b>43.45</b>	<b>48.45</b>	<b>48.05</b>	<b>45.05</b>	<b>49.35</b>	<b>58.35</b>	<b>57.65</b>	<b>57.65</b>
<b>Security of Persons &amp; Property</b>										
Police Full-Time	62.00	60.00	62.00	55.00	61.00	59.00	62.00	64.00	64.00	66.00
Police Part-Time	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00
Police Appointed Member	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Emergency Management Part-Time	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Dispatch	11.00	11.00	10.00	10.00	10.00	10.00	9.00	9.00	9.00	8.00
<b>Total</b>	<b>77.00</b>	<b>76.00</b>	<b>78.00</b>	<b>71.00</b>	<b>77.00</b>	<b>75.00</b>	<b>77.00</b>	<b>79.00</b>	<b>79.00</b>	<b>81.00</b>
<b>Transportation</b>										
Fleet Full-Time	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Fleet Part-Time	-	-	-	-	-	-	-	1.00	2.00	1.00
Streets Full-Time	6.42	6.42	6.25	6.25	6.25	6.68	7.25	7.25	7.25	7.25
Streets Part-Time	-	-	-	-	-	-	-	1.00	1.00	-
Streets Seasonal	0.50	1.50	2.00	2.00	2.00	-	-	1.00	1.00	-
<b>Total</b>	<b>11.92</b>	<b>12.92</b>	<b>13.25</b>	<b>13.25</b>	<b>13.25</b>	<b>11.68</b>	<b>12.25</b>	<b>15.25</b>	<b>16.25</b>	<b>13.25</b>
<b>Community Environment</b>										
Planning & Development Full-Time	4.00	9.00	9.00	9.50	9.90	9.90	9.90	10.90	9.60	10.60
Building & Zoning Full Time	5.50	2.00	2.00	1.00	1.00	1.00	2.00	5.00	7.00	6.00
Building & Zoning Part Time	1.00	-	-	-	-	-	-	-	-	-
Appointed Board Members	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Information Technology Full-Time	5.00	4.00	5.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00
Information Technology Part-Time	1.00	1.00	-	-	1.00	1.00	1.00	2.00	3.00	1.00
Information Technology Seasonal	1.00	1.00	-	-	1.00	1.00	1.00	2.00	3.00	1.00
<b>Total</b>	<b>29.50</b>	<b>29.00</b>	<b>28.00</b>	<b>27.50</b>	<b>29.90</b>	<b>29.90</b>	<b>29.90</b>	<b>35.90</b>	<b>38.60</b>	<b>34.60</b>
<b>Leisure Time Activity</b>										
Parks & Facilities Full-Time	7.00	6.97	6.85	6.85	6.85	6.85	7.85	7.85	7.85	6.00
Parks & Facilities Part-Time	34.80	36.00	36.00	31.98	34.90	30.93	28.14	35.08	32.49	23.00
Parks & Facilities Seasonal	-	1.00	3.00	2.37	2.00	4.52	2.00	10.00	10.00	4.00
Parks & Facilities Appointed Board Members	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Recreation Full-Time	3.00	2.88	2.00	3.00	3.40	3.10	3.15	3.40	2.10	1.90
Recreation Part-Time	7.25	5.50	6.00	3.75	4.70	2.72	2.00	5.02	4.29	6.00
Recreation Seasonal	39.00	43.00	27.00	41.45	39.40	37.98	36.00	36.56	27.00	7.00
Golf Course Full-Time	1.00	0.15	0.15	0.15	0.45	0.60	0.45	0.45	0.45	2.30
Golf Course Part-Time	6.45	5.00	5.00	7.73	7.40	7.35	5.86	5.90	6.22	6.00
Golf Course Seasonal	8.00	11.00	9.00	8.37	7.00	8.00	8.00	9.00	13.00	-
Senior Center Full-Time	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Senior Center Part-Time	3.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00
Senior Center Seasonal	-	-	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00
Pools Full-Time	1.00	-	-	-	0.30	0.45	0.55	0.30	0.60	0.80
Pools Part-Time	2.50	1.50	1.00	1.00	2.00	2.00	4.00	2.00	1.00	-
Pools Seasonal	82.00	83.00	6.00	85.35	80.60	68.50	78.00	101.44	30.00	-
<b>Total</b>	<b>208.00</b>	<b>191.00</b>	<b>119.00</b>	<b>209.00</b>	<b>206.00</b>	<b>190.00</b>	<b>197.00</b>	<b>236.00</b>	<b>154.00</b>	<b>76.00</b>
<b>Business-Type Activities</b>										
Water Full-Time	5.86	5.86	5.60	5.34	5.34	5.60	5.88	5.38	5.37	4.87
Water Part-Time	-	-	-	-	0.33	0.66	0.66	0.33	0.33	0.83
Water Seasonal	0.50	0.50	-	0.66	0.33	0.33	1.83	2.15	1.33	0.50
Sewer Full-Time	5.86	5.86	5.60	5.35	5.35	5.61	5.88	5.38	5.38	4.88
Sewer Part-Time	-	-	-	-	0.34	0.66	0.66	0.33	0.33	0.83
Sewer Seasonal	0.50	0.50	-	0.68	0.34	0.33	1.83	2.19	1.33	0.50
Storm Water Full-Time	3.41	3.41	3.10	3.11	3.11	3.16	2.75	2.75	2.75	2.75
Storm Water Part-Time	-	-	-	-	0.33	0.68	0.68	0.34	1.34	1.34
Storm Water Seasonal	0.50	0.50	1.00	0.66	0.33	0.34	1.33	1.65	3.34	1.00
<b>Total</b>	<b>16.63</b>	<b>16.63</b>	<b>15.30</b>	<b>15.80</b>	<b>15.80</b>	<b>17.37</b>	<b>21.50</b>	<b>20.50</b>	<b>21.50</b>	<b>17.50</b>
<b>Total Elected Officials</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>
<b>Total Full-Time</b>	<b>147.00</b>	<b>142.00</b>	<b>141.00</b>	<b>139.00</b>	<b>148.00</b>	<b>145.00</b>	<b>151.01</b>	<b>156.01</b>	<b>153.00</b>	<b>154.00</b>
<b>Total Part-Time</b>	<b>71.00</b>	<b>62.00</b>	<b>64.00</b>	<b>60.46</b>	<b>65.00</b>	<b>61.00</b>	<b>60.00</b>	<b>78.00</b>	<b>79.00</b>	<b>67.00</b>
<b>Total Seasonal</b>	<b>133.00</b>	<b>121.00</b>	<b>48.00</b>	<b>141.54</b>	<b>132.00</b>	<b>120.00</b>	<b>130.99</b>	<b>163.99</b>	<b>87.00</b>	<b>13.00</b>
<b>Total Appointed</b>	<b>31.00</b>	<b>31.00</b>	<b>31.00</b>	<b>31.00</b>	<b>31.00</b>	<b>31.00</b>	<b>31.00</b>	<b>31.00</b>	<b>31.00</b>	<b>31.00</b>
<b>Total All Employees</b>	<b>391.00</b>	<b>370.00</b>	<b>297.00</b>	<b>385.00</b>	<b>390.00</b>	<b>369.00</b>	<b>387.00</b>	<b>445.00</b>	<b>367.00</b>	<b>280.00</b>

