City of Grove City, Ohio

2012 Comprehensive Annual Financial Report

For the Year Ended December 31, 2012

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
of the
City of Grove City, Ohio

For the Year Ended December 31, 2012

Issued by
Department of Finance
Michael Turner, Director

City of Grove City, Ohio

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INTRODUCTORY SECTION

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The City of Grove City, Ohio

4035 Broadway • Grove City, Ohio 43123
(614) 277-3000

June 20, 2013

Honorable Citizens, Mayor
and Members of City Council of
Grove City, Ohio

We are pleased to present our Comprehensive Annual Financial Report (CAFR) of the City of Grove City for the year ended December 31, 2012. This CAFR includes financial statements and other financial and statistical data which conforms to generally accepted accounting principles applicable to government entities. The intent of this report is to provide the stakeholders of the City of Grove City with comprehensive financial data in a format that provides a true understanding of the City's financial affairs while providing management information for decision making purposes.

Ohio law requires that every city file its unaudited financial statements with the Auditor of State and publish their availability within five months of the close of each year. The general purpose external financial statements from this report were filed to fulfill that requirement for the year ending December 31, 2012.

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal control established for this purpose. Since sound financial management dictates that the cost of internal control should not exceed the expected benefits from the controls, the objective of this report is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Auditor of the State of Ohio has issued an unmodified ("clean") opinion on the City of Grove City's financial statements for the year ended December 31, 2012. The Independent Auditors' Report is located at the front of the Financial Section of this report.

Management's Discussion and Analysis immediately follows the Independent Auditors' Report. This discussion provides a narrative introduction, overview and analysis to accompany the basic financial statements. Management's Discussion and Analysis complements this Letter of Transmittal and should be read in conjunction with it.

FORM OF GOVERNMENT AND REPORTING ENTITY

The City of Grove City, Ohio is a growing community of over 35,000 residents and over 1,000 businesses. The City is serviced by four interstate highway interchanges – one access point from Interstate 270 and three access points from Interstate 71. Rail service is provided by the Indiana and Ohio Railroad, which leases and operates an existing CSX track. Air service is provided by Port Columbus International Airport (15 miles), Rickenbacker Airport (10 miles) and by Bolton Field Airport (2 miles).

Grove City operates under a Home-Rule City Charter adopted by the electorate on November 4, 1958, with an effective date of July 1, 1959. The Charter has been amended three times – December 6, 1962, November 2, 1982 and November 5, 1985. The Charter provides for a strong Mayor-Council-Administrator plan of government. The legislative power of the City is vested in a five member City Council, with four elected by their respective wards for four year terms and one elected at-large for a two year term. The ward Councilpersons' terms are staggered with two elected every two years. Council sets compensation guidelines for the City officials and employees, and enacts by legislation for such municipal purposes as City services, tax levies, appropriations, indebtedness, and licensing of regulated businesses and trades.

The Mayor is elected to a four year term and serves on a part-time basis. The Mayor is the Chief Executive Officer of the City. The Mayor holds the authority to appoint the City Administrator. The City Administrator is a full-time, professional appointment and serves as the Chief Administrative Officer of the City with the responsibility for the daily operations of the City.

The Mayor also appoints all City Department Directors including the Finance Director, the Chief Financial Officer of the City. The primary objectives of the Finance Director are to assure compliance with the laws of the City of Grove City and of the State of Ohio, provide current accurate information to the City Administrator, Mayor, and City Council to enable appropriate decision making, manage the City's Investment Portfolio, raise necessary funding for major projects, manage the City's finances on a day by day basis, and record keeping.

The other departments whose Directors are Mayoral appointments are Parks and Recreation, Safety, Service, Development, and Law.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government of the City consists of all funds and departments that provide services including public safety, public service, street maintenance, parks and recreation, a senior center, engineering, and general administrative services. The City is responsible for the construction, maintenance, and repairs associated with all public infrastructures, including water and sewer lines. The City of Columbus provides water and sewage treatment services and maintenance on certain water lines pursuant to a long-term contract.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units 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. The City has no component units.

The Grove City Area Community Improvement Corporation (CIC) was created as a not for profit corporation under Sections 1724.01 et. seq., Ohio Revised Code. The CIC is governed by a 14 member Board of Trustees, five of whom are elected or appointed officials of the City, one representative of Jackson Township, one representative of South-Western City Schools, one representative of the Chamber of Commerce, and six are volunteer citizens. The sole purpose of the CIC is to advance, encourage, and promote the industrial, economic, commercial and civic development of Grove City, Ohio. Because the CIC is subject to joint control and the participants have no equity interest in the CIC, the CIC is a jointly governed organization of the City.

Other Jurisdictions which are not component units of the City but which the City complements in providing public services are:

- Jackson Township, which is responsible for the provision of fire prevention and emergency medical services;
- South-Western City School District;
- Southwest Public Libraries; and
- Franklin County Health Department

The City is a member of the Central Ohio Health Care Consortium, a risk-sharing health insurance pool.

The City is a member of the Central Ohio Risk Management Association Self-Insurance Pool Inc., for property and general liability, automobile liability, boiler and machinery liability, law enforcement liability, and public official's liability coverage.

The City is a member of the Mid-Ohio Regional Planning Commission, a jointly governed organization.

The City's budgetary process is set forth in the State code and the corporate charter of the City and provides for a preliminary tax budget to be presented in June to determine the adequacy of funding sources and a subsequent presentation and justification to support the appropriation of funds by City Council to support the operation and activities of the City for the ensuing year. All actions are subject to public notification and a series of public meetings. The annual budget of the City is appropriated by fund, department, personal services and all other objects. All funds, other than agency funds, are legally required to be budgeted and appropriated. Supplemental appropriations are made throughout the fiscal year.

ECONOMIC CONDITION

The City of Grove City is in the southwestern quadrant of the Columbus Metropolitan Area, an economy dominated by the diverse industry. The heavy presence of the service industry has meant Central Ohio has experienced milder economic fluctuations than those experienced by the rest of the State of Ohio as well as the national economy. With its primary source of revenue being the income tax, this economic stability is of great value to the City of Grove City. This is well illustrated in the unemployment rate differentials. According to the Bureau of Labor Statistics, the unemployment rates for the year 2012 were as follows: national, 8.1 percent, State of Ohio, 7.2 percent, Franklin County, 6.1 percent, and Grove City, 5.5 percent. The economic stability of Grove City is further enhanced by the diversity of business in the City, including retail, banking and insurance, the distribution industry, high tech industry, and light manufacturing.

An integral component of the City's Economic Development has been the creation of seven commercial/industrial parks:

- Grove City Industrial Park — 100 acres; 13 major buildings; I-71 & SR 665
- South Park — 350 acres; 18 major buildings; I-71 & I-270
- Capital Park South — 150 acres; 8 major buildings; I-270 & SR 62
- Southpointe — 53 acres; 7 major buildings; SR 665
- Gateway Business Park — 114 acres; 4 major buildings; I-71 & SR 665
- Gateway Business Park West — 232 acres; in early stages of development; SR 665
- Gateway to the City Office Park — 35 acres; 12 major buildings: I-71 & Stringtown Road

All of these commerce parks have available sites for further expansion.

Principal employers in Grove City are:

South-Western City School District	1,905
Walmart Associates, Inc.	1,195
FedEx Ground Package Systems, Inc.	997
The Gap, Inc.	574
FedEx Smart Post	513
Walmart Super Center	329
Manheim Remarketing, Inc.	310
Tigerpoly Manufacturing, Inc.	303
Tosoh SMD, Inc.	283
Halcore Group, Inc.	258

In cooperation with residential, commercial, and industrial development, the City of Grove City provides the necessary infrastructure to accommodate development.

In 2012 the City benefited from an improved economy by collecting cash-basis income tax receipts of $19,085,048. This is the highest annual amount of income tax collections recorded by the City. Employee withholding taxes represent 75% of the total income tax receipts and corporate net profit taxes were 17% of the total. The City relies heavily on income tax collections to support operations and will continue to monitor receipts closely throughout 2013.

LONG-TERM FINANCIAL PLANNING

The management team of the City continues to monitor income tax collections in order to best manage the finances of the City. The City maintains a five-year capital improvement plan. A five-year financial forecast is prepared and maintained by the Finance Director. A monthly analysis is performed to compare the forecasted revenues and expenditures to actual balances. This allows the Finance Director to analyze the effects of future capital improvement projects on forecasted fund balances. See Management's Discussion and Analysis for a breakdown in the major sources of revenues for the City.

MAJOR INITIATIVES

During 2012, the City issued 130 single-family residential construction building permits with an average value of $217,044. The total value of all building permits issued was $54,097,409.

- **I-71/SR665 Interchange**
  August 16, 2012, marked the official opening of the reconstructed I-71/SR665 Interchange. This 12 year effort resulted in a state-of-the-art interchange maximizing safety, capacity, efficiency and opportunities for job creation and retention. Seven different transportation partners participated in the funding of the interchange. They include the City of Grove City, Ohio Department of Transportation, Mid-Ohio Regional Planning Commission, Ohio Public Works Commission, U.S. Government, the Ohio Department of Development, and area property owners.

- **Stringtown Road Phase 2**
  Construction began in May 2012, for the reconstruction and minor widening of Stringtown Road between Hoover Road and McDowell Road. Stringtown Road is a major artery connecting the heart of the City to I-71. The $7,107,569 project also consists of sidewalks, sanitary sewer upgrades, storm sewer improvements, street lighting, and waterline replacements. This project is leveraged by a $3,902,104 grant and a $2,494,789 loan from the Ohio Public Works Commission.

- **Eagle Pavilion at Rotary Lake**
  A 3,894 square foot shelter was constructed at an approximate cost of $700,000. This four-season shelter features an open design with generous natural lighting, an outdoor fireplace and patio area, a warming kitchen and large restrooms.

- **2012 Street Program**
  The City allocated $2,500,000 for the annual Street Program in 2012 in order to maintain public streets, bike paths, sidewalks and curb ramps throughout the City.

OTHER INFORMATION

INDEPENDENT AUDIT

Included in this report is an unmodified audit opinion rendered on the City's financial statements for the year ended December 31, 2012, by the Auditor of State. City management plans to continue to subject the financial statements to an annual independent audit as part of the preparation of the Comprehensive Annual Financial Report. The annual audit serves to assist in the maintenance and strengthening of the City's accounting and budgetary functions.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United State of America and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Grove City for its comprehensive annual financial report for the fiscal year ended December 31, 2011. This was the 23rd consecutive year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGEMENTS

Our gratitude goes to Mayor Richard L. "Ike" Stage, Council Members Steven M. Bennett, Jeffrey M. Davis, Melissa Albright, Maria C. Klemack-McGraw, and President Ted A. Berry for their leadership and commitment to this report. Special gratitude is extended to the Local Government Services Section of the Office of the Auditor of State for their role in the preparation of this report.

Respectfully submitted,

Michael A. Turner
Finance Director

Charles W. Boso, Jr.
City Administrator

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Grove City Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

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

President

Executive Director

CITY OF GROVE CITY, OHIO
List Of Principal Officials
As Of December 31, 2012

Elected City Officials

MAYOR

RICHARD L. "IKE" STAGE

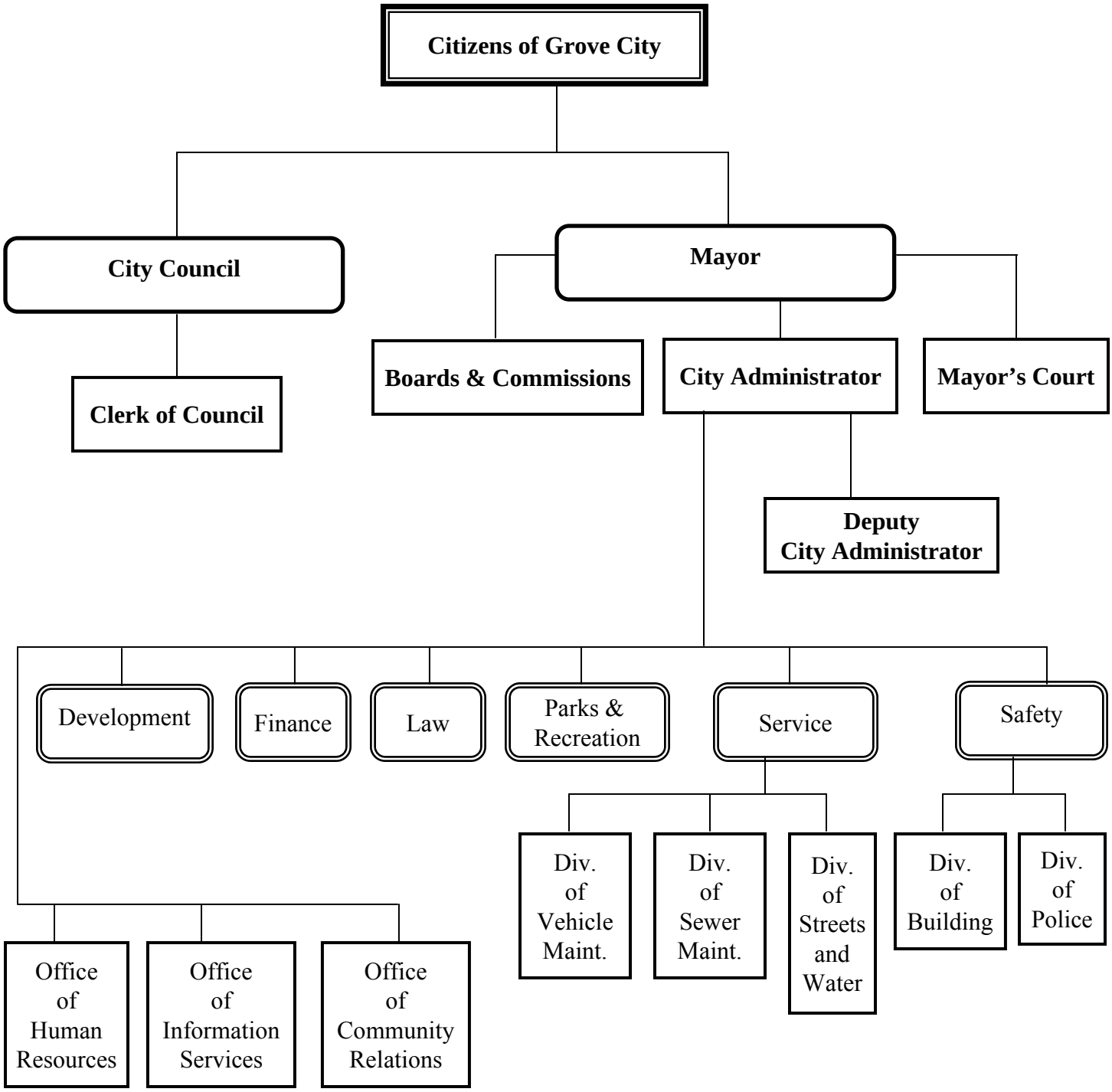
City Council

Ted A. Berry	*Council President* *Council Member Ward 1*
Jeffery M. Davis	*Council Member Ward 2*
Melissa Albright	*Council Member Ward 3*
Maria Klemack-McGraw	*Council Member Ward 4*
Steven M. Bennett	*Council Member At Large*
Tami K. Kelly, MMC	*Clerk Of Council*

Appointed City Officials

Charles W. Boso Jr.	*City Administrator*
Michael Turner	*Finance Director*
Stephen J. Smith	*Law Director*
Leslie A. Spring	*Service Director*
Charles W. Boso, Jr.	*Development Director*
Kimberly K. Conrad	*Parks and Recreation Director*
Steve R. Robinette	*Chief of Police*
William F. Vedra	*Safety Director*

City of Grove City Organizational Chart



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City of Grove City, Ohio

FINANCIAL SECTION

Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Grove City
Franklin County
4035 Broadway
Grove City, Ohio 43123

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Grove City, Franklin County, Ohio (the City), as of and for the year ended December 31, 2012, 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.

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www.ohioauditor.gov

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities**,** each major fund, and the aggregate remaining fund information of the City of Grove City, Franklin County, Ohio, as of December 31, 2012, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Police Pension 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* as 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 financial section's combining statements, individual fund statements and schedules, are management's responsibility, and were derived 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 this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical 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 20, 2013, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Dave Yost
Auditor of State

Columbus, Ohio

June 20, 2013

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Grove City's discussion and analysis of the annual financial report provides a review of the financial performance for the year ended December 31, 2012.

FINANCIAL HIGHLIGHTS

- The City's total net position decreased $1,979,734. Net position of Governmental Activities decreased $1,035,722, while net position of Business-Type Activities decreased $944,012.

- Governmental Activities had general revenues that accounted for $29,761,852 of all governmental revenues. Program specific revenues in the form of charges for services, grants, contributions, and interest accounted for $10,968,760 of total governmental revenues of $40,730,612.

- Enterprise funds reflected a total operating loss of $714,356. The Water Fund reflected an operating income of $17,836, while the Sewer Fund reflected an operating loss of $732,192. The change in net position for the enterprise funds was a decrease of $944,012.

- The City had $41,872,996 in expenses related to Governmental Activities. $10,968,760 of these expenses were offset by program specific charges for services, grants, contributions, and interest. General revenues (primarily income taxes) of $29,761,852 were less than the amount needed to provide for these programs. The City had $2,376,308 in expenses related to Business-Type Activities. $1,461,717 in program specific charges for services were insufficient to cover expenses.

USING THIS ANNUAL FINANCIAL REPORT

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

The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a long-term view of the City's finances. The fund financial statements provide the next level of detail. For Governmental Funds, these statements tell how services were financed in the short-term, as well as the amount of funds available for future spending. The fund financial statements focus on the City's most significant funds, with all other non-major funds presented in total in one column.

REPORTING THE CITY AS A WHOLE

Statement of Net Position and the Statement of Activities

The analysis of the City as a whole begins with the Statement of Net Position and the Statement of Activities. These statements provide information that will help the reader to determine if the City is financially better off or worse off as a result of the year's activities. These statements include all assets, deferred outflows of resources, liabilities and deferred inflow of resources using the accrual basis of accounting, similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes to those positions. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the City's financial well-being. Some of these factors include the City's tax base and the condition of capital assets.

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

> Governmental Activities – Most of the City's services are reported here including police, public health, leisure time activities, community development, transportation, and general government.
>
> Business-Type Activities – These services include water and sewer. Service fees for these operations are charged based upon the amount of usage. The intent is that the fees charged recoup operational costs.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the City's major funds begins on page 12. Fund financial statements provide detailed information about the City's major funds – not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the Finance Director, with the approval of Council and the State Auditor, to help control, manage, and report money received for a particular purpose or to show that the City is meeting legal responsibilities for the use of grants. The City of Grove City's major funds are the General, Police Pension, Debt Service, Buckeye Center TIF, Pinnacle TIF, Capital Improvement, Water and Sewer Funds.

Governmental Funds – Most of the City's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future on services provided to our residents. The similarities (or differences) between Governmental Activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Funds – When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in Proprietary Funds. Proprietary Funds use the same basis of accounting as Business-Type Activities; therefore, these statements will essentially match.

THE CITY AS A WHOLE

As stated previously, the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2012 compared to 2011.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2011	2012	2011	2012	2011	2012
Assets:						
Current And Other Assets	$59,742,628	$57,189,778	$4,402,786	$4,365,303	$64,145,414	$61,555,081
Capital Assets, Net	196,008,236	196,140,651	52,860,759	52,055,415	248,868,995	248,196,066
Total Assets	255,750,864	253,330,429	57,263,545	56,420,718	313,014,409	309,751,147
Deferred Outflow of Resources:						
Deferred Charge on Refunding	8,367	36,888	0	0	8,367	36,888
Liabilities:						
Current And Other Liabilities	2,114,239	2,510,842	325,840	123,341	2,440,079	2,634,183
Long-Term Liabilities:						
Due Within One Year	2,058,345	2,114,075	129,859	135,703	2,188,204	2,249,778
Due In More Than One Year	34,855,947	33,408,504	3,031,796	3,329,636	37,887,743	36,738,140
Total Liabilities	39,028,531	38,033,421	3,487,495	3,588,680	42,516,026	41,622,101
Deferred Inflow of Resources:						
Property Taxes	1,735,706	2,548,910	0	0	1,735,706	2,548,910
Revenue in Lieu Of Taxes	4,182,721	3,016,802	0	0	4,182,721	3,016,802
Total Deferred Inflow Of Resources	5,918,427	5,565,712	0	0	5,918,427	5,565,712
Net Position:						
Net Investment In Capital Assets	162,830,578	162,890,495	49,743,812	48,637,873	212,574,390	211,528,368
Restricted For:						
Debt Service	10,409,462	7,990,740	0	0	10,409,462	7,990,740
Other Purposes	6,136,629	5,695,520	0	0	6,136,629	5,695,520
Unrestricted	31,427,237	33,191,429	4,032,238	4,194,165	35,459,475	37,385,594
Total Net Position	$210,803,906	$209,768,184	$53,776,050	$52,832,038	$264,579,956	$262,600,222

Total net position decreased $1,979,734 or .75 percent. Net position of the City's Governmental Activities decreased $1,035,722 or .49 percent. This decrease is the result of many factors, primarily being current year depreciation exceeding current year additions and a reduction in program revenues. Capital grants, contributions and interest experienced an $8,472,486 decrease due to the City not receiving any donated capital assets.

The net position of the City's Business-Type Activities decreased $944,012. With the completion of the Big Run/Fryer Park Water Storage Tank Project you will notice an increase in depreciable capital assets and a decrease in non-depreciable capital assets of $1,885,909 and $2,691,253, respectively. Total long-term liabilities due in more than one year increased $297,840 due to the addition of the Big Run/Fryer Park Water Storage Tank OWDA Loan.

Table 2 shows the changes in net positions for the years ended December 31, 2011 and 2012.

Table 2
Changes In Net Position

	Governmental Activities		Business-Type Activities		Total	
	2011	2012	2011	2012	2011	2012
Revenues:						
Program Revenues:						
Charges For Services	$2,424,041	$3,336,152	$1,298,444	$1,461,717	$3,722,485	$4,797,869
Operating Grants, Contributions And Interest	2,151,053	2,079,841	0	0	2,151,053	2,079,841
Capital Grants, Contributions And Interest	14,025,253	5,552,767	1,626,267	0	15,651,520	5,552,767
Total Program Revenues	18,600,347	10,968,760	2,924,711	1,461,717	21,525,058	12,430,477
General Revenues:						
Property Taxes	2,805,972	2,574,872	0	0	2,805,972	2,574,872
Revenue In Lieu Of Taxes	4,424,227	3,699,084	0	0	4,424,227	3,699,084
Other Local Taxes	1,202,117	810,105	0	0	1,202,117	810,105
Municipal Income Taxes	19,436,382	19,940,544	0	0	19,436,382	19,940,544
Unrestricted Grants And Entitlements	2,711,904	1,272,509	0	0	2,711,904	1,272,509
Interest	807,467	612,050	0	0	807,467	612,050
Miscellaneous	142,931	852,688	222	77,241	143,153	929,929
Total General Revenues	31,531,000	29,761,852	222	77,241	31,531,222	29,839,093
Total Revenues	50,131,347	40,730,612	2,924,933	1,538,958	53,056,280	42,269,570

Continued

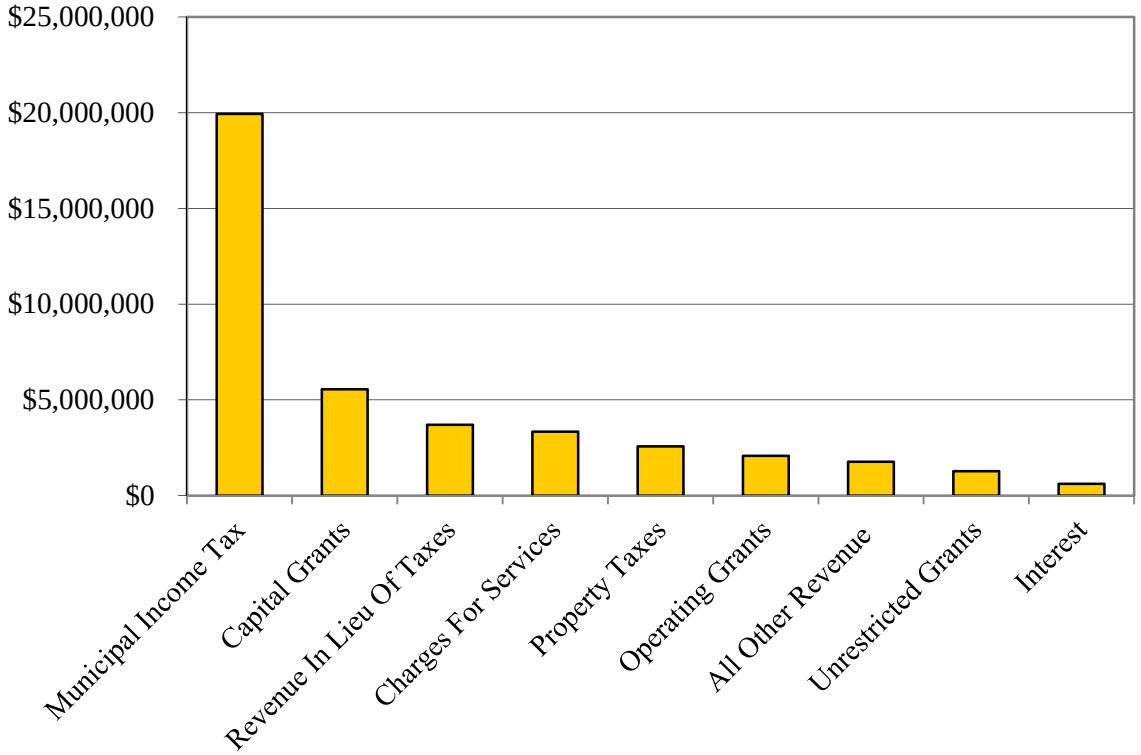
Table 2
Changes In Net Position
Continued

	Governmental Activities		Business-Type Activities		Total	
	2011	2012	2011	2012	2011	2012
Program Expenses:						
Security Of Persons And Property	10,076,469	10,358,551	0	0	10,076,469	10,358,551
Public Health	279,720	298,971	0	0	279,720	298,971
Leisure Time Activities	2,363,655	2,252,647	0	0	2,363,655	2,252,647
Community Development:						
Primary Community Development	1,518,564	1,407,341	0	0	1,518,564	1,407,341
Transportation	12,999,424	10,296,802	0	0	12,999,424	10,296,802
General Government:						
Primary Government	11,360,425	10,960,934	0	0	11,360,425	10,960,934
Intergovernmental	1,716,884	4,339,240	0	0	1,716,884	4,339,240
Interest And Fiscal Charges	1,608,154	1,958,510	0	0	1,608,154	1,958,510
Water	0	0	910,913	737,766	910,913	737,766
Sewer	0	0	1,452,673	1,638,542	1,452,673	1,638,542
Total Expenses	41,923,295	41,872,996	2,363,586	2,376,308	44,286,881	44,249,304
Increase (Decrease) In Net Position Before Transfers	8,208,052	(1,142,384)	561,347	(837,350)	8,769,399	(1,979,734)
Transfers	0	106,662	0	(106,662)	0	0
Increase (Decrease) In Net Position	8,208,052	(1,035,722)	561,347	(944,012)	8,769,399	(1,979,734)
Net Position At Beginning Of Year	202,595,854	210,803,906	53,214,703	53,776,050	255,810,557	264,579,956
Net Position At End Of Year	$210,803,906	$209,768,184	$53,776,050	$52,832,038	$264,579,956	$262,600,222

Governmental Activities

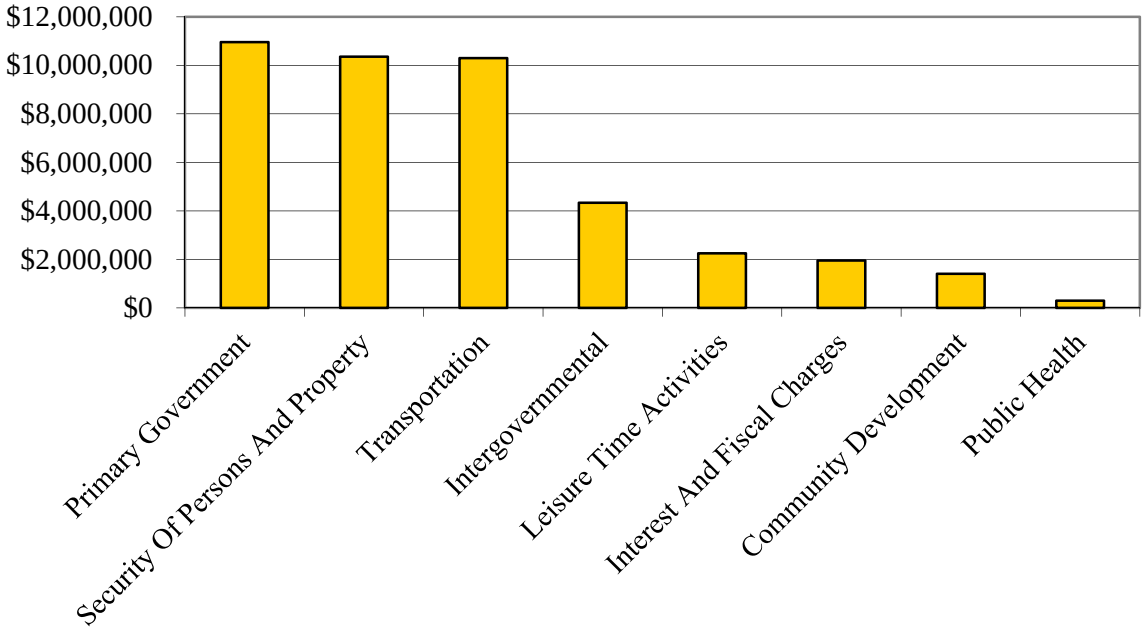
The two percent municipal income tax is the largest source of revenue for the Governmental Activities and the City of Grove City. Employee withholdings from all businesses contributed 75 percent of the tax revenue received in 2012 with business net profit contributing 17 percent and individuals contributing eight percent. The City provides a full tax credit for taxes paid to another municipality and an exemption for residents under the age of 18.

Revenues by Source (Accrual Basis) - Governmental Activities



Administration and Council has a quality of life commitment to the citizens and businesses located in the City of Grove City. With this in mind, Council has appropriated resources with an emphasis on transportation and security of persons and property.

Expenditures (Accrual Basis) - Governmental Activities



When looking at the sources of income to support Governmental Activities, it should be noted that program revenues totaled $10,968,760. This is a decrease of $7,631,587 primarily due to the City not receiving any donated capital assets. The remaining revenues are primarily generated locally through property and income taxes and revenue in lieu of taxes. City Council relies on these revenues to furnish the quality of life to businesses and citizens to which they and previous Councils have always been committed.

Total revenues decreased $9,400,735. This decrease is related to a significant decrease in capital grants, contributions and interest, revenue in lieu of taxes and unrestricted grants and entitlements. Capital grants, contributions and interest decreased $8,472,486 primarily due to the City not receiving any developer donated assets. Municipal income tax increased $504,162 primarily due to an increase in business profits over the prior year. Revenue in lieu of taxes decreased $725,143 due to a business having their appraised value decreased which resulted in less revenue being collected. There was an immaterial decrease in expenses of $50,299. Even though total expenditures remained constant, the intergovernmental expenditure line increased by $2,622,356 due to the City making a one-time payment to Jackson Township as part of the Pinnacle Tax Increment Financing agreement.

Business-Type Activities

The City's Business-Type Activities include water and sewer services.

Water treatment and facility repair services are contracted with the City of Columbus and are paid for through user fees billed by the City of Columbus to Grove City residents and businesses. The City of Grove City has its own user fee that is incorporated in the Columbus billing. This revenue is used to pay necessary services, debt service on water system improvements and to fund system improvements and depreciation. The City of Grove City also collects a tap fee each time a new tap to the system is made, which funds the current operation of the system. The City of Grove City owns the infrastructure necessary to furnish services to their citizens and is responsible for major reconstruction and the extension of new service within the community. The City of Columbus is responsible for all line repairs and all upkeep and expansion of the treatment and storage facilities.

Sewer treatment is contracted with the City of Columbus and is paid for through user fees billed by the City of Columbus to Grove City residents and businesses. The City of Grove City has its own user fee that is incorporated in the Columbus billing. This revenue is used to pay for the necessary level of staffing required to complement the contracted services, debt service on sanitary sewer system improvements, and to fund system improvements and depreciation. The City of Grove City also collects a tap fee each time a new tap to the system is made which funds a portion of system repair and replacement. Grove City owns and maintains the infrastructure necessary to furnish services to their citizens and is responsible for major reconstruction and the extension of new service within the community. The City of Columbus is responsible for all upkeep and expansion of the treatment and storage facilities.

Net positions of Business-Type Activities decreased $944,012, primarily due to the City not receiving any capital grants, contributions and interest. Charges for Services increased by $163,273 due to the increase in tap-in-fees collections from new building construction. Capital grant, contributions and interest decreased by $1,626,267 due to the City not receiving any developer donated assets.

THE CITY'S FUNDS

Information about the City's major Governmental Funds begins on page 18. These funds are reported using the modified accrual basis of accounting. All Governmental Funds had total revenues and other financing sources of $42,143,814 and $8,658,002, respectively, and expenditures and other financing uses of $42,889,216 and $8,757,704, respectively. Unassigned fund balance equals $22,405,749. The restricted fund balance of $10,004,281 is restricted to indicate constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

The General Fund's balance at December 31, 2012, decreased $688,010, due to the City making transfers to other governmental funds, primarily to the Capital Improvement Fund to support current construction projects.

The Police Pension Fund's balance at December 31, 2012, was $871,447. For 2012, property tax revenues were less than expenditures due to the readjustment of inside property tax millage. In addition, expenditures increased due to the City paying the retirement system current as opposed to quarterly. This resulted in 15 months of expenditures being recorded for 2012

The Debt Service Fund's balance at December 31, 2012, was $666,848. The decrease of $7,251 was due to the debt service requirements exceeding revenues.

The Buckeye Center TIF Fund's balance at December 31, 2012, was $1,851,360. The decrease of $1,434,415 was due to a business having their assessed value reduced resulting in less revenue being collected.

The Pinnacle TIF Fund's balance at December 31, 2012, was $2,139,544. The decrease of $1,487,279 was due to the City making a one-time payment to Jackson Township as part of the TIF Agreement.

The Capital Improvement Fund's balance at December 31, 2012, was $7,283,079. The increase of $2,632,724 was due to the City spending less for various construction projects than what was transferred in for 2012.

The Water Fund's net position decreased $97,592 primarily due to current year depreciation exceeding current year additions to capital assets.

The Sewer Fund's net position decreased $846,420 primarily due to current year depreciation exceeding additions to capital assets.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of receipts, disbursements, and encumbrances. The City's budget is adopted on a fund, department, personal services and all other objects basis. During 2012, there were 14 revisions to the General Fund budget. The effect of the revisions was an increase in the appropriations of $4,742,952.

Original General Fund budgeted revenues were $22,794,613. The final budgeted amount was $22,794,613 resulting in no change over the original budgeted revenue. The original budgeted appropriations and other financing uses were $29,288,258. The final budgeted appropriations and other financing uses were $34,031,210 resulting in an increase over the original budgeted appropriations and other financing uses of $4,742,952. The increase in appropriations was primarily for transfers. Actual revenues exceeded final budgeted revenues by $3,156,009 due to an increase in municipal income taxes, special assessments and intergovernmental revenue. Municipal income taxes increased due to job growth within the City. Intergovernmental revenue increased due to reimbursements for right-of-way acquisitions as part of the I-71/SR 665 interchange project. Actual expenditures were less than final budgeted expenditures by $2,011,922 because management made a conservative estimate regarding final appropriations. The City's ending General Fund balance was $5,391,986 above the final budgeted amount.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Table 3
Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2011	2012	2011	2012	2011	2012
Land	$44,125,758	$45,279,114	$23,000	$23,000	$44,148,758	$45,302,114
Construction In Progress	1,231,937	4,774,944	2,782,221	90,968	4,014,158	4,865,912
Buildings	2,585,551	3,129,083	708,737	691,888	3,294,288	3,820,971
Improvements Other Than Buildings	2,061,036	2,208,159	62,547	48,884	2,123,583	2,257,043
Machinery And Equipment	1,696,743	1,809,244	116,973	30,824	1,813,716	1,840,068
Furniture And Fixtures	82,956	90,433	0	0	82,956	90,433
Vehicles	1,242,942	1,391,150	55,604	23,326	1,298,546	1,414,476
Computer Equipment	761,907	837,535	0	0	761,907	837,535
Infrastructure	142,219,406	136,620,989	49,111,677	51,146,525	191,331,083	187,767,514
Totals	$196,008,236	$196,140,651	$52,860,759	$52,055,415	$248,868,995	$248,196,066

Governmental capital assets had an immaterial increase of $132,415 due primarily to the transfer of assets from business type activities. Business-Type capital assets decreased $805,344 primarily due to current year depreciation exceeding current year additions and the transfer of assets to governmental activities.