\* - The City purchased new accounting and Human Resources software in 2007 which became operational in October 2007. Due to the October implementation date, seasonal staff for 2007 is not complete.

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

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

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

Source - Payroll Records

Function	2016	2015	2014	2013	2012	2011	2010	2009**	2008	2007
<b>Governmental Activities</b>										
General Government										
Active Income Tax Accounts	3,670	3,528	3,265	3,154	3,094	2,978	2,801	2,683	N/A	N/A
Withholding	24,491	23,542	21,940	21,141	21,178	20,138	19,262	15,206	N/A	N/A
Individual	2,418	2,197	2,075	2,132	2,383	2,329	2,246	1,905	N/A	N/A
Business										
Security of Persons & Property	34,599	40,490	38,750	39,317	37,589	41,809	39,225	34,279	33,695	31,152
Dispatched Calls	249	248	227	211	239	163	195	242	277	335
Violent Crimes	820	707	680	736	824	830	779	927	955	933
Property Crimes	6,583	6,919	6,649	5,870	4,577	4,916	4,693	4,194	4,637	4,346
Traffic Citations & Accidents	944	1,019	1,090	1,281	1,205	1,216	1,109	1,106	1,192	1,149
Arrests										
Leisure Time Activities	33,414	19,950	19,609	26,520	30,986	23,005	20,890	22,717	N/A	N/A
Special Event Participation	4,825	700	4,747	3,386	3,105	2,809	3,078	3,190	2,780	2,540
Recreation Program Participation	47,307	40,533	37,460	38,809	38,885	35,630	33,196	30,474	N/A	N/A
Swimming Pool Admissions	17,482	18,992	20,281	19,362	22,518	15,837	19,602	22,846	20,348	15,174
Golf Course Admissions	520	427	460	576	N/A	N/A	590	N/A	657	670
Senior Center Members										
Community Environment	534	554	512	979	612	433	319	352	577	510
Commercial Permits Issued	1,045	1,047	901	884	840	734	798	664	727	725
Residential Permits Issued	700	682	666	727	705	672	597	595	684	493
Code Enforcement Complaints	681	857	849	838	826	859	846	920	703	654
Code Enforcement Violations										
Jobs Created/Retained Through Economic Development Incentives*	1,246	1,436	3,188	3,385	4,393	4,324	2,965	3,070	3,423	4,257
Private Investment Leveraged Per Dollar of Public Investment Incentives	\$ 156.68	\$ 118.07	\$ 15.18	\$ 33.82	\$ 29.04	\$ 40.02	\$ 39.84	\$ 38.35	\$ 40.80	\$ 44.86
Transportation										
Lane Miles of Street Rebuild	2.40	1.60	0.62	0.78	0.70	-	-	0.50	0.48	1.35
Lane Miles of Street Overlay	13.58	5.82	1.60	3.53	3.07	0.77	8.19	2.74	5.34	2.05
Lane Miles of Street Maintenance	4.70	8.76	16.80	24.11	15.41	-	-	3.71	3.99	0.30
Average Pavement Condition Rating	85.42%	84.70%	87.60%	87.40%	86.20%	87.60%	89.70%	92.80%	92.00%	91.60%
<b>Business-Type Activities</b>										
Residential Utility Accounts	10,125	10,095	10,164	10,031	10,023	10,017	10,017	10,016	10,013	10,008
Commercial Utility Accounts	652	621	630	628	625	620	617	616	614	606