See Note 9 of the notes to the basic financial statements for more detailed information.

Debt

At December 31, 2012, the City of Grove City had $37,338,144 in debt outstanding for governmental and business-type activities.

Table 4
Outstanding Debt at Year-end

	Governmental Activities		Business-Type Activities	
	2011	2012	2011	2012
General Obligation Bonds	$16,605,000	$16,010,000	$0	$0
Premium On Bonds	50,960	48,412	0	0
OPWC Loans Payable	3,686,689	3,372,190	645,539	556,632
TIF Revenue Bonds	14,930,000	14,490,000	0	0
OWDA Loan Payable	0	0	2,471,408	2,860,910
Capital Leases	19,481	0	0	0
Total	$35,292,130	$33,920,602	$3,116,947	$3,417,542

Outstanding governmental debt decreased $1,371,528 from 2011 due to annual debt service payments. Business-Type Activities debt increased $300,595 from 2011 due to the OWDA loan on the Big Run/Fryer Park Water Storage Tank.

All general obligation bond issues will be paid through the Debt Service Fund with property tax revenues with the exception of the Pinnacle Club Drive Construction and Improvement Bonds that will be paid through the Pinnacle TIF Fund from revenue in lieu of taxes. The governmental activities' OPWC loans will be paid through the Debt Service Fund with property tax revenues. The Tax Increment Financing Revenue Bonds will be retired from the Buckeye Center TIF Fund monies received from revenue in lieu of taxes. The Business-Type Activities' OPWC loans will be paid from the Water and Sewer Enterprise Funds' revenues. The OWDA loan will be paid from the Water Enterprise Fund's revenues.

The City's overall legal debt margin was $70,341,580, with an unvoted debt margin of $29,539,327 at December 31, 2012.

See Note 14 of the notes to the basic financial statements for more detailed information.

CONTACTING THE CITY'S FINANCE DEPARTMENT

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Mike Turner, Director of Finance, City of Grove City, 4035 Broadway, Grove City, Ohio 43123.

CITY OF GROVE CITY, OHIO

Statement Of Net Position

December 31, 2012

	Governmental Activities	*Business-Type Activities*	*Total*
Assets:			
Equity In Pooled Cash And Cash Equivalents	$37,060,962	$4,291,828	$41,352,790
Cash And Cash Equivalents With Fiscal Agents	1,096,498	0	1,096,498
Cash And Cash Equivalents With Trustee	1,249,535	0	1,249,535
Accrued Interest Receivable	145,407	0	145,407
Accounts Receivable	6,904	73,475	80,379
Municipal Income Taxes Receivable	4,903,525	0	4,903,525
Due From Other Governments	3,646,766	0	3,646,766
Prepaid Items	141,132	0	141,132
Materials And Supplies Inventory	130,184	0	130,184
Other Local Taxes Receivable	180,490	0	180,490
Property Taxes Receivable	2,676,605	0	2,676,605
Revenue In Lieu Of Taxes Receivable	3,016,802	0	3,016,802
Special Assessments Receivable	2,689,920	0	2,689,920
Loans Receivable	245,048	0	245,048
Land And Construction In Progress	50,054,058	113,968	50,168,026
Depreciable Capital Assets, Net	146,086,593	51,941,447	198,028,040
Total Assets	253,330,429	56,420,718	309,751,147
Deferred Outflows Of Resources			
Deferred Charge On Refunding	36,888	0	36,888
Liabilities:			
Accounts Payable	566,809	17,017	583,826
Accrued Wages And Benefits Payable	276,829	7,827	284,656
Contracts Payable	1,102,320	85,569	1,187,889
Retainage Payable	207,145	9,255	216,400
Due To Other Governments	236,951	3,673	240,624
Claims Payable	1,800	0	1,800
Accrued Interest Payable	118,988	0	118,988
Long-Term Liabilities:			
Due Within One Year	2,114,075	135,703	2,249,778
Due In More Than One Year	33,408,504	3,329,636	36,738,140
Total Liabilities	38,033,421	3,588,680	41,622,101
Deferred Inflows Of Resources			
Property Taxes	2,548,910	0	2,548,910
Revenue In Lieu Of Taxes	3,016,802	0	3,016,802
Total Deferred Inflows Of Resources	5,565,712	0	5,565,712
Net Position:			
Net Investment In Capital Assets	162,890,495	48,637,873	211,528,368
Restricted For:			
Debt Service	7,990,740	0	7,990,740
Transportation	3,939,896	0	3,939,896
Security Of Persons And Property	1,547,350	0	1,547,350
Other Purposes	208,274	0	208,274
Unrestricted	33,191,429	4,194,165	37,385,594
Total Net Position	$209,768,184	$52,832,038	$262,600,222

See Accompanying Notes To The Basic Financial Statements

CITY OF GROVE CITY, OHIO

Statement Of Activities

For The Year Ended December 31, 2012

		Program Revenues		
	Expenses	*Charges For Services*	*Operating Grants, Contributions And Interest*	*Capital Grants, Contributions And Interest*
Governmental Activities:				
Security Of Persons And Property	$10,358,551	$602,168	$313,340	$0
Public Health	298,971	21,326	0	0
Leisure Time Activities	2,252,647	1,410,897	4,177	4,053
Community Development	1,407,341	1,066,282	40,202	0
Transportation	10,296,802	90,159	1,709,175	3,364,462
General Government:				
Primary Government	10,960,934	145,320	12,947	2,184,252
Intergovernmental	4,339,240	0	0	0
Interest And Fiscal Charges	1,958,510	0	0	0
Total Governmental Activities	41,872,996	3,336,152	2,079,841	5,552,767
Business-Type Activities:				
Water	737,766	572,457	0	0
Sewer	1,638,542	889,260	0	0
Total Business-Type Activities	2,376,308	1,461,717	0	0
Total Activities	$44,249,304	$4,797,869	$2,079,841	$5,552,767

General Revenues:

Property Taxes Levied For:
- General Purposes
- Police
- Debt Service

Revenue In Lieu Of Taxes

Other Local Taxes

Municipal Income Taxes Levied For General Purposes

Grants And Entitlements Not Restricted To Specific Programs

Interest

Miscellaneous

Transfers

Total General Revenues And Transfers

Change In Net Position

Net Position At Beginning Of Year

Net Position At End Of Year

See Accompanying Notes To The Basic Financial Statements

Net (Expense) Revenue And Changes In Net Position		
Governmental Activities	***Business-Type Activities***	***Total***
($9,443,043)	$0	($9,443,043)
(277,645)	0	(277,645)
(833,520)	0	(833,520)
(300,857)	0	(300,857)
(5,133,006)	0	(5,133,006)
(8,618,415)	0	(8,618,415)
(4,339,240)	0	(4,339,240)
(1,958,510)	0	(1,958,510)
(30,904,236)	0	(30,904,236)
0	(165,309)	(165,309)
0	(749,282)	(749,282)
0	(914,591)	(914,591)
(30,904,236)	(914,591)	(31,818,827)
844,540	0	844,540
818,161	0	818,161
912,171	0	912,171
3,699,084	0	3,699,084
810,105	0	810,105
19,940,544	0	19,940,544
1,272,509	0	1,272,509
612,050	0	612,050
852,688	77,241	929,929
106,662	(106,662)	0
29,868,514	(29,421)	29,839,093
(1,035,722)	(944,012)	(1,979,734)
210,803,906	53,776,050	264,579,956
$209,768,184	$52,832,038	$262,600,222

CITY OF GROVE CITY, OHIO

Balance Sheet
Governmental Funds

December 31, 2012

	General	Police Pension	Debt Service
Assets:			
Equity In Pooled Cash And Cash Equivalents	$20,620,662	$981,349	$666,848
Cash And Cash Equivalents With Fiscal Agents	0	0	0
Restricted Assets:			
Cash And Cash Equivalents With Trustee	0	0	0
Receivables:			
Property Taxes	918,755	841,154	916,696
Other Local Taxes	165,418	0	0
Revenue In Lieu Of Taxes	0	0	0
Municipal Income Taxes	4,903,525	0	0
Accounts	6,619	0	0
Special Assessments	0	0	2,689,920
Accrued Interest	137,366	0	0
Due From Other Governments	1,629,838	47,138	51,423
Materials And Supplies Inventory	19,545	0	0
Loans Receivable	245,048	0	0
Prepaid Items	141,132	0	0
Total Assets	$28,787,908	$1,869,641	$4,324,887
Liabilities:			
Accounts Payable	$513,338	$0	$0
Contracts Payable	14,380	0	0
Accrued Wages And Benefits Payable	250,214	0	0
Retainage Payable	0	0	0
Due To Other Governments	107,232	109,902	0
Total Liabilities	885,164	109,902	0
Deferred Inflows Of Resources			
Property Taxes	874,926	801,023	872,961
Revenue In Lieu Of Taxes	0	0	0
Unavailable Revenue	2,548,216	87,269	2,785,078
Total Deferred Inflows Of Resources	3,423,142	888,292	3,658,039
Fund Balances:			
Nonspendable	405,725	0	0
Restricted	0	871,447	666,848
Committed	0	0	0
Assigned	1,668,128	0	0
Unassigned	22,405,749	0	0
Total Fund Balances	24,479,602	871,447	666,848
Total Liabilities, Deferred Inflows Of Resources And Fund Balances	$28,787,908	$1,869,641	$4,324,887

See Accompanying Notes To The Basic Financial Statements

Buckeye Center TIF	*Pinnacle TIF*	*Capital Improvement*	*Nonmajor Governmental Funds*	*Total*
$601,825	$2,139,544	$7,626,417	$4,332,051	$36,968,696
0	0	0	1,096,498	1,096,498
1,249,535	0	0	0	1,249,535
0	0	0	0	2,676,605
0	0	0	15,072	180,490
1,233,863	1,515,000	0	267,939	3,016,802
0	0	0	0	4,903,525
0	0	0	285	6,904
0	0	0	0	2,689,920
0	0	0	8,041	145,407
0	140,681	901,567	876,119	3,646,766
0	0	0	110,639	130,184
0	0	0	0	245,048
0	0	0	0	141,132
$3,085,223	$3,795,225	$8,527,984	$6,706,644	$57,097,512
$0	$0	$8,882	$44,589	$566,809
0	0	1,040,351	47,589	1,102,320
0	0	0	26,615	276,829
0	0	195,672	11,473	207,145
0	0	0	19,817	236,951
			0	
0	0	1,244,905	150,083	2,390,054
0	0	0	0	2,548,910
1,233,863	1,515,000	0	267,939	3,016,802
0	140,681	0	726,070	6,287,314
1,233,863	1,655,681	0	994,009	11,853,026
0	0	0	110,639	516,364
1,851,360	2,139,544	0	4,475,082	10,004,281
0	0	7,283,079	976,831	8,259,910
0	0	0	0	1,668,128
0	0	0	0	22,405,749
1,851,360	2,139,544	7,283,079	5,562,552	42,854,432
$3,085,223	$3,795,225	$8,527,984	$6,706,644	$57,097,512

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CITY OF GROVE CITY, OHIO

Reconciliation Of Total Governmental Fund Balances To Net Position Of Governmental Activities

December 31, 2012

Total Governmental Fund Balances		$42,854,432
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital Assests used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Land	45,279,114	
Construction In Progress	4,774,944	
Other Capital Assets	275,934,779	
Accumulated Depreciation	(129,848,186)	
Total		196,140,651
The Internal Service Fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position.		90,466
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:		
Municipal Income Taxes	764,964	
Delinquent Property Taxes	127,695	
Other Local Taxes	108,429	
Due From Other Governments	2,487,910	
Special Assessments	2,689,920	
Interest	102,527	
Accounts	5,869	
Total		6,287,314
Deferred Outflows of Resources represent deferred charges on refundings which do not provide current financial resources and therefore are not reported in the funds.		36,888
In the Statement of Activities interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(118,988)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Premium On Debt Issued	(48,412)	
General Obligation Bonds	(16,010,000)	
OPWC Loans	(3,372,190)	
Revenue Bonds	(14,490,000)	
Compensated Absences Payable	(1,601,977)	
Total		(35,522,579)
Net Position Of Governmental Activities		$209,768,184

See Accompanying Notes To The Basic Financial Statements

CITY OF GROVE CITY, OHIO

Statement Of Revenues, Expenditures And Changes In Fund Balances
Governmental Funds

For The Year Ended December 31, 2012

	General	Police Pension	Debt Service
Revenues:			
Property Taxes	$841,413	$815,295	$909,002
Revenue In Lieu Of Taxes	0	0	0
Municipal Income Taxes	21,750,608	0	0
Other Local Taxes	479,843	0	0
Intergovernmental	2,682,430	98,566	109,878
Charges For Services	280,875	0	0
Licenses And Permits	992,442	0	0
Fines And Forfeitures	403,574	0	0
Special Assessments	68,632	0	111,264
Interest	623,900	0	0
Rent	15,051	0	0
Contributions And Donations	4,053	0	0
Miscellaneous	809,664	0	104
Total Revenues	28,952,485	913,861	1,130,248
Expenditures:			
Current Operations And Maintenance:			
Security Of Persons And Property	8,477,167	1,393,359	0
Public Health	278,057	0	0
Leisure Time Activities	768,819	0	0
Community Development	1,025,306	0	0
Transportation	0	0	0
General Government:			
Primary Government	9,072,713	0	34,316
Intergovernmental	0	0	0
Capital Outlay	2,615,445	0	0
Debt Service:			
Principal Retirement	19,481	0	729,499
Interest And Fiscal Charges	224	0	410,585
Total Expenditures	22,257,212	1,393,359	1,174,400
Excess Of Revenues Over (Under) Expenditures	6,695,273	(479,498)	(44,152)
Other Financing Sources (Uses):			
Proceeds From Sale Of Capital Assets	16,322	0	0
Refunding Bonds Issued	0	0	1,395,000
Payment To Refunded Bond Escrow Agent	0	0	(1,358,099)
Transfers - In	0	0	0
Transfers - Out	(7,399,605)	0	0
Total Other Financing Sources (Uses)	(7,383,283)	0	36,901
Net Change In Fund Balances	(688,010)	(479,498)	(7,251)
Fund Balances At Beginning Of Year	25,167,612	1,350,945	674,099
Fund Balances At End Of Year	$24,479,602	$871,447	$666,848

See Accompanying Notes To The Basic Financial Statements

Buckeye Center TIF	*Pinnacle TIF*	*Capital Improvement*	*Nonmajor Governmental Funds*	*Total*
$0	$0	$0	$0	$2,565,710
1,478,740	1,454,992	0	765,352	3,699,084
0	0	0	0	21,750,608
0	0	0	267,599	747,442
0	196,840	3,209,745	2,062,907	8,360,366
0	0	0	1,231,852	1,512,727
0	0	0	220,646	1,213,088
0	0	0	60,755	464,329
0	0	0	0	179,896
34,854	0	0	35,431	694,185
0	0	0	44,817	59,868
0	0	0	39,770	43,823
0	0	0	42,920	852,688
1,513,594	1,651,832	3,209,745	4,772,049	42,143,814
0	0	0	22,451	9,892,977
0	0	0	20,914	298,971
0	0	0	1,257,637	2,026,456
0	0	0	390,081	1,415,387
0	0	8,882	1,404,337	1,413,219
2,277	0	0	145,806	9,255,112
1,711,597	2,558,106	0	69,537	4,339,240
0	0	7,764,864	892,616	11,272,925
440,000	250,000	0	0	1,438,980
794,135	331,005	0	0	1,535,949
2,948,009	3,139,111	7,773,746	4,203,379	42,889,216
(1,434,415)	(1,487,279)	(4,564,001)	568,670	(745,402)
0	0	0	4,955	21,277
0	0	0	0	1,395,000
0	0	0	0	(1,358,099)
0	0	7,196,725	45,000	7,241,725
0	0	0	0	(7,399,605)
0	0	7,196,725	49,955	(99,702)
(1,434,415)	(1,487,279)	2,632,724	618,625	(845,104)
3,285,775	3,626,823	4,650,355	4,943,927	43,699,536
$1,851,360	$2,139,544	$7,283,079	$5,562,552	$42,854,432

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CITY OF GROVE CITY, OHIO

Reconciliation Of The Statement Of Revenues, Expenditures And Changes In Fund Balances Of Governmental Funds To The Statement Of Activities

For The Year Ended December 31, 2012

Net Change In Fund Balances - Total Governmental Funds		($845,104)
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. In the current period, these amounts are:		
Capital Outlay	12,477,417	
Assets transferred between governmental activities and enterprise funds during the year.		106,662
Depreciation	(9,925,651)	
Excess Of Depreciation Expense Under Capital Outlay		2,551,766
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each sale.		
Proceeds From Sale Of Capital Assets	(21,277)	
Loss On Disposal Of Capital Assets	(2,504,736)	
		(2,526,013)
Revenue in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:		
Municipal Income Taxes	(1,810,064)	
Property Taxes	9,162	
Other Local Taxes	62,663	
Intergovernmental	492,000	
Special Assessments	(111,823)	
Charges for Services	1,304	
Fines And Forfeitures	(6,100)	
Interest	(50,344)	
		(1,413,202)
The Internal Service Fund is used by management to charge the cost of insurance to individual funds. The net revenue (expense) is reported in the entity-wide Statement of Activities.		90,466
Repayment of long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts consist of:		
General Obligation Bond Payments	665,000	
Ohio Public Works Commission Loans Payments	314,499	
Revenue Bond Payments	440,000	
Capital Leases Payments	19,481	
General Obligation Bonds Refunded	1,358,099	
		2,797,079
The issuance of long-term debt provides current financial resources to governmental funds, but in the Statement of Net Position, the debt is recorded as a liability.		
General obligation refunding bonds		(1,395,000)
Amortization of bond issuance costs, bond premiums, bond discounts, the deferred charge on the refunding of debt, as well as accrued interest payable on the bonds are not reported in the funds, but are allocated as expenses over the life of the debt in the Statement of Activities.		
Amortization Of Premium On Bonds	2,548	
Amortization Of Deferred Charge On Refunding	(4,578)	
Net Increase In Accrued Interest	(420,531)	
		(422,561)
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 the governmental funds.		
Decrease In Compensated Absences		20,185
Change In Net Position Of Governmental Activities		($1,035,722)