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

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

N/A - Data Not Available

Source - RITA, Department Records

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Governmental Activities</b>										
<b>General Government</b>										
City Hall	1	1	1	1	1	1	1	1	1	1
Fleet	6	6	6	6	7	N/A	N/A	N/A	N/A	N/A
Security of Persons & Property										
Police Station	1	1	1	1	1	1	1	1	1	1
Police Fleet	31	37	42	42	50	N/A	N/A	N/A	N/A	N/A
Transportation										
Service Garage	1	1	1	1	1	1	1	1	1	1
Joint Maintenance Facility	1	1	1	1	1	1	1	1	1	1
Street Lane Miles	325.84	325.09	325.09	325.09	324.89	321.05	318.67	318.67	317.55	317.07
Street Lights	1,752	1,740	1,740	1,740	N/A	N/A	N/A	N/A	N/A	N/A
Traffic Signals	41	41	41	41	40	38	37	37	37	36
Fleet	15	16	16	17	18	N/A	N/A	N/A	N/A	N/A
Community Environment										
Office Building	1	1	1	1	1	1	-	-	-	-
Parking Garage	1	1	1	1	1	1	1	1	1	1
Miles of Fiber	20.25 **	14.58 **	14.42 **	20.26	18.75	15.12	13.75	12.60	7.42	7.42
Leisure Time Activities										
Park Acreage	768	768	759.2	759.13	759.13	759.13	702.25	693.35	651.18	651.90
Number of Parks	52	52	52	51	51	51	49	49	34	34
Rentable Shelters	8	8	6	6	6	6	6	6	4	4
Playgrounds	13	13	13	15	15	15	13	13	12	12
Senior Center	1	1	1	1	1	1	1	1	1	1
Herb Education Center	1	1	1	1	1	1	-	-	-	-
Golf Course	1	1	1	1	1	1	1	1	1	1
Dog Park	1	1	1	1	1	1	1	1	1	1
Skate Park	1	1	1	1	1	1	1	1	1	1
Pools	2	2	2	2	2	2	2	2	1	1
Parks Garage	1	1	1	1	1	1	1	1	1	1
Trail Miles	13 *	13 *	12 *	17.10	16.60	16.60	14.80	13.70	12.90	10.10
Fleet	26	28	30	35	43	N/A	N/A	N/A	N/A	N/A
<b>Business-Type Activities</b>										
Water Main Miles	152.76 **	152.76 **	152.37 **	177.42	175.00	174.69	173.21	170.39	170.03	165.44
Sanitary Sewer Miles	151.38 **	151.38 **	150.94 **	161.94	160.00	159.43	158.48	156.97	156.43	155.26
Storm Sewer Miles	126.04 **	126.04 **	125.46 **	148.59	145.00	144.86	142.01	137.13	135.07	127.95
Fleet	14	13	13	16.00	15.00	N/A	N/A	N/A	N/A	N/A