See Accompanying Notes To The Basic Financial Statements

CITY OF GROVE CITY, OHIO

General Fund

Statement Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual

(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Property Taxes	$855,474	$855,474	$841,413	($14,061)
Municipal Income Taxes	18,120,000	18,120,000	19,085,048	965,048
Other Local Taxes	440,000	440,000	533,211	93,211
Intergovernmental	1,012,639	1,012,639	2,840,431	1,827,792
Charges For Services	167,000	167,000	241,125	74,125
Licenses And Permits	954,000	954,000	992,703	38,703
Fines And Forfeitures	495,500	495,500	412,877	(82,623)
Special Assessments	0	0	68,632	68,632
Interest	500,000	500,000	304,374	(195,626)
Rent	0	0	15,051	15,051
Contributions And Donations	200,000	200,000	4,053	(195,947)
Miscellaneous	50,000	50,000	611,704	561,704
Total Revenues	22,794,613	22,794,613	25,950,622	3,156,009
Expenditures:				
Current Operations And Maintenance:				
Security Of Persons And Property	9,082,241	9,091,765	8,791,003	300,762
Public Health	280,787	280,787	280,787	0
Leisure Time Activities	926,631	860,629	822,148	38,481
Community Development	1,270,438	1,258,237	1,175,709	82,528
General Government	10,981,650	11,241,144	9,708,835	1,532,309
Capital Outlay	3,581,011	3,899,043	3,841,201	57,842
Total Expenditures	26,122,758	26,631,605	24,619,683	2,011,922
Excess Of Revenues Over (Under) Expenditures	(3,328,145)	(3,836,992)	1,330,939	5,167,931
Other Financing Sources (Uses):				
Proceeds From Sale Of Capital Assets	0	0	16,322	16,322
Refund Of Prior Year Expenditure	0	0	207,733	207,733
Transfers - Out	(3,165,500)	(7,399,605)	(7,399,605)	0
Total Other Financing Sources (Uses)	(3,165,500)	(7,399,605)	(7,175,550)	224,055
Net Change In Fund Balance	(6,493,645)	(11,236,597)	(5,844,611)	5,391,986
Fund Balance At Beginning Of Year	20,269,128	20,269,128	20,269,128	0
Prior Year Encumbrances	3,651,247	3,651,247	3,651,247	0
Fund Balance At End Of Year	$17,426,730	$12,683,778	$18,075,764	$5,391,986

See Accompanying Notes To The Basic Financial Statements

CITY OF GROVE CITY, OHIO

Police Pension Special Revenue Fund
Statement Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Property Taxes	$783,232	$783,232	$815,295	$32,063
Intergovernmental	82,358	96,081	98,566	2,485
Miscellaneous	59,424	45,702	0	(45,702)
Total Revenues	925,014	925,015	913,861	(11,154)
Expenditures:				
Current Operations And Maintenance:				
Security Of Persons And Property	1,167,258	1,467,258	1,385,059	82,199
Net Change In Fund Balance	(242,244)	(542,243)	(471,198)	71,045
Fund Balance At Beginning Of Year	1,452,005	1,452,005	1,452,005	0
Fund Balance At End Of Year	$1,209,761	$909,762	$980,807	$71,045

See Accompanying Notes To The Basic Financial Statements

CITY OF GROVE CITY, OHIO

Statement Of Fund Net Position
Proprietary Funds

December 31, 2012

	Water	*Sewer*	*Total*	*Governmental Activities Internal Service Fund*
Assets:				
Current Assets:				
Equity In Pooled Cash And Cash Equivalents	$2,590,392	$1,701,436	$4,291,828	$92,266
Accounts Receivable	36,895	36,580	73,475	0
Total Current Assets	2,627,287	1,738,016	4,365,303	92,266
Non-Current Assets:				
Land And Construction In Progress	13,000	100,968	113,968	0
Depreciable Capital Assets, Net	25,168,480	26,772,967	51,941,447	0
Total Non-Current Assets	25,181,480	26,873,935	52,055,415	0
Total Assets	27,808,767	28,611,951	56,420,718	92,266
Liabilities:				
Current Liabilities:				
Accounts Payable	7,056	9,961	17,017	0
Contracts Payable	0	85,569	85,569	0
Accrued Wages And Benefits Payable	0	7,827	7,827	0
Compensated Absences Payable	0	19,092	19,092	0
Retainage Payable	0	9,255	9,255	0
Due To Other Governments	0	3,673	3,673	0
Claims Payable	0	0	0	1,800
OPWC Loans Payable	21,511	70,297	91,808	0
OWDA Loans Payable	24,803	0	24,803	0
Total Current Liabilities	53,370	205,674	259,044	1,800
Long-Term Liabilities (Net Of Current Portion):				
Compensated Absences Payable	0	28,705	28,705	0
OPWC Loans Payable	42,104	422,720	464,824	0
OWDA Loans Payable	2,836,107	0	2,836,107	0
Total Long-Term Liabilities	2,878,211	451,425	3,329,636	0
Total Liabilities	2,931,581	657,099	3,588,680	1,800
Net Position:				
Net Investment In Capital Assets	22,256,955	26,380,918	48,637,873	0
Unrestricted	2,620,231	1,573,934	4,194,165	90,466
Total Net Position	$24,877,186	$27,954,852	$52,832,038	$90,466

See Accompanying Notes To The Basic Financial Statements

CITY OF GROVE CITY, OHIO

Statement Of Revenues, Expenses And Changes In Fund Net Position
Proprietary Funds

For The Year Ended December 31, 2012

	Water	*Sewer*	*Total*	*Governmental Activities Internal Service Fund*
Operating Revenues:				
Charges For Services	$440,355	$499,503	$939,858	$0
Tap-In Fees	132,102	389,757	521,859	0
Miscellaneous	77,224	17	77,241	0
Total Operating Revenues	649,681	889,277	1,538,958	0
Operating Expenses:				
Personal Services	0	424,664	424,664	0
Purchased Services	0	368,317	368,317	0
Materials And Supplies	0	60,082	60,082	0
Depreciation	631,845	768,406	1,400,251	0
Claims	0	0	0	67,414
Total Operating Expenses	631,845	1,621,469	2,253,314	67,414
Operating Income (Loss)	17,836	(732,192)	(714,356)	(67,414)
Non-Operating Expenses:				
Loss On Disposal Of Capital Assets	(9,507)	(97,155)	(106,662)	0
Interest And Fiscal Charges	(105,921)	(17,073)	(122,994)	0
Loss Before Transfers	(97,592)	(846,420)	(944,012)	(67,414)
Transfers - In	0	0	0	157,880
Change In Net Position	(97,592)	(846,420)	(944,012)	90,466
Net Position At Beginning Of Year	24,974,778	28,801,272	53,776,050	0
Net Position At End Of Year	$24,877,186	$27,954,852	$52,832,038	$90,466

See Accompanying Notes To The Basic Financial Statements

CITY OF GROVE CITY, OHIO

Statement Of Cash Flows
Proprietary Funds

For The Year Ended December 31, 2012

	Water	*Sewer*	*Total*	*Governmental Activities Internal Service Fund*
Increases (Decreases) In Cash And Cash Equivalents:				
Cash Flows From Operating Activities:				
Cash Received From Customers	$442,485	$500,331	$942,816	$0
Cash Payments For Personal Services	0	(425,481)	(425,481)	0
Cash Payments To Suppliers For Goods And Services	(271,153)	(356,800)	(627,953)	0
Cash Payments For Claims	0	0	0	(65,614)
Other Operating Revenues	77,224	17	77,241	0
Tap-In Fees	132,102	389,757	521,859	0
Net Cash Provided By (Used In) Operating Activities	380,658	107,824	488,482	(65,614)
Cash Flows From Noncapital Financing Activities:				
Transfers From Other Funds	0	0	0	157,880
Cash Flows From Capital And Related Financing Activities:				
Acquisition Of Capital Assets	(610,601)	(90,007)	(700,608)	0
Proceeds Of OWDA Loan	504,914	0	504,914	0
Principal Paid On OPWC Loans	(20,836)	(68,071)	(88,907)	0
Principal Paid On OWDA Loans	(115,412)	0	(115,412)	0
Interest And Fiscal Charges Paid On OPWC Loans	(2,504)	(17,073)	(19,577)	0
Interest And Fiscal Charges Paid On OWDA Loans	(103,417)	0	(103,417)	0
Net Cash Used For Capital And Related Financing Activities	(347,856)	(175,151)	(523,007)	0
Net Increase (Decrease) In Cash And Cash Equivalents	32,802	(67,327)	(34,525)	92,266
Cash And Cash Equivalents At Beginning Of Year	2,557,590	1,768,763	4,326,353	0
Cash And Cash Equivalents At End Of Year	$2,590,392	$1,701,436	$4,291,828	$92,266

(Continued)

CITY OF GROVE CITY, OHIO

Statement Of Cash Flows
Proprietary Funds
(Continued)

For The Year Ended December 31, 2012

	Water	*Sewer*	*Total*	*Governmental Activities Internal Service Fund*
Reconciliation Of Operating Income (Loss) To Net Cash Provided By (Used In) Operating Activities:				
Operating Income (Loss)	$17,836	($732,192)	($714,356)	($67,414)
Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided By Operating Activities:				
Depreciation	631,845	768,406	1,400,251	0
Changes In Assets And Liabilities:				
Decrease In Accounts Receivable	2,130	828	2,958	0
Increase (Decrease) In Accounts Payable	1,108	(22,180)	(21,072)	0
Increase (Decrease) In Contracts Payable	(128,735)	85,569	(43,166)	0
Increase In Accrued Wages And Benefits Payable	0	1,972	1,972	0
Increase In Compensated Absences Payable	0	2,128	2,128	0
Increase (Decrease) In Retainage Payable	(143,526)	9,255	(134,271)	0
Decrease In Due To Other Governments	0	(5,962)	(5,962)	0
Increase In Claims Payable	0	0	0	1,800
Net Cash Provided By (Used In) Operating Activities	$380,658	$107,824	$488,482	($65,614)
Noncash Capital Financing Activities:				
Assets Transferred To Governmental Funds	($9,507)	($97,155)	($106,662)	$0

See Accompanying Notes To The Basic Financial Statements

CITY OF GROVE CITY, OHIO

Statement Of Fiduciary Net Position
Agency Funds

December 31, 2012

Assets:	
Equity In Pooled Cash And Cash Equivalents	$956,471
Other Local Taxes Receivable	15,072
Total Assets	$971,543
Liabilities:	
Due To Other Governments	$15,072
Undistributed Assets	41,970
Deposits Held And Due To Others	914,501
Total Liabilities	$971,543

See Accompanying Notes To The Basic Financial Statements

NOTE 1 - DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Grove City (the "City") is a home-rule municipal corporation established under the laws of the State of Ohio that operates under its own Charter. The current Charter, which provides for a Mayor-Council-Administrator form of government, was adopted by the electorate November 4, 1958, became effective July 1, 1959, and was amended December 6, 1962, November 2, 1982, and again November 5, 1985.

The legislative powers of the City are vested in a five member City Council, one of whom is elected at-large for a two-year term with the remaining members elected by ward for four-year overlapping terms, two elected each biennium. The Council sets the compensation guidelines for City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriations, indebtedness, licensing of regulated businesses and trades, and other municipal purposes.

The Mayor is the chief executive officer of the municipal corporation. Elected to a four-year term, the Mayor holds authority to appoint the City Administrator and other Directors, including the Director of Finance and the Director of Law.

The City Administrator holds a full-time professional position as chief administrative officer of the City, responsible for its daily operations.

THE REPORTING ENTITY

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 Grove City is also responsible for the construction, maintenance, and repairs associated with the water and sewer lines. Council and the Mayor have direct responsibility for these activities. The City of Columbus provides water and sewer treatment services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units 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. The City has no component units.

NOTE 1 - DESCRIPTION OF THE CITY AND REPORTING ENTITY (Continued)

The City is associated with four organizations, two of which are defined as jointly governed organizations and two as shared risk pools. These organizations are the Grove City Area Community Improvement Corporation, the Mid-Ohio Regional Planning Commission, the Central Ohio Risk Management Association Self-Insurance Pool, Inc. and the Central Ohio Health Care Consortium. See Notes 18 and 19.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

BASIS OF PRESENTATION

The City's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net 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 Activity of the Internal Service Fund is eliminated to avoid "doubling up" revenues and expenditures. 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FUND FINANCIAL STATEMENTS

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

FUND ACCOUNTING

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

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the City are typically financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the 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 and deferred outflows of resources, and liabilities and deferred inflows of resources is reported as fund balance.

The following are the City's major governmental funds:

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

Police Pension Special Revenue Fund - This fund accounts for and reports restricted property taxes levied for the payment of the employer's pension contributions.

Debt Service Fund - This fund accounts for and reports the resources that are restricted for payment of principal and interest and fiscal charges on general obligation debt.

Buckeye Center TIF Debt Service Fund - This fund accounts for and reports the resources that are restricted for payment of principal and interest and fiscal charges on the tax increment financing revenue bonds and payments to other governmental entities per the agreement.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pinnacle TIF Debt Service Fund - This fund accounts for and reports the resources that are restricted for payment of principal and interest and fiscal charges on the bonds and payments to other governmental entities per the agreement.

Capital Improvement Capital Projects Fund - This fund accounts for and reports various construction and improvement projects within the City. These projects are financed from committed local resources, bond proceeds and federal and State grants, including Ohio Public Works Commission grants and loans.

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

PROPRIETARY FUNDS

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise or internal service, the City has two enterprise and one 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 and report the provision of water service to certain residents and businesses within the City.

Sewer Fund - This fund is used to account for and report the provision of sanitary sewer service to the residents and businesses of the City.

Internal Service Funds – Internal Service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

Bureau Of Workers' Compensation Self-Insurance Fund - This fund is used to account for and report a self-insurance program for workers compensation claims.

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. These funds are distinguished by the existence of a trust agreement that affects the degree of management involvement and the length of time that the resources are held. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has four agency funds which are used to account for the distribution of mayor's court fines, individuals and organizations for medical spending, money held for other governments, compliance with building codes, and the distribution of hotel/motel tax to the Grove City Area Visitors and Convention Bureau.

MEASUREMENT FOCUS

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities 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 and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the Governmental Activities of the government-wide financial statements are prepared. The governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of 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 proprietary activities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and 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 outflows/inflows, 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. "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 31 days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, revenue in lieu of 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 and revenue in lieu of taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is 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.

Unearned revenue represents amounts under accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter life of the refunded or refunding debt.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to liabilities, the statement of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payment in lieu of taxes and unavailable revenue. Property taxes and revenue in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2012, but which were levied to finance 2013 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes municipal property taxes, delinquent property taxes, other local taxes, intergovernmental grants, special assessments, interest and accounts receivable. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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.

CASH AND CASH EQUIVALENTS

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "Equity In Pooled Cash And Cash Equivalents" on the financial statements. The City has permissive motor vehicle license money, which is held by the Franklin County Engineer as agent and distributed to the City for approved street projects. The balance in this account is presented on the Balance Sheet as "Cash And Cash Equivalents With Fiscal Agents". The City utilizes trustee accounts to hold monies for the payment of principal and interest and a reserve required by the debt covenant relating to the Buckeye Center Tax Increment Financing Revenue Bonds. The balance in this account is presented on the Balance Sheet as "Restricted Assets: Cash And Cash Equivalents With Trustee".

During the year, investments were limited to Federal Home Loan Bank Consolidation Bonds, Fannie Mae, Freddie Mac, Federal Home Loan Bank Bonds, Federal Home Loan Mortgage Corporation Bonds, Federal Farm Credit Bank Bonds, Federal National Mortgage Association Notes, Federal National Mortgage Association Bonds, STAROhio, STARPlus, and Negotiable Certificates of Deposit. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio) during 2012. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's net asset value per share which is the price the investment could be sold for on December 31, 2012.

Interest income and gains or losses on investments are distributed to the funds according to Ohio constitutional and statutory requirements. Interest revenue and gains or losses on investments credited to the General Fund during 2012 amounted to $623,900, which includes $339,971 assigned from other funds.

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

MATERIALS AND SUPPLIES INVENTORY

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

PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond December 31, 2012, 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/expense is reported in the year in which services are consumed.

CAPITAL ASSETS

General capital assets are 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 deletions during the year. Donated capital assets are recorded at their fair market values on the date received. The City maintains a capitalization threshold of $5,000. 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. Interest incurred during the construction of proprietary fund capital assets is also ca[italized.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All reported capital assets, except for land 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. In the case of the initial capitalization of general infrastructure assets, the City chose to include all infrastructure items regardless of their acquisition date.

Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental And Business-Type Activities Estimated Lives
Buildings	50 years
Improvements Other Than Buildings	10 - 20 years
Machinery And Equipment	10 - 20 years
Furniture And Fixtures	10 - 20 years
Vehicles	3 -10 years
Computer Equipment	3 -10 years
Infrastructure	15 - 50 years

The City's infrastructure consists of curbs and gutters, sidewalks, streets, street lights, storm sewer lines, traffic signals, other infrastructure, water lines and sewer lines.

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 with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year-end, taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused sick leave for employees and administrators after three years of service or an accumulation of more than 360 hours of sick leave.

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 proprietary funds are reported on the proprietary funds' financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

BOND DISCOUNT AND PREMIUM

On the government-wide financial statements (and in the enterprise funds), bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line (bonds outstanding) method, which approximates the effective interest method. Bond premiums/discounts are presented as additions/reductions to the face amount of bonds payable.

On the governmental fund financial statements, bond premiums and discounts are recognized in the period when the debt is issued.

DEFERRED CHARGE ON REFUNDING

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflow of resources on the Statement of Net Position.

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 category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes long term loans receivable, prepaid items, and material and supplies inventory that are not expected to be converted to cash.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Council. 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. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. 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.

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 the City Council or a City official delegated that authority by City Charter or ordinance or by State statute. State statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

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 used only to report a deficit fund balance.

The City has not adopted a formal fund balance policy.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

RESTRICTED ASSETS

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets are for monies held in a trustee account relating to the tax increment financing revenue bonds.

INTERNAL ACTIVITY

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

NET POSITION

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. A portion of certain governmental long-term liabilities is not related to governmental activities because, although the entire debt is being paid from governmental activities, part of the proceeds were used to purchase assets used in the business-type activities. The unrelated portion of these liabilities is included in the calculation of unrestricted net position.

Net position is reported as restricted when there are limitations imposed on its use either through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes includes resources restricted for computerization of the mayor’s court and neighborhood stabilization.

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for sewer and water utility services and self-insurance program. 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.

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.

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 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, department, personal services and all other objects 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 Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts set forth in the financial statements 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 for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the revised budgeted amounts represent the final appropriation amounts passed by Council during the year, including all supplemental appropriations.

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES

CHANGE IN ACCOUNTING PRINCIPLES

For 2012, the City has implemented Governmental Accounting Standard Board (GASB*) Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements," Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements," Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position," Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53" Statement No. 65, "Items Previously Reported as Assets and Liabilities," and Statement No. 66, "Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62"*

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements, which are a type of public-private or public-public partnership. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 62 incorporates into GASB's authoritative literature certain FASB and AICPA pronouncements issued on or before November 30, 1989. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related note disclosures. These changes were incorporated in the City's 2012 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 65 properly classifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). These changes were incorporated in the City's 2012 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The implementation of this statement did not result in any change in the City's financial statements.

NOTE 4 - 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, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) is presented for the General Fund and the Police Pension Special Revenue Fund 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 are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

(b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

(c) Encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).

(d) Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.

(e) Investments are reported at fair value (GAAP basis) rather than at cost (budget basis).

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis for the General Fund and the Police Pension Special Revenue Fund are as follows:

Net Change In Fund Balance

	General	*Police Pension*
GAAP Basis	($688,010)	($479,498)
Increases (Decreases) Due To:		
Revenue Accruals	(2,576,269)	0
Expenditure Accruals	(291,834)	8,842
Encumbrances Outstanding At Year-End (Budget Basis)	(2,070,637)	(542)
Change In Fair Value Of Investments - 2011	1,833	0
Unrecorded Cash - 2011	182,920	0
Change In Fair Value Of Investments - 2012	(118,585)	0
Unrecorded Cash - 2012	(284,029)	0
Budget Basis	($5,844,611)	($471,198)

NOTE 5 - DEPOSITS AND INVESTMENTS

The investment and deposit of City monies are governed by the Ohio Revised Code and the City's charter. State statutes classify monies held by the City into three categories.

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

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

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

Interim monies 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 and 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;

4. Commercial paper and bankers acceptances if training requirements have been met;

5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2); and

7. The State Treasurer's investment pool (STAROhio).

The City may also invest any monies not required to be used for a period of six months or more in the following:

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

1. Bonds of the State of Ohio;

2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and

3. Obligations of the City.

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

INVESTMENTS

As of December 31, 2012, the City had the following investments:

		Investment Maturities (In Years)		*Percentage Of Total*	Standard & Poor's/ Moody's	
	Fair Value	*Less Than 1*	*1 - 5*	*Investments*	*Ratings*	*Call Date*
Federal Home Loan Bank Consolidation Bonds	$512,980	$0	$512,980	N/A	Aaa	-----
Fannie Mae	142,071	142,071	0	N/A	Aaa	-----
Freddie Mac	1,376,076	205,806	1,170,270	N/A	Aaa	-----
Federal Home Loan Bank Bonds	12,067,855	1,676,951	10,390,904	30.36	Aaa	1/1/13 to 4/16/2014
Federal Home Loan Mortgage Corporation Bonds	1,783,004	0	1,783,004	N/A	Aaa	2/24/14 to 5/9/2014
Federal Farm Credit Bank Bonds	5,227,993	421,260	4,806,733	13.15	Aaa	1/5/13 to 1/16/2013
Federal National Mortgage Association Notes	1,583,827	0	1,583,827	N/A	Aaa	3/21/13 to 9/12/2013
Federal National Mortgage Association Bonds	12,460,098	1,006,890	11,453,208	31.34	Aaa	1/25/13 to 9/12/2013
STAROhio	1,168,252	1,168,252	0	N/A	AAAm	-----
Negotiable Certificates Of Deposit	2,430,763	1,601,613	829,150	6.11	-----	1/20/2012
Totals	$38,752,919	$6,222,843	$32,530,076			

NOTE 5 - 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 Finance Director, 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.

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 investments listed in the table above, with the exception of STAROhio, are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the City's name. The City has no policy for custodial credit risk beyond the requirements of State statute.

CREDIT RISK

Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The City's investment policy limits investments to those authorized by State statute which restricts investments to those that are highly rated or issued by United States Government sponsored enterprises. See the table above for the investment ratings.

CONCENTRATION OF CREDIT RISK

The City places a limit on the amount it may invest in any one financial institution. The aggregate investments with any one financial institution will at no time exceed 25 percent of the investment portfolio and funds invested in STAROhio or any financial institution in which the City is using as its primary bank for active deposits shall not exceed 40 percent of the investment portfolio. The percentage that each investment represents of total investments is listed in the above table.

NOTE 6 - MUNICIPAL INCOME TAX

The City levies and collects an income tax of two 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 100 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. The City utilizes the Regional Income Tax Agency (RITA) for the collection of income taxes on its behalf.

NOTE 7 - PROPERTY TAX

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2012 for real and public utility property taxes represents collections of 2011 taxes.

2012 real property taxes were levied after October 1, 2012, on the assessed value as of January 1, 2012, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2012 real property taxes are collected in and intended to finance 2013.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2012 public utility property taxes which became a lien December 31, 2011, are levied after October 1, 2012, and are collected in 2013 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2012, was $3.50 per $1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2012 property tax receipts were based are as follows:

Category	*Assessed Value*
Real Property	
Residential/Agricultural	$571,616,620
Commercial/Industrial/Public Utility	232,469,710
Public Utility Personal	11,958,740
Total Property Taxes	$816,045,070

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2012, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2012 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

NOTE 8 - RECEIVABLES

Receivables at December 31, 2012, consisted of property taxes, other local taxes, revenue in lieu of taxes, municipal income taxes, accounts, special assessments, interest on investments, due from other governments arising from grants, entitlements or shared revenues and loans. All receivables are considered fully collectible and will be received within one year with the exception of property taxes, revenue in lieu of taxes, income taxes, special assessments and loans. Water and sewer charges receivable which, if delinquent, may be certified and collected as a special assessment, are subject to foreclosure for nonpayment. Property taxes and income taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. Special assessments expected to be collected in more than one year for the City amount to $2,580,947. The City had $2,909 in delinquent special assessments at December 31, 2012. Revenue in lieu of taxes will be received over the designated period established by the agreements.

Loans receivable represent low-interest loans to stimulate new economic development by creating and/or expanding investment and employment in the Grove City Town Center. Loans will bear interest at a minimum rate of three percent. The loans are to be repaid over a period of five to 20 years. $10,091 of the $245,048 is expected to be received within the next year.

A summary of the principal items of due from other governments follows:

	Amount
Governmental Activities:	
Local Government	$408,027
Liquor Permits	44,088
Cigarette Tax	1,395
911 Wireless	43,333
JAG Internet Crimes Against Children Grant	491
DUI Taskforce Grant	1,192
Ohio Department of Transportation Grant	1,021,968
Ohio Public Works Commission Grant	901,567
Federal Emergency Management Association	16,725
Violence Against Women Grant	6,446
Jackson Township	39,750
Village Of Urbancrest	1,171
Fines And Forfeitures	680
Homestead And Rollback	299,659
Pari-Mutual Tax	11,070
Gasoline Tax	595,862
Motor Vehicle License Tax	125,663
Permissive Motor Vehicle License Tax	127,679
Total Due From Other Governments	$3,646,766

NOTE 8 – RECEIVABLES (Continued)

REVENUE IN LIEU OF TAXES

In 2002, the City entered into the Buckeye Center Tax Increment Financing Agreement between the City and Stringtown Partners North, Stringtown Partners South, and Lucas State Street Stringtown Limited, for the purpose of constructing the Parkway Center North and South retail center. To encourage these improvements, the companies and home owners were granted a 100 percent, 30 year exemption from paying any property taxes on the new construction; however, revenue in lieu of taxes are paid to the City in an amount equal to the real property taxes that otherwise would have been due in that year. These payments are being used to finance public infrastructure improvements. Additional payments are made to the South-Western City School District since they are impacted by the exemption.

In 2004, the City entered into the Pinnacle Tax Increment Financing Agreement between the City and Pinnacle Development Company, Ltd., and M/I Homes of Central Ohio for the purpose of constructing a golf course community consisting of a golf course, single-family homes and attached and detached residential condominiums. To encourage these improvements, the companies and home owners were granted a 100 percent, 30 year exemption from paying any property taxes on the new construction; however, revenue in lieu of taxes are paid to the City in an amount equal to the real property taxes that otherwise would have been due in that year. These payments are being used to finance public infrastructure improvements. Per the tax increment financing agreement, service payments are made to the South-Western City School District directly from Franklin County. Jackson Township will be reimbursed through capital assets additions, purchased by the City.

In 2006, the City entered into the Rockford Homes Tax Increment Financing Agreement between the City and Rockford Home Builders for the purpose of constructing single-family homes. In the agreement, the developer agreed to pay for the infrastructure cost and will be reimbursed by the City from the Rockford TIF Special Revenue Fund. Per the tax increment financing agreement, service payments are made to the South-Western City School District directly from Franklin County.

In 2007, the City created the SR665/I71 Municipal Public Improvement Tax Increment Financing District for the continued commercial development of SR665/I71 corridor of the City. This agreement is for 30 years and allows 100 percent exemption on improvements in the TIF district; however, revenue in lieu of taxes are paid to the City in an amount equal to the real property taxes that otherwise would have been due in that year. These payments are being used to finance public infrastructure improvements. Per the tax increment financing agreement, service payments are made to the South-Western City School District directly from Franklin County. A separate agreement was signed with Jackson Township; however; depending upon where the infrastructure improvements are made and location of the parcel in the TIF district depends upon how much the Township is to be reimbursed.

NOTE 9 - CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2012, was as follows:

	Balance At 12/31/2011	*Additions*		*Deletions*	*Balance At 12/31/2012*
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	$44,125,758	$1,153,356		$0	$45,279,114
Construction In Progress	1,231,937	4,862,292		(1,319,285)	4,774,944
Total Capital Assets, Not Being Depreciated	45,357,695	6,015,648		(1,319,285)	50,054,058
Depreciable Capital Assets:					
Buildings	6,003,816	624,566		0	6,628,382
Improvements Other Than Buildings	4,642,399	307,116	*	(3,312)	4,946,203
Machinery And Equipment	4,449,182	469,161	*	(50,165)	4,868,178
Furniture And Fixtures	234,933	31,265		(1,257)	264,941
Vehicles	2,879,929	418,194	*	(190,634)	3,107,489
Computer Equipment	2,753,243	362,179		(5,295)	3,110,127
Infrastructure:					
Curbs And Gutters	20,775,141	353,208		0	21,128,349
Sidewalks	7,350,334	228,546		0	7,578,880
Streets	183,929,337	1,495,938		(5,603,024)	179,822,251
Storm Sewer Lines	30,037,317	62,414		0	30,099,731
Other Infrastructure	10,845,119	3,535,129		0	14,380,248
Total Depreciable Capital Assets	$273,900,750	$7,887,716		($5,853,687)	$275,934,779

(Continued)

NOTE 9 - CAPITAL ASSETS (Continued)

	Balance At 12/31/2011	*Additions*	*Deletions*	*Balance At 12/31/2012*
Governmental Activities				
Less Accumulated Depreciation:				
Buildings	($3,418,265)	($81,034)	$0	($3,499,299)
Improvements Other Than Buildings	(2,581,363)	(156,681)	0	(2,738,044)
Machinery And Equipment	(2,752,439)	(356,660)	50,165	(3,058,934)
Furniture And Fixtures	(151,977)	(22,531)	0	(174,508)
Vehicles	(1,636,987)	(230,731)	151,379	(1,716,339)
Computer Equipment	(1,991,336)	(286,551)	5,295	(2,272,592)
Infrastructure:				
Curbs And Gutters	(13,426,429)	(1,009,301)	0	(14,435,730)
Sidewalks	(4,180,024)	(431,882)	0	(4,611,906)
Streets	(83,392,151)	(6,241,873)	3,120,835	(86,513,189)
Storm Sewer Lines	(7,377,990)	(596,473)	0	(7,974,463)
Other Infrastructure	(2,341,248)	(511,934)	0	(2,853,182)
Total Accumulated Depreciation	(123,250,209)	(9,925,651)	3,327,674	(129,848,186)
Depreciable Capital Assets, Net	150,650,541	(2,037,935)	(2,526,013)	146,086,593
Governmental Activities Capital Assets, Net	$196,008,236	$3,977,713	($3,845,298)	$196,140,651

* $106,662 of the additions consisted of assets transferred from the enterprise funds.

Depreciation expense was charged to governmental programs as follows:

Security Of Persons And Property	$481,181
Leisure Time Activities	223,036
Community Development	7,639
Transportation	6,400,983
General Government	2,812,812
Total Depreciation Expense	$9,925,651

NOTE 9 - CAPITAL ASSETS (Continued)

	Balance At 12/31/2011	*Additions*	*Deletions*	*Balance At 12/31/2012*
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	$23,000	$0	$0	$23,000
Construction In Progress	2,782,221	701,569	(3,392,822)	90,968
Total Capital Assets, Not Being Depreciated	2,805,221	701,569	(3,392,822)	113,968
Depreciable Capital Assets:				
Buildings	868,211	0	0	868,211
Improvements Other Than Buildings	562,217	0	0	562,217
Machinery And Equipment	210,358	0	(80,528)	129,830
Vehicles	143,588	0	(26,134)	117,454
Computer Equipment	7,235	0	0	7,235
Infrastructure:				
Water Lines	30,264,863	3,392,822	0	33,657,685
Sewer Lines	38,411,651	0	0	38,411,651
Total Depreciable Capital Assets	70,468,123	3,392,822	(106,662)	73,754,283
Less Accumulated Depreciation:				
Buildings	(159,474)	(16,849)	0	(176,323)
Improvements Other Than Buildings	(499,671)	(13,662)	0	(513,333)
Machinery And Equipment	(93,384)	(5,622)	0	(99,006)
Vehicles	(87,984)	(6,144)	0	(94,128)
Computer Equipment	(7,235)	0	0	(7,235)
Infrastructure:				
Water Lines	(8,606,456)	(602,087)	0	(9,208,543)
Sewer Lines	(10,958,381)	(755,887)	0	(11,714,268)
Total Accumulated Depreciation	(20,412,585)	(1,400,251)	0	(21,812,836)
Depreciable Capital Assets, Net	50,055,538	1,992,571	(106,662)	51,941,447
Business-Type Activities Capital Assets, Net	$52,860,759	$2,694,140	($3,499,484)	$52,055,415

For the year ended December 31, 2012, the City's enterprise funds transferred water and sewer assets to governmental funds. The value of the transferred water and sewer assets were $9,507 and $97,155, respectively.

NOTE 10 - DEFINED BENEFIT PENSION PLANS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description – The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting https://www.opers.org/investments/cafr.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll. For the year ended December 31, 2012, members in state and local divisions contributed 10 percent of covered payroll. For 2012, member and employer contribution rates were consistent across all three plans.

The City's 2012 contribution rate was 14.0 percent. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 4.0 percent for 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2012. Employer contribution rates are actuarially determined.

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2012, 2011, and 2010 were $553,152, $553,600, and $496,805, respectively. For 2012, 90.06 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010. Contributions to the Member-Directed Plan for 2012 were $24,239 made by the City and $17,314 made by plan members.

NOTE 10 - DEFINED BENEFIT PENSION PLANS (Continued)

OHIO POLICE AND FIRE PENSION FUND

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

Funding Policy – The Ohio Revised Code requires plan members to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24.0 percent for firefighters.

The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. The portion of employer contributions used to fund pension benefits was 12.75 percent of covered payroll for police officers and 17.25 percent of covered payroll for firefighters. The City has no firefighters. The City's contributions to OP&F for police pension for the years ended December 31, 2012, 2011, and 2010 were $716,999, $697,205, and $514,880, respectively. For 2012, 90.78 percent for police has been contributed with the balance being report as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

NOTE 11 - POST-EMPLOYMENT BENEFITS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

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

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. The plan includes a medical plan, prescription drug program and Medicare Part B premium reimbursement.

NOTE 11 - POST-EMPLOYMENT BENEFITS (Continued)

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting https://www.opers.org/investments/cafr.shtml, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, state and local employers contributed at a rate of 14.0 percent of covered payroll. These are the maximum employer contribution rates permitted by the Ohio Revised Code.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0 percent for 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2012. Effective January 1, 2013, the portion of employer contributions allocated to healthcare was lowered to 1 percent for both plans, as recommended by the OPERS Actuary.

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. Active members do not make contributions to the post-employment health care plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2012, 2011, and 2010 were $221,261, $221,440, and $276,003, respectively. For 2012, 90.06 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

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

NOTE 11 - POST-EMPLOYMENT BENEFITS (Continued)

OHIO POLICE AND FIRE PENSION FUND

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined post-employment health care plan administered by OP&F. OP&F provides health care 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-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 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 information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available of OP&F's website at 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 by Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. The City has no firefighters. 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 IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 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 to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2012, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

NOTE 11 - POST-EMPLOYMENT BENEFITS (Continued)

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 health care benefits for police for the year ended December 31, 2012, 2011, and 2010 were $379,588, $369,108, and $272,584, respectively. For 2012, 90.78 percent has been contributed for police with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

NOTE 12 - EMPLOYEE BENEFITS

COMPENSATED ABSENCES

Vacation leave is earned at rates which vary depending upon length of service and are credited to the employees on a bi-weekly basis. Current policy allows the unused balance to be accrued at levels which depend upon years of service. City employees are paid for earned, unused vacation leave at the time of termination of employment.