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

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

Source: Capital Asset System, Departmental Records

N/A - Information Not Available

Priority	Strategic Results	Description	Goals	2016 Activity	2016 Status
1	<b>Business and Job Development</b>				
	1.1	Walkable Downtown District	2021 Encourage livable, walkable downtown district characterized by arts, culture, retail and entertainment.	Met with other municipalities to learn about food truck regulation and code	On Track
	1.2	Create 2,750 Well Paying Jobs	2021 develop 2,750 well-paying jobs in southeast and southwest Gahanna. 2019 newly developed jobs will be at a wage level and density greater than or equal to the 2015 average.	Over 1000 new jobs developed or committed to develop.	On Track
	1.3	Job Wages and Density	2017 an updated unified development plan for the City will be available to stakeholders.	Measurement methodology finalized.	On Track
	1.4	Updated and Accessible Development Plan		Began comprehensive review of zoning code.	On Track
2	<b>Roads, Bridges and Infrastructure</b>				
	2.1	Arterial Roads will have a pavement condition rating of 70 or better	2019 major arterial roads will have a pavement condition rating of 70 or better.	At the end of the 2016 road program 98% have a condition rating of 70 or better.	On Track
	2.2	Local Roads will have a pavement condition rating of 65 or better	2021 local roads will have a pavement condition rating of 65 or better. 2021 west Gahanna residents and visitors will be able to travel through improved and maintained intersections on Stygler, Agler and US 62.	At the end of the 2016 road program 95% have a condition rating of 65 or better.	On Track
	2.3	West Side Intersection Completed	2017 roads and bridge infrastructure improvements and ongoing maintenance will be supported by a dedicated funding mechanism	Consultant to design alternatives identified.	On Track
	2.4	Dedicated Funding for Roads & Bridges		Long-term cost analysis provided by City Engineer. Performance Audit began.	On Track
3	<b>Parks Trails &amp; Recreation</b>				
	3.1	Completed Trail System	2020 residents and visitors will be able to utilize a completed trail system connecting trails, paths, parks and communities	Consultant selection for design of sections 4 & 8 of the Big Walnut Trail are underway. Grant funding secured for a portion of section 4.	On Track
	3.2	Southwest Floodplain Park Plan	2018 an approved plan will be completed for the Southwest Floodplain park.	Discussions on the purchase of property have resumed.	On Track
	3.3	Southwest Floodplain Development	2021 the Southwest Floodplain park will be completed.	Discussions on the purchase of property have resumed.	On Track
	3.4	Waterway Plan	2018 an approved plan for waterway development, use and promotion will be developed.	Identified Metroparks as an interested partner. Obtained examples of successful waterway plans.	On Track
4	<b>Character of the City</b>				
	4.1	Business Community Engagement	2021 50% of targeted existing and new businesses will partner with the City to participate in and meaningfully contribute to community engagement initiatives, events and other activities.	Business visits include discussion on engagement opportunities. Parks is creating a brochure highlighting engagement opportunities.	On Track
4.2	Updated Architectural Standards	2019 establish architectural standards and guidelines for commercial and residential development.		Current plans are being analyzed.	On Track

4.3	Gateways & Signage	2019 entrances to the City and neighborhoods will have consistent unified signage aligned with the City's brand.	Gateway design pending new branding. At the end of 2016, 198 street signs were installed.	On Track
4.4	Brand Launch	2017 the City will launch a new brand that expresses the character of our community.	Created a steering committee and kicked off the project.	On Track
<b>5 Good Government</b>				
5.1	Neighborhood Commissions	2016 residents will experience improved community engagement opportunities through the creation of area commissions.	Consultation services to create the commissions completed. Recruitment began.	On Track
5.2	Online Access to Strategic Plan Performance	2017 stakeholders will have access to on-line performance results for the implementation of the strategic plan.	Website updated www.goforwardgahanna.org. Website updated each quarter with implementation and performance updates.	On Track
5.3	Results Performance Measurement	2017 Council and the Mayor will have regularly provided performance reports and results measures to make decisions.	Purchased Lumanas, performance measurement technology. Began development of pertinent measures for each result.	On Track
5.4	Online Access to 5.3	2017 stakeholders will have on-line access to performance information about City operations.	Website created www.goforwardgahanna.org. Purchased Lumanas, performance measurement technology. Began development of pertinent measures for each result.	On Track
5.5	Recurring Citizen Survey	2017 Gahanna residents will experience a responsive government that measures citizen satisfaction and concerns in a statistically valid and actionable manner every 3 years.	Citizen survey completed.	Completed
5.6	Code Review, Update and Enforcement	2017 update city codes and review every 3 years.	Developed a catalog of the status of all code sections and when last updated.	On Track

The City adopted GoForward Gahanna, a five year strategic plan April of 2016. More detailed information regarding implementation milestones and status can be located at [www.goforwardgahanna.org](http://www.goforwardgahanna.org)

Source: [www.goforwardgahanna.org](http://www.goforwardgahanna.org)



# Dave Yost • Auditor of State

CITY OF GAHANNA

FRANKLIN 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 11, 2017