Sick leave is earned at the rate of four and six-tenths hours for every 80 hours worked and can be accumulated without limit. Each employee with the City is paid at one-half of the portion that exceeds 360 hours of the employees' earned unused sick leave upon termination from the City or the full balance may be transferred 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.

HEALTH CARE BENEFITS

The City provides health care benefits through the Central Ohio Health Care Consortium (the "Pool"), a shared risk pool that provides basic hospital, surgical and prescription drug coverage. See Note 19 for further information.

DEFERRED COMPENSATION

City employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death, or an unforeseeable emergency.

NOTE 13 - CAPITAL LEASES - LESSEE DISCLOSURE

In prior years, the City entered into capitalized leases for postage systems and a telephone system. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements.

Capital assets acquired by lease were capitalized in the amount of $360,964. This amount represents the present value of the minimum lease payments at the time of acquisition. Principal payments in 2012 totaled $19,481 in the governmental funds, which represent the final payment.

The assets acquired through capital leases as of December 31, 2012, are as follows:

	Asset Value	*Accumulated Depreciation*	*Net Book Value*
Machinery And Equipment	$360,964	$215,436	$145,528

NOTE 14 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS

BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS

Bonded debt and other long-term obligations payable activity for the year ended December 31, 2012, was as follows:

Types / Issues	*Balance 12/31/11*	*Issued*	*Retired*	*Balance 12/31/12*	*Due Within One Year*
Business-Type Activities					
Ohio Public Works Commission (OPWC) Loans					
1994 - 3.50% Columbus Street Reconstruction $128,422	$27,331	$0	$8,796	$18,535	$9,107
1995 - 3.00% Kingston Avenue Reconstruction $200,624	57,120	0	12,040	45,080	12,404
1995 - 3.50% Grant Run Interceptor Phase II $537,324	157,478	0	32,901	124,577	34,063
1999 - 3.00% Marsh Run Gravity Sewer $703,276	403,610	0	35,170	368,440	36,234
Total OPWC Loans	$645,539	$0	$88,907	$556,632	$91,808

NOTE 14 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS

Bonded debt and other long-term obligations payable activity for the year ended December 31, 2012, was as follows:

Types / Issues	*Balance 12/31/11*	*Issued*	*Retired*	*Balance 12/31/12*	*Due Within One Year*
Business-Type Activities					
Ohio Water Development Authority (OWDA) Loans					
2010 - 3.89% Big Run/Fryer Park Water Storage Tank $2,600,000	$1,800,070	$504,914	$91,424	$2,213,560	$0
2011 - 3.37% Haughn Road Water Main $671,338	671,338	0	23,988	647,350	24,803
Total OWDA Loans	2,471,408	504,914	115,412	2,860,910	24,803
Other Long-Term Obligations					
Compensated Absences	44,708	23,501	20,412	47,797	19,092
Total Business-Type Activities	$3,161,655	$528,415	$224,731	$3,465,339	$135,703

Types / Issues	*Balance 12/31/11*	*Issued*	*Retired*	*Balance 12/31/12*	*Due Within One Year*
Governmental Activities					
General Obligation Bonds					
2001 - 3.8% - 5.5% Various Purpose Improvement Serial Bonds $1,840,000	$1,325,000	$0	$1,325,000	$0	$0
2004 - 1.9% - 3.5% General Obligation Refunding Bonds $1,360,000	335,000	0	165,000	170,000	170,000
2006 - Pinnacle Club Drive Construction And Improvement Bonds					
Serial Bonds 4.0% - 5.25% $4,225,000	3,195,000	0	250,000	2,945,000	260,000
Term Bonds 4.0% $4,505,000	4,505,000	0	0	4,505,000	0
Premium On Bonds	50,960	0	2,548	48,412	0

(Continued)

NOTE 14 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

Types / Issues	*Balance 12/31/11*	*Issued*	*Retired*	*Balance 12/31/12*	*Due Within One Year*
Governmental Activities					
General Obligation Bonds					
2009 - SR 665 Construction And Improvements Bonds					
Serial Bonds 2.5% - 4.375% $3,155,000	2,815,000	0	175,000	2,640,000	175,000
Term Bonds 4.5% - 5.125% $4,430,000	4,430,000	0	0	4,430,000	0
2012 - 2.75% Various Purpose Refunding Bonds $1,395,000	$0	$1,395,000	$75,000	$1,320,000	$80,000
Total General Obligation Bonds Payable	16,655,960	1,395,000	1,992,548	16,058,412	685,000
Ohio Public Works Commission (OPWC) Loans					
1993 - 0.00% Park Street Improvements $292,009	0	0	0	0	0
1997 - 0.00% Hoover Road/ SR 665 Realignment $351,546	111,017	0	18,502	92,515	18,502
1998 - 0.00% Haughn Road Widening $446,773	148,930	0	22,911	126,019	22,911
1999 - 0.00% Broadway $409,887	174,206	0	20,494	153,712	20,494
1999 - 0.00% Hoover Road/ Buckeye Ranch/ Orders Road $518,378	207,350	0	25,919	181,431	25,919
2000 - 0.00% Hoover Road/ Old Stringtown To Sonora Drive $745,578	354,149	0	37,279	316,870	37,279
2001 - 0.00% Broadway $456,181	238,785	0	36,737	202,048	36,737
2004 - 0.00% Hoover Road/ Milligan Road To Orders Road $720,000	483,154	0	35,789	447,365	35,789

(Continued)

NOTE 14 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

Types / Issues	*Balance 12/31/11*	*Issued*	*Retired*	*Balance 12/31/12*	*Due Within One Year*
Ohio Public Works Commission (OPWC) Loans					
2005 - 0.00% Demorest Road/ Big Run Road $543,017	393,687	0	27,151	366,536	27,151
2005 - 0.00% Stringtown Road/ Interstate 71 To McDowell Road $1,235,678	623,350	0	40,216	583,134	40,216
2008 - 0.00% Old Stringtown Road Reconstruction $678,014	$593,261	$0	$33,901	$559,360	$33,901
2009 - 0.00% Grove City Road Reconstruction $390,000	358,800	0	15,600	343,200	15,600
Total OPWC Loans	3,686,689	0	314,499	3,372,190	314,499
Tax Increment Financing Revenue Bonds					
2006 - 5.13% - 5.38% Buckeye Center TIF Revenue Bonds $16,290,000	14,930,000	0	440,000	14,490,000	460,000
Other Long-Term Obligations					
Capital Leases	19,481	0	19,481	0	0
Compensated Absences	1,622,162	795,131	815,316	1,601,977	654,576
Total Other Long-Term Obligations	1,641,643	795,131	834,797	1,601,977	654,576
Total Governmental Activities	$36,914,292	$2,190,131	$3,581,844	$35,522,579	$2,114,075

The City's overall legal debt margin was $70,341,580, with an unvoted debt margin of $29,539,327 at December 31, 2012.

NOTE 14 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

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

	Governmental Activities			
	General Obligation Bonds			
	Serial Bonds		*Term Bonds*	
Year	*Principal*	*Interest*	*Principal*	*Interest*
2013	$605,000	$247,042	$80,000	$435,174
2014	455,000	222,630	80,000	432,974
2015	485,000	200,730	80,000	430,774
2016	500,000	177,130	85,000	428,574
2017	510,000	150,205	90,000	426,237
2018-2022	2,155,000	442,965	1,220,000	2,078,907
2023-2027	530,000	137,674	3,480,000	1,670,870
2028-2032	515,000	41,200	3,375,000	897,980
2033-2036	0	0	1,765,000	231,138
Totals	$5,755,000	$1,619,576	$10,255,000	$7,032,628

	Governmental Activities		
	OPWC Loans	*Revenue Bonds*	
Year	*Principal*	*Principal*	*Interest*
2013	$314,499	$460,000	$773,863
2014	314,498	485,000	750,287
2015	314,498	510,000	725,431
2016	314,499	535,000	699,294
2017	314,499	565,000	671,875
2018-2022	1,026,669	3,305,000	2,870,518
2023-2027	612,977	4,295,000	1,881,789
2028-2032	128,851	4,335,000	597,699
2033-2034	31,200	0	0
Totals	$3,372,190	$14,490,000	$8,970,756

NOTE 14 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

Annual debt service requirements to maturity for OPWC and OWDA loans for business-type activities are:

	Business-Type Activities					
	Water OWDA Loans		*Water OPWC Loans*		*Sewer OPWC Loans*	
Year	*Principal*	*Interest*	*Principal*	*Interest*	*Principal*	*Interest*
2013	$24,803	$21,608	$21,511	$1,830	$70,297	$14,848
2014	25,646	20,766	22,208	1,133	72,594	12,550
2015	26,518	19,894	13,165	499	74,967	10,177
2016	27,419	18,993	6,731	101	58,356	7,726
2017	28,351	18,061	0	0	40,817	6,200
2018-2022	156,878	75,181	0	0	175,986	12,085
2023-2027	185,409	46,650	0	0	0	0
2028-2031	172,326	13,321	0	0	0	0
Totals	$647,350	$234,474	$63,615	$3,563	$493,017	$63,586

OHIO PUBLIC WORKS COMMISSION (OPWC) LOANS

The OPWC loans consist of money owed to the Ohio Public Works Commission for various construction projects within the City. These consist of 15 or 20 year general obligation loans payable. The liability for the Water and Sewer Funds is recorded in the fund and government-wide financial statements. The liabilities for the governmental funds are not recorded on the fund financial statements, but are recorded on the government-wide financial statements. The loans will be repaid from the Water and Sewer Enterprise Funds and the Debt Service Fund.

OHIO WATER DEVELOPMENT AUTHORITY (OWDA) LOANS

The OWDA loan consists of money owed to the Ohio Water Development Authority for the Big Run/ Fryer Park Water Storage Tank and the Haughn Road Water Main projects. The work for the Big Run/Fryer Park Water Storage Tank has been fully completed; however, the loan amount has not been issued in full and a final payment schedule is not available. During 2012, a liability was included for $2,213,560, which represents the amount of the loan used as of year-end. The loan will be repaid from the Water Enterprise Fund. The 3.37 percent loan was issued for 20 years, with semi-annual payments.

GENERAL OBLIGATION BONDS

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and refinancing of bond anticipation notes. General obligation bonds are direct obligations and pledge the full faith and credit of the City for repayment. These bonds are generally issued as 20 year serial bonds with equal amounts of principal maturing each year and are paid with property taxes from the Debt Service Fund.

NOTE 14 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

On August 23, 2006, the City issued $8,730,000 in general obligation bonds for the purpose of retiring the Pinnacle Club Drive Construction and Improvement Notes. Of these bonds, $4,225,000, are serial bonds and $4,505,000 are term bonds. The bonds were issued for a 25 year period with final maturity in December 2031. The serial bonds mature from December 1, 2007 to December 1, 2020 and on December 1, 2029. The bonds will be retired from the Pinnacle TIF Debt Service Fund.

The $4,505,000 term bonds maturing on December 1, 2021 to December 1, 2028 and December 1, 2030 and December 1, 2031 are subject to a mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount plus accrued interest to the date of redemption, on December 1, in the years and in the respective amounts as follows:

Year	*Amount*
2021	$365,000
2022	380,000
2023	395,000
2024	415,000
2025	430,000
2026	450,000
2027	470,000
2028	495,000
2030	540,000
2031	565,000
	$4,505,000

On March 11, 2009, the City issued $7,585,000 in general obligation bonds for the purpose of retiring the State Route 665 Construction and Improvement Bond Anticipation Notes, Series 2008. Of these bonds, $3,155,000 are serial bonds and $4,430,000 are term bonds. The bonds were issued for a 27 year period with final maturity in December 2036. The serial bonds mature from December 1, 2010 to December 1, 2024. The bonds will be retired from the Debt Service Fund.

NOTE 14 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

The $4,430,000 term bonds maturing on December 1, 2025 to December 1, 2036 are subject to a mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount plus accrued interest to the date of redemption, on December 1, in the years and in the respective amounts as follows:

Year	*Amount*
2025	$280,000
2026	300,000
2027	310,000
2028	320,000
2029	340,000
2030	355,000
2031	370,000
2032	390,000
2033	410,000
2034	430,000
2035	450,000
2036	475,000
	$4,430,000

On October 31, 2012, the City issued $1,395,000 in various purpose refunding bonds for the purpose of advance refunding the 2001 various purpose bonds. All bonds are term bonds issued for a 15 year period, with final maturity on December 1, 2026. The term bonds are not subject to optional redemption prior to maturity. The redemption date for the bonds is December 1, 2012, and each December 1, thereafter at 100% of the principal amount thereof plus accrued interest to date of redemption.

The City placed $1,395,099 into an irrevocable trust for the purpose refunding $1,325,000 of the 2001 general obligation bonds. The 2001 bonds are considered defeased and are not reported in the accompanying basic financial statements. The balance of the refunded bonds were fully repaid at December 31, 2012.

The refunding resulted in a difference of $33,099 between the net carrying amount of the old debt and the reacquisition price. This difference is being amortized to interest expense over the life of the bonds using the straight-line method. The unamortized difference at December 31, 2012, was $32,705. Total debt service payments decreased by $254,417 as a result of the refunding. The City also incurred an economic gain (difference between the present values of the old and new debt service payments) of $211,322.

NOTE 14 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

TAX INCREMENT FINANCING REVENUE BONDS

On November 28, 2006, the City issued $16,290,000 in tax increment financing term revenue bonds for the purpose of retiring the 2006 Street and Infrastructure Construction Notes and the 2005 Buckeye Parkway Construction and Improvement Notes. The Series 2006 Revenue Bonds are special obligations of the City and do not constitute general obligations or pledge the faith and credit of the City but are payable from revenue in lieu of taxes. The bonds were issued for a 25 year period with final maturity in December 2031.

The City has pledged future revenue to repay revenue bonds in the Buckeye Center TIF Debt Service Fund. The debt is payable solely from revenues and are payable through 2031. The total principal and interest remaining to be paid on the bonds is $23,460,756. Principal and interest paid for the current year and revenue in lieu of taxes were $1,234,135 and $1,478,740, respectively.

The term bonds, issued at $16,290,000, maturing on December 1, 2008 to December 1, 2031 are subject to a mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount plus accrued interest to the date of redemption, on December 1 in each of the years 2008 through 2031.

Year	*Amount*
2012	$440,000
2013	460,000
2014	485,000
2015	510,000
2016	535,000
2017	565,000
2018	595,000
2019	625,000
2020	660,000
2021	695,000
2022	730,000
2023	770,000
2024	815,000
2025	855,000
2026	905,000
2027	950,000
2028	1,000,000
2029	1,055,000
2030	1,110,000
2031	1,170,000
	$14,930,000

NOTE 14 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS

The City has one outstanding issue of multifamily housing mortgage revenue bonds in the aggregate principal amount of $9,750,000 at December 31, 2012 for facilities used by private corporations or other entities. The City is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the City's debt presentation. There has not been, and currently is not any condition of default under the bonds or the related financing documents.

COMPENSATED ABSENCES/CAPITAL LEASES

Compensated absences will be paid from the General, Street Maintenance, General Recreation, Community Development, and Sewer Funds. Capital leases were paid from the General Fund.

NOTE 15 - CONSTRUCTION COMMITMENTS

The City has entered into various contracts for the construction and acquisition of capital assets. At December 31, 2012, the significant outstanding construction commitments are as follows:

Project	*Contract Amount*	*Amount Expended*	*Balance At 12/31/12*
Stringtown Road Reconstruction Phase II	$7,499,358	$4,019,938	$3,479,420
Broadway and Home Road Intersection and Traffic Signal Improvements	572,112	290,873	281,239
Traffic Signal Improvements Phase II	266,413	130,939	135,474
2012 Sanitary Sewer Rehabilition	281,816	90,967	190,849
Totals	$8,619,699	$4,532,717	$4,086,982

NOTE 16 - RISK MANAGEMENT

CENTRAL OHIO RISK MANAGEMENT ASSOCIATION

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. On October 1, 2009, the City established membership in the Central Ohio Risk Management Association Self-Insurance Pool, Inc. (CORMA). CORMA was formed pursuant to Section 2744.081 of the Ohio Revised Code. Members of CORMA are the cities of Westerville, Dublin, Upper Arlington, Pickerington, Grove City, Groveport, and Powell. Each member has two representatives on the Board of Trustees.

NOTE 16 - RISK MANAGEMENT (Continued)

Membership in CORMA enables the City to take advantage of any economies to be realized from an insurance pool with other cities and also provides the City with more control over claims than what is normally available with traditional insurance coverage. A third-party claims administrator investigates, processes and advises the CORMA Treasurer/Board regarding payment of claims.

As part of participating in CORMA, coverage is provided for umbrella liability coverage for $15,000,000 per occurrence/$20,000,000 annual aggregate excess general liability, automobile liability, law enforcement liability, public officials and employment practices liability and $375,692,776 limit for property claims for the pool. Coverage is provided on an annual aggregate basis for crime ($1,000,000 blanket public employee dishonesty, $500,000 forgery/computer fraud, and $100,000 money and securities, with a $25,000 deductible for each). Coverage is provided for general liability ($1,000,000/$2,000,000), law enforcement liability ($1,000,000/$1,000,000), public official liability ($1,000,000/$1,000,000), employment practices liability ($1,000,000/$1,000,000) and automobile liability ($1,000,000). Pool retentions are $10,000 per loss for property and $600,000 aggregate for liability, with a $100,000 per loss self-insurance retention. A third-party broker, with expertise in public entity pools, markets the program, identifies coverage lines and limits, and recommends the best insurer and insurance for procurement.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years. There has been no significant change in coverage from last year.

WORKERS' COMPENSATION SELF-INSURANCE FUND

In October 2012, the City was approved for self-insured status by the Bureau of Workers' Compensation and began to administer its own workers' compensation program (the program). The City has established a workers' compensation self-insured internal service fund to account for assets set aside for claim settlements and related liabilities associated with the program. Liabilities of the fund are reported when an employee injury has occurred, it is probable that a claim will be filed under the program, and the amount of the claim can be reasonably estimated. The City utilizes the services of Compensation Solutions Inc., the third party administrator, to review, process and pay employee Claims.

The claims liability of $1,800 reported in the fund at December 31, 2012, is based on actual costs and the requirements of GASB statement No. 30 which requires that a liability for unpaid claims costs, include estimates of costs relating to incurred but not reported claims be reported.

Changes in claims activity for the year as follows:

	Balance at Beginning of Fiscal Year	Current Fiscal Year Claims	Claims Payments	Balance at End of Fiscal Year
2012	$0	$67,414	$65,614	$1,800

NOTE 17 - INTERFUND ACTIVITY

Transfers made during the year ended December 31, 2012 were as follows:

		Transfers From
		General Fund
Transfers To	Capital Improvement Fund	$7,196,725
	Nonmajor Governmental Funds	45,000
	Workers' Compensation Internal Service Fund	157,880
	Totals	$7,399,605

Transfers from the General Fund represent subsidy monies for operations of the Capital Improvement Capital Projects Fund, the Big Splash Special Revenue Fund and the Workers' Compensation Internal Service Fund.

NOTE 18 - JOINTLY GOVERNED ORGANIZATIONS

GROVE CITY AREA COMMUNITY IMPROVEMENT CORPORATION

The Grove City Area Community Improvement Corporation (CIC) was created as a not-for-profit corporation under Sections 1724.01 et. seq., Ohio Revised Code. The CIC is governed by a 14 member Board of Trustees, five of which are elected or appointed officials of the City, one representative of Jackson Township, one representative of South-Western City Schools, one representative of the Chamber of Commerce, and six are volunteer citizens. The Board exercises total control over the operation of the CIC including budgeting, appropriating, contracting and designating management. Each participants degree of control is limited to its representation on the Board. The City did not make any contributions to the CIC. The sole purpose of the CIC is to advance, encourage, and promote the industrial, economic, commercial and civic development of Grove City, Ohio.

MID-OHIO REGIONAL PLANNING COMMISSION

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. MORPC is composed of 74 representatives appointed by member governments who make up the Commission, the policy-making body of MORPC, and the oversight board. MORPC is a voluntary association of local governments in central and south central Ohio and a regional planning agency whose membership includes 46 political subdivisions in and around Delaware, Fairfield, Fayette, Franklin, Knox, Licking, Madison, Morrow, Pickaway, Ross, and Union counties, Ohio. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members.

NOTE 19 - SHARED RISK POOLS

CENTRAL OHIO RISK MANAGEMENT ASSOCIATION SELF-INSURANCE POOL, INC.

On October 1, 2009, the City established membership in the Central Ohio Risk Management Association (CORMA) Self-Insurance Pool, Inc., a not for profit risk sharing pool, for the purpose of obtaining reduced rates on traditional liability insurance coverage. CORMA was formed pursuant to Section 2744.081 of the Ohio Revised Code. Members of CORMA are the Cities of Westerville, Dublin, Upper Arlington, Pickerington, Grove City, Groveport, and Powell. Each member has two representatives on the Board of Trustees. This Board establishes its own budget, hires and fires personnel and determines annual rates for its members.

CENTRAL OHIO HEALTH CARE CONSORTIUM

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 consists of nine political subdivisions 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, 2010. 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 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 Consortium, which are used to cover claims and administrative costs, and to purchase excess loss insurance for the plan. 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 $175,000 per claim per year, with an individual lifetime maximum of $2,000,000. The aggregate excess loss coverage has been structured to indemnify the Pool for aggregate claims paid in excess of $12,755,088 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. In the event that an entity should withdraw from the plan, the withdrawing member is required to either reimburse the Pool for any claims paid on its behalf or the member must pay the claims directly.

NOTE 20 – FUND BALANCES

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 the 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 Balances	General	Police Pension	Debt Service	Buckeye Center TIF
Nonspendable				
Materials And Supplies Inventory	$19,545	$0	$0	$0
Loans Receivable	245,048	0	0	0
Prepaids	141,132	0	0	0
Total Nonspendable	405,725	0	0	0
Restricted For				
Police Pension	0	871,447	0	0
Debt Service	0	0	666,848	1,851,360
Road Maintenance And Repair	0	0	0	0
Police Programs	0	0	0	0
FEMA	0	0	0	0
Recreational Activities	0	0	0	0
Other Purposes	0	0	0	0
Total Restricted	0	871,447	666,848	1,851,360
Committed To				
Capital Improvements	0	0	0	0
Recreational Improvements	0	0	0	0
Community Development And Improvements	0	0	0	0
Road Improvements	0	0	0	0
DARE Program	0	0	0	0
Recreational Activities	0	0	0	0
Total Committed	0	0	0	0
Assigned To				
Purchases On Order	1,668,128	0	0	0
Unassigned	22,405,749	0	0	0
Total Fund Balances	$24,479,602	$871,447	$666,848	$1,851,360

(Continued)

NOTE 20 – FUND BALANCES (Continued)

Fund Balances	Pinnacle TIF	Capital Improvement	Other Governmental Funds	Total
Nonspendable				
Materials And Supplies Inventory	$0	$0	$110,639	$130,184
Loans Receivable	0	0	0	245,048
Prepaids	0	0	0	141,132
Total Nonspendable	0	0	110,639	516,364
Restricted For				
Police Pension	0	0	0	871,447
Debt Service	2,139,544	0	574,629	5,232,381
Road Maintenance And Repair	0	0	3,163,271	3,163,271
Police Programs	0	0	688,788	688,788
FEMA	0	0	16,725	16,725
Recreational Activities	0	0	31,349	31,349
Other Purposes	0	0	320	320
Total Restricted	2,139,544	0	4,475,082	10,004,281
Committed To				
Capital Improvements	0	7,283,079	0	7,283,079
Recreational Improvements	0	0	206,875	206,875
Community Development And Improvements	0	0	370,736	370,736
DARE Program	0	0	37,804	37,804
Recreational Activities	0	0	361,416	361,416
Total Committed	0	7,283,079	976,831	8,259,910
Assigned To				
Purchases on Order	0	0	0	1,668,128
Unassigned	0	0	0	22,405,749
Total Fund Balances	$2,139,544	$7,283,079	$5,562,552	$42,854,432

NOTE 21 - CONTINGENT LIABILITIES

LITIGATION

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

FEDERAL AND STATE GRANTS

For the period January 1, 2012, to December 31, 2012, 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 22 – SUBSEQUENT EVENT

On February 28, 2012, the City issued $3,600,000 in bond anticipation notes in anticipation of the issuance of the North Meadows Drive Construction and Improvement Bonds. The notes were issued for one year with maturity on February 27, 2014.

Combining Financial Statements

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for and report the proceeds of specific revenue sources (other than major capital projects) that are restricted or committed by law and administrative action to expenditures for specified purposes. The following are descriptions of the City's nonmajor special revenue funds:

Nonmajor Special Revenue Funds

Street Maintenance Fund
The Street Maintenance Fund accounts for and reports ninety-two and one-half percent (92.5%) of the State gasoline tax and motor vehicle registration fees restricted for street maintenance and repairs.

State Highway Fund
The State Highway Fund accounts for and reports seven and one-half percent (7.5%) of the State gasoline tax and motor vehicle registration fees restricted for maintenance and repair of State highways within the City.

General Recreation Fund
The General Recreation Fund accounts for and reports operations of City sponsored recreation programs funded by committed participation fees and facility rentals.

City Permissive MVL Fund
The City Permissive MVL Fund accounts for and reports additional motor vehicle registration fees restricted for maintenance and repair of streets within the City that were levied under State law by the City.

County Permissive MVL Fund
The County Permissive MVL Fund accounts for and reports additional motor vehicle registration fees restricted for maintenance and repair of specific streets within the City that were levied under State law by Franklin County.

Senior Nutrition Fund
The Senior Nutrition Fund accounts for and reports committed revenues from fees for a senior nutrition program sponsored by City Council.

Drug Law Enforcement Fund
The Drug Law Enforcement Fund accounts for and reports confiscated monies related to criminal offenses and is restricted, by State statute, for expenditures that would enhance the police department.

DARE Program Fund
The DARE Program Fund accounts for and reports committed revenues received from donations for the drug abuse resistance education program, which is sponsored by City Council. This fund is not budgeted for 2012.

Community Development Fund
The Community Development Fund accounts for and reports a portion of hotel/motel taxes and donations that are committed to community development expenditures.

(Continued)

Nonmajor Special Revenue Funds

Community Environment Fund
The Community Environment Fund accounts for and reports committed grant monies received from the Franklin County Auditor, as well as license and permits for the purpose of operating a community recycling program and the Keep America Beautiful program.

Law Enforcement Assistance Fund
The Law Enforcement Assistance Fund accounts for and reports restricted State grant monies used for the purpose of training police officers. This fund is not budgeted for 2012.

Enforcement And Education Fund
The Enforcement And Education Fund accounts for and reports restricted fines imposed by the courts which are used for programs aimed at further education and enforcement of D.U.I. laws.

Garden At Gantz Fund
The Garden At Gantz Fund accounts for and reports committed resources obtained from the sale of plants and donations for the upkeep of the gardens located at the Gantz City Park. This fund is not budgeted for 2012.

Mayor's Court Computer Fund
The Mayor's Court Computer Fund accounts for and reports restricted court costs collected for the acquisition and maintenance of computer equipment used in the operations of the mayor's court, pursuant to State law.

Big Splash Fund
The Big Splash Fund accounts for and reports committed monies received from and used for the operation of the Big Splash recreational water facility at Evans Park.

FEMA Fund
The FEMA Fund accounts for restricted federal monies received by the City to assist in the cost of repairs and clean up of natural emergencies. This fund is not budgeted for 2012.

Senior Stage Fund
The Senior Stage Fund was established, via restricted contributions, for the construction and maintenance of the stage at the Grove City and Jackson Township Senior Center. This fund is not budgeted for 2012.

Park Donation Fund
The Park Donation Fund accounts for and reports restricted monies donated by City residents to be used for the specific purpose of planting flowers and trees in the City's parks.

Rockford TIF Fund
The Rockford TIF Fund accounts for and reports restricted resources that are used to repay the developer for infrastructure improvements.

(Continued)

DEBT SERVICE FUND

Debt Service Funds are established to account for and report the accumulation of financial resources that are restricted for and payment of general obligation principal and interest and fiscal charges.

Nonmajor Debt Service Fund

SR 665/I71Municipal Improvement TIF District Debt Service Fund
The SR 665/I71 Municipal Improvement TIF District Fund accounts for and reports restricted resources that are used for payment of principal and interest and fiscal charges on the SR 665 Construction and Improvement Bonds.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are established to account for and report restricted or committed financial resources to be used for the construction of major capital facilities (other than those financed by proprietary funds).

Nonmajor Capital Projects Fund

Recreation Development Fund
The Recreation Development Fund accounts for and reports fees assessed on all new construction within the City. The expenditure of such fees is committed to the construction and improvement of park facilities.

CITY OF GROVE CITY, OHIO

Combining Balance Sheet
Nonmajor Governmental Funds

December 31, 2012

	Nonmajor Special Revenue Funds	*Nonmajor Debt Service Fund*	*Nonmajor Capital Projects Fund*	*Total Nonmajor Governmental Funds*
Assets:				
Equity In Pooled Cash And Cash Equivalents	$3,550,547	$574,629	$206,875	$4,332,051
Cash And Cash Equivalents With Fiscal Agents	1,096,498	0	0	1,096,498
Receivables:				
Other Local Taxes	15,072	0	0	15,072
Revenue In Lieu Of Taxes	112,000	155,939	0	267,939
Accounts	285	0	0	285
Accrued Interest	8,041	0	0	8,041
Due From Other Governments	876,119	0	0	876,119
Materials And Supplies Inventory	110,639	0	0	110,639
Total Assets	$5,769,201	$730,568	$206,875	$6,706,644
Liabilities:				
Accounts Payable	$44,589	$0	$0	$44,589
Contracts Payable	47,589	0	0	47,589
Accrued Wages And Benefits Payable	26,615	0	0	26,615
Retainage Payable	11,473	0	0	11,473
Due To Other Governments	19,817	0	0	19,817
Total Liabilities	150,083	0	0	150,083
Deferred Inflows Of Resources:				
Revenue In Lieu Of Taxes	112,000	155,939	0	267,939
Unavailable Revenue	726,070	0	0	726,070
Total Deferred Inflows Of Resources	838,070	155,939	0	994,009
Fund Balances:				
Nonspendable	110,639	0	0	110,639
Restricted	3,900,453	574,629	0	4,475,082
Committed	769,956	0	206,875	976,831
Total Fund Balances	4,781,048	574,629	206,875	5,562,552
Total Liabilities, Deferred Inflows Of Resources And Fund Balances	$5,769,201	$730,568	$206,875	$6,706,644

CITY OF GROVE CITY, OHIO

Combining Statement Of Revenues, Expenditures
And Changes In Fund Balances
Nonmajor Governmental Funds

For The Year Ended December 31, 2012

	Nonmajor Special Revenue Funds	*Nonmajor Debt Service Fund*	*Nonmajor Capital Projects Fund*	*Total Nonmajor Governmental Funds*
Revenues:				
Revenue In Lieu Of Taxes	$116,880	$648,472	$0	$765,352
Other Local Taxes	267,599	0	0	267,599
Intergovernmental	2,062,907	0	0	2,062,907
Charges For Services	1,231,852	0	0	1,231,852
Licenses And Permits	40,720	0	179,926	220,646
Fines And Forfeitures	60,755	0	0	60,755
Interest	35,431	0	0	35,431
Rent	44,817	0	0	44,817
Contributions And Donations	39,770	0	0	39,770
Miscellaneous	42,920	0	0	42,920
Total Revenues	3,943,651	648,472	179,926	4,772,049
Expenditures:				
Current Operations And Maintenance:				
Security Of Persons And Property	22,451	0	0	22,451
Public Health	20,914	0	0	20,914
Leisure Time Activities	1,257,637	0	0	1,257,637
Community Development	390,081	0	0	390,081
Transportation	1,404,337	0	0	1,404,337
General Government:				
Primary Government	141,500	4,306	0	145,806
Intergovernmental	0	69,537	0	69,537
Capital Outlay	747,416	0	145,200	892,616
Total Expenditures	3,984,336	73,843	145,200	4,203,379
Excess Of Revenues Over (Under) Expenditures	(40,685)	574,629	34,726	568,670
Other Financing Sources:				
Proceeds From Sale Of Capital Assets	4,955	0	0	4,955
Transfers - In	45,000	0	0	45,000
Total Other Financing Sources	49,955	0	0	49,955
Net Change In Fund Balances	9,270	574,629	34,726	618,625
Fund Balances At Beginning Of Year	4,771,778	0	172,149	4,943,927
Fund Balances At End Of Year	$4,781,048	$574,629	$206,875	$5,562,552

CITY OF GROVE CITY, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds

December 31, 2012

	Street Maintenance	*State Highway*	*General Recreation*	*City Permissive MVL*
Assets:				
Equity In Pooled Cash And Cash Equivalents	$1,370,826	$478,348	$327,235	$91,302
Cash And Cash Equivalents				
With Fiscal Agents	0	0	0	0
Receivables:				
Other Local Taxes	0	0	0	0
Revenue In Lieu Of Taxes	0	0	0	0
Accounts	0	0	285	0
Accrued Interest	4,580	1,367	0	276
Due From Other Governments	671,573	51,123	0	85,782
Materials And Supplies Inventory	5,393	105,246	0	0
Total Assets	$2,052,372	$636,084	$327,520	$177,360
Liabilities:				
Accounts Payable	$28,369	$756	$7,832	$0
Contracts Payable	47,589	0	0	0
Accrued Wages And Benefits Payable	20,207	0	4,500	0
Retainage Payable	11,473	0	0	0
Due To Other Governments	10,864	0	8,096	0
Total Liabilities	118,502	756	20,428	0
Deferred Inflows Of Resources:				
Revenue In Lieu Of Taxes	0	0	0	0
Unavailable Revenue	564,866	42,002	0	73,257
Total Deferred Inflows Of Resources	564,866	42,002	0	73,257
Fund Balances:				
Nonspendable	5,393	105,246	0	0
Restricted	1,363,611	488,080	0	104,103
Committed	0	0	307,092	0
Total Fund Balances	1,369,004	593,326	307,092	104,103
Total Liabilities, Deferred Inflows Of ResourcesAnd Fund Balances	$2,052,372	$636,084	$327,520	$177,360

County Permissive MVL	*Senior Nutrition*	*Drug Law Enforcement*	*DARE Program*	*Community Development*	*Community Environment*
$104,627	$4,124	$524,026	$37,804	$178,748	$184,746
1,096,498	0	0	0	0	0
0	0	0	0	15,072	0
0	0	0	0	0	0
0	0	0	0	0	0
422	0	1,396	0	0	0
41,897	0	0	0	0	0
0	0	0	0	0	0
$1,243,444	$4,124	$525,422	$37,804	$193,820	$184,746
$0	$0	$0	$0	$6,129	$169
0	0	0	0	0	0
0	0	0	0	1,205	0
0	0	0	0	0	0
0	0	0	0	327	0
0	0	0	0	7,661	169
0	0	0	0	0	0
35,967	0	984	0	0	0
35,967	0	984	0	0	0
0	0	0	0	0	0
1,207,477	0	524,438	0	0	0
0	4,124	0	37,804	186,159	184,577
1,207,477	4,124	524,438	37,804	186,159	184,577
$1,243,444	$4,124	$525,422	$37,804	$193,820	$184,746

(Continued)

CITY OF GROVE CITY, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds
(Continued)

December 31, 2012

	Law Enforcement Assistance	*Enforcement And Education*	*Garden At Gantz*	*Mayor's Court Computer*
Assets:				
Equity In Pooled Cash And Cash Equivalents	$2,336	$25,383	$890	$136,606
Cash And Cash Equivalents				
With Fiscal Agents	0	0	0	0
Receivables:				
Other Local Taxes	0	0	0	0
Revenue In Lieu Of Taxes	0	0	0	0
Accounts	0	0	0	0
Accrued Interest	0	0	0	0
Due From Other Governments	0	25	0	0
Materials And Supplies Inventory	0	0	0	0
Total Assets	$2,336	$25,408	$890	$136,606
Liabilities:				
Accounts Payable	$0	$0	$0	$0
Contracts Payable	0	0	0	0
Accrued Wages And Benefits Payable	0	0	0	0
Retainage Payable	0	0	0	0
Due To Other Governments	0	0	0	0
Total Liabilities	0	0	0	0
Deferred Inflows Of Resources:				
Revenue In Lieu Of Taxes	0	0	0	0
Unavailable Revenue	0	0	0	0
Total Deferred Inflows Of Resources	0	0	0	0
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	2,336	25,408	0	136,606
Committed	0	0	890	0
Total Fund Balances	2,336	25,408	890	136,606
Total Liabilities, Deferred Inflows Of ResourcesAnd Fund Balances	$2,336	$25,408	$890	$136,606

Big Splash	*FEMA*	*Senior Stage*	*Park Donation*	*Rockford TIF*	*Total*
$51,877	$0	$5,444	$25,905	$320	$3,550,547
0	0	0	0	0	1,096,498
0	0	0	0	0	15,072
0	0	0	0	112,000	112,000
0	0	0	0	0	285
0	0	0	0	0	8,041
0	16,725	0	0	8,994	876,119
0	0	0	0	0	110,639
$51,877	$16,725	$5,444	$25,905	$121,314	$5,769,201
$1,334	$0	$0	$0	$0	$44,589
0	0	0	0	0	47,589
703	0	0	0	0	26,615
0	0	0	0	0	11,473
530	0	0	0	0	19,817
2,567	0	0	0	0	150,083
0	0	0	0	112,000	112,000
0	0	0	0	8,994	726,070
0	0	0	0	120,994	838,070
0	0	0	0	0	110,639
0	16,725	5,444	25,905	320	3,900,453
49,310	0	0	0	0	769,956
49,310	16,725	5,444	25,905	320	4,781,048
$51,877	$16,725	$5,444	$25,905	$121,314	$5,769,201

CITY OF GROVE CITY, OHIO

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances
Nonmajor Special Revenue Funds

For The Year Ended December 31, 2012

	Street Maintenance	*State Highway*	*General Recreation*	*City Permissive MVL*
Revenues:				
Revenue In Lieu Of Taxes	$0	$0	$0	$0
Other Local Taxes	0	0	0	0
Intergovernmental	1,393,732	111,928	0	175,005
Charges For Services	2,421	1,171	978,415	0
Licenses And Permits	0	0	0	0
Fines And Forfeitures	0	0	0	0
Interest	19,960	6,199	0	1,223
Rent	0	0	21,355	0
Contributions And Donations	0	0	0	0
Miscellaneous	10,052	0	209	8
Total Revenues	1,426,165	119,298	999,979	176,236
Expenditures:				
Current Operations And Maintenance:				
Security Of Persons And Property	0	0	0	0
Public Health	0	0	0	0
Leisure Time Activities	0	0	960,328	0
Community Development	0	0	0	0
Transportation	1,168,855	53,691	0	22,850
General Government:				
Primary Government	0	0	0	0
Capital Outlay	593,126	0	0	150,000
Total Expenditures	1,761,981	53,691	960,328	172,850
Excess Of Revenues Over (Under) Expenditures	(335,816)	65,607	39,651	3,386
Other Financing Sources:				
Proceeds From Sale Of Capital Assets	4,955	0	0	0
Transfers - In	0	0	0	0
Total Other Financing Sources	4,955	0	0	0
Net Change In Fund Balances	(330,861)	65,607	39,651	3,386
Fund Balances At Beginning Of Year	1,699,865	527,719	267,441	100,717
Fund Balances At End Of Year	$1,369,004	$593,326	$307,092	$104,103

County Permissive MVL	*Senior Nutrition*	*Drug Law Enforcement*	*DARE Program*	*Community Development*	*Community Environment*
$0	$0	$0	$0	$0	$0
0	0	0	0	267,599	0
240,408	0	105,601	0	0	2,982
0	21,326	0	0	0	0
0	0	0	0	0	40,720
0	0	21,630	0	0	0
1,618	0	6,431	0	0	0
0	0	0	0	20,780	0
0	0	0	0	37,220	0
0	0	4,891	0	944	0
242,026	21,326	138,553	0	326,543	43,702
0	0	19,710	0	0	0
0	20,914	0	0	0	0
0	0	0	0	0	0
0	0	0	0	291,716	98,365
158,941	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
158,941	20,914	19,710	0	291,716	98,365
83,085	412	118,843	0	34,827	(54,663)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
83,085	412	118,843	0	34,827	(54,663)
1,124,392	3,712	405,595	37,804	151,332	239,240
$1,207,477	$4,124	$524,438	$37,804	$186,159	$184,577

(Continued)

CITY OF GROVE CITY, OHIO

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances
Nonmajor Special Revenue Funds
(Continued)

For The Year Ended December 31, 2012

	Law Enforcement Assistance	*Enforcement And Education*	*Garden At Gantz*	*Mayor's Court Computer*
Revenues:				
Revenue In Lieu Of Taxes	$0	$0	$0	$0
Other Local Taxes	0	0	0	0
Intergovernmental	0	0	0	0
Charges For Services	0	0	0	0
Licenses And Permits	0	0	0	0
Fines And Forfeitures	0	2,997	0	36,128
Interest	0	0	0	0
Rent	0	0	0	0
Contributions And Donations	0	0	0	0
Miscellaneous	0	0	0	0
Total Revenues	0	2,997	0	36,128
Expenditures:				
Current Operations And Maintenance:				
Security Of Persons And Property	0	2,741	0	0
Public Health	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Development	0	0	0	0
Transportation	0	0	0	0
General Government:				
Primary Government	0	0	0	7,500
Capital Outlay	0	0	0	4,290
Total Expenditures	0	2,741	0	11,790
Excess Of Revenues Over (Under) Expenditures	0	256	0	24,338
Other Financing Sources:				
Proceeds From Sale Of Capital Assets	0	0	0	0
Transfers - In	0	0	0	0
Total Other Financing Sources	0	0	0	0
Net Change In Fund Balances	0	256	0	24,338
Fund Balances At Beginning Of Year	2,336	25,152	890	112,268
Fund Balances At End Of Year	$2,336	$25,408	$890	$136,606

Big Splash	*FEMA*	*Senior Stage*	*Park Donation*	*Rockford TIF*	*Total*
$0	$0	$0	$0	$116,880	$116,880
0	0	0	0	0	267,599
0	16,725	0	0	16,526	2,062,907
228,519	0	0	0	0	1,231,852
0	0	0	0	0	40,720
0	0	0	0	0	60,755
0	0	0	0	0	35,431
2,682	0	0	0	0	44,817
0	0	0	2,550	0	39,770
26,816	0	0	0	0	42,920
258,017	16,725	0	2,550	133,406	3,943,651
0	0	0	0	0	22,451
0	0	0	0	0	20,914
297,309	0	0	0	0	1,257,637
0	0	0	0	0	390,081
0	0	0	0	0	1,404,337
0	0	0	0	134,000	141,500
0	0	0	0	0	747,416
297,309	0	0	0	134,000	3,984,336
(39,292)	16,725	0	2,550	(594)	(40,685)
0	0	0	0	0	4,955
45,000	0	0	0	0	45,000
45,000	0	0	0	0	49,955
5,708	16,725	0	2,550	(594)	9,270
43,602	0	5,444	23,355	914	4,771,778
$49,310	$16,725	$5,444	$25,905	$320	$4,781,048

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Agency Fund Descriptions

Agency Funds are used to account for and report assets held by the City as an agent for individuals, private organizations, and/or other governmental units.

Mayor's Court Fund

The Mayor's Court Fund accounts for and reports the collection and distribution of court fines and forfeitures to other governments.

Section 125 Cafeteria Plan Fund

The Section 125 Cafeteria Plan Fund accounts for and reports deposits made by City employees through payroll deductions who elect to use the plan as a medical spending account or for dependent child care. Employees have until the end of March of the following year to spend the monies in their account. Any monies not spent become the property of the City. The City has determined it to be the best practice to retain the unspent monies from prior years within this fund, to continue to finance the plan and to properly account for its intended use.

Deposit Trust Fund

The Deposit Trust Fund accounts for and reports deposits from contractors and City of Columbus sewer tap-in-fees, held by the City, to ensure compliance with various City ordinances and contracts regarding development within the City.

Convention Bureau Fund

The Convention Bureau Fund accounts for and reports the portion of hotel/motel tax collections that are paid to the Grove City Area Visitors and Convention Bureau, who uses the funds to promote the City for the purpose of attracting visitors to Grove City lodging facilities.

CITY OF GROVE CITY, OHIO

Combining Balance Sheet
Agency Funds

December 31, 2012

	Mayor's Court	*Section 125 Cafeteria Plan*	*Deposit Trust*
Assets:			
Equity In Pooled Cash And Cash Equivalents	$17,483	$11,676	$902,825
Other Local Taxes Receivable	0	0	0
Total Assets	$17,483	$11,676	$902,825
Liabilities:			
Due To Other Governments	$0	$0	$0
Undistributed Assets	17,483	0	0
Deposits Held And Due To Others	0	11,676	902,825
Total Liabilities	$17,483	$11,676	$902,825

Convention Bureau	*Total*
$24,487	$956,471
15,072	15,072
$39,559	$971,543

$15,072	$15,072
24,487	41,970
0	914,501
$39,559	$971,543

CITY OF GROVE CITY, OHIO

Combining Statement Of Changes In Assets And Liabilities
Agency Funds

For The Year Ended December 31, 2012

	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
MAYOR'S COURT				
Assets:				
Equity In Pooled Cash And Cash Equivalents	$5,733	$555,956	$544,206	$17,483
Liabilities:				
Undistributed Assets	$5,733	$555,956	$544,206	$17,483
SECTION 125 CAFETERIA PLAN				
Assets:				
Equity In Pooled Cash And Cash Equivalents	$16,924	$11,733	$16,981	$11,676
Liabilities:				
Deposits Held And Due To Others	$16,924	$11,733	$16,981	$11,676
DEPOSIT TRUST				
Assets:				
Equity In Pooled Cash And Cash Equivalents	$774,985	$678,133	$550,293	$902,825
Liabilities:				
Deposits Held And Due To Others	$774,985	$678,133	$550,293	$902,825

(Continued)

CITY OF GROVE CITY, OHIO

Combining Statement Of Changes In Assets And Liabilities
Agency Funds
(Continued)

For The Year Ended December 31, 2012

	Balance January 1, 2012	*Additions*	*Deductions*	*Balance December 31, 2012*
CONVENTION BUREAU				
Assets:				
Equity In Pooled Cash And Cash Equivalents	$27,881	$266,606	$270,000	$24,487
Other Local Taxes Receivable	14,079	15,072	14,079	15,072
Total Assets	$41,960	$281,678	$284,079	$39,559
Liabilities:				
Due To Other Governments	$14,079	$15,072	$14,079	$15,072
Undistributed Assets	27,881	266,606	270,000	24,487
Total Liabilities	$41,960	$281,678	$284,079	$39,559
TOTAL - ALL AGENCY FUNDS				
Assets:				
Equity In Pooled Cash And Cash Equivalents	$825,523	$1,512,428	$1,381,480	$956,471
Other Local Taxes Receivable	14,079	15,072	14,079	15,072
Total Assets	$839,602	$1,527,500	$1,395,559	$971,543
Liabilities:				
Due To Other Governments	$14,079	$15,072	$14,079	$15,072
Undistributed Assets	33,614	822,562	814,206	41,970
Deposits Held And Due To Others	791,909	689,866	567,274	914,501
Total Liabilities	$845,335	$1,527,500	$1,395,559	$971,543

CITY OF GROVE CITY, OHIO

General Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Property Taxes	$855,474	$855,474	$841,413	($14,061)
Municipal Income Taxes	18,120,000	18,120,000	19,085,048	965,048
Other Local Taxes	440,000	440,000	533,211	93,211
Intergovernmental	1,012,639	1,012,639	2,840,431	1,827,792
Charges For Services	167,000	167,000	241,125	74,125
Licenses And Permits	954,000	954,000	992,703	38,703
Fines And Forfeitures	495,500	495,500	412,877	(82,623)
Special Assessments	0	0	68,632	68,632
Interest	500,000	500,000	304,374	(195,626)
Rent	0	0	15,051	15,051
Contributions And Donations	200,000	200,000	4,053	(195,947)
Miscellaneous	50,000	50,000	611,704	561,704
Total Revenues	22,794,613	22,794,613	25,950,622	3,156,009
Expenditures:				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Personal Services	7,821,430	7,821,430	7,587,558	233,872
Materials And Supplies	321,065	278,976	251,135	27,841
Contractual Services	526,389	543,002	528,992	14,010
Other Operating Charges	5,000	5,000	2,915	2,085
Total Police Department	8,673,884	8,648,408	8,370,600	277,808
Garage				
Personal Services	100,569	100,568	93,693	6,875
Materials And Supplies	306,915	341,916	325,853	16,063
Contractual Services	873	873	857	16
Total Garage	408,357	443,357	420,403	22,954
Total Security Of Persons And Property	9,082,241	9,091,765	8,791,003	300,762
Public Health				
Health Department				
Contractual Services	280,787	280,787	280,787	0
Leisure Time Activities				
Parks And Recreation				
Personal Services	650,552	650,552	617,329	33,223
Materials And Supplies	43,580	36,489	33,346	3,143
Contractual Services	228,539	169,751	167,636	2,115
Other Operating Charges	3,960	3,837	3,837	0
Total Leisure Time Activities	$926,631	$860,629	$822,148	$38,481

(Continued)

CITY OF GROVE CITY, OHIO

General Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)
(Continued)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Community Development				
Building Department				
Personal Services	$623,139	$623,140	$604,629	$18,511
Materials And Supplies	22,762	27,663	24,618	3,045
Contractual Services	43,000	35,900	29,980	5,920
Other Operating Charges	2,400	2,400	1,577	823
Total Building Department	691,301	689,103	660,804	28,299
Development				
Personal Services	306,261	246,261	198,420	47,841
Materials And Supplies	13,388	11,235	7,336	3,899
Contractual Services	106,650	108,800	107,566	1,234
Other Operating Charges	152,838	202,838	201,583	1,255
Total Development	579,137	569,134	514,905	54,229
Total Community Development	1,270,438	1,258,237	1,175,709	82,528
General Government				
City Council				
Personal Services	153,842	153,842	149,787	4,055
Materials And Supplies	700	700	609	91
Contractual Services	19,850	19,851	8,745	11,106
Other Operating Charges	250	250	220	30
Total City Council	174,642	174,643	159,361	15,282
Communications				
Personal Services	1,184,986	1,184,985	1,125,125	59,860
Materials And Supplies	25,368	25,368	15,218	10,150
Contractual Services	28,847	28,847	23,296	5,551
Total Communication	1,239,201	1,239,200	1,163,639	75,561
Administration				
Personal Services	327,890	387,890	377,354	10,536
Materials And Supplies	13,890	14,264	13,882	382
Contractual Services	19,603	19,009	13,075	5,934
Total Administration	361,383	421,163	404,311	16,852
History				
Contractual Services	$48,698	$48,698	$47,034	$1,664

(Continued)

CITY OF GROVE CITY, OHIO

General Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)
(Continued)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Finance				
Personal Services	$390,967	$389,167	$382,857	$6,310
Materials And Supplies	8,561	8,561	5,599	2,962
Contractual Services	635,215	637,014	607,111	29,903
Other Operating Charges	875	875	595	280
Total Finance	1,035,618	1,035,617	996,162	39,455
Law				
Contractual Services	509,056	509,057	508,811	246
Lands And Buildings				
Personal Services	971,836	971,836	910,130	61,706
Materials And Supplies	297,562	302,562	236,277	66,285
Contractual Services	1,685,665	1,669,565	1,583,555	86,010
Total Lands And Buildings	2,955,063	2,943,963	2,729,962	214,001
General Miscellaneous				
Personal Services	440,082	512,522	512,522	0
Materials And Supplies	22,378	22,378	16,532	5,846
Contractual Services	996,710	1,102,976	1,049,429	53,547
Other Operating Charges	1,435,214	1,467,325	463,022	1,004,303
Total General Miscellaneous	2,894,384	3,105,201	2,041,505	1,063,696
Mayor's Court				
Personal Services	174,807	175,513	175,225	288
Materials And Supplies	19,731	19,024	14,496	4,528
Contractual Services	99,854	99,854	87,753	12,101
Other Operating Charges	500	500	160	340
Total Mayor's Court	294,892	294,891	277,634	17,257
Information System				
Personal Services	421,955	421,955	376,621	45,334
Materials And Supplies	31,975	31,975	31,346	629
Contractual Services	604,298	604,297	589,119	15,178
Total Information System	1,058,228	1,058,227	997,086	61,141
Public Information				
Personal Services	117,757	117,756	114,372	3,384
Materials And Supplies	11,838	11,838	8,998	2,840
Contractual Services	117,316	117,316	113,841	3,475
Total Public Information	$246,911	$246,910	$237,211	$9,699

(Continued)

CITY OF GROVE CITY, OHIO

General Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)
(Continued)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Human Resources				
Personal Services	$77,398	$77,398	$76,847	$551
Materials And Supplies	0	4,700	4,700	0
Contractual Services	86,176	81,476	64,572	16,904
Total Human Resources	163,574	163,574	146,119	17,455
Total General Government	10,981,650	11,241,144	9,708,835	1,532,309
Capital Outlay:				
Police Department	276,652	302,131	295,091	7,040
Garage	10,950	10,950	10,856	94
Parks And Recreation	298,940	329,426	329,426	0
Building Department	0	2,200	2,200	0
Lands And Buildings	317,500	541,450	511,993	29,457
City Council	3,840	3,840	3,235	605
Administration	20,000	20,000	20,000	0
Communication	215,000	215,000	214,255	745
Finance	8,460	8,460	3,300	5,160
General Miscellaneous	150,000	185,917	185,913	4
Engineering	1,694,382	1,694,383	1,694,383	0
Information System	564,487	564,486	563,734	752
Mayor's Court	20,800	20,800	6,815	13,985
Total Capital Outlay	3,581,011	3,899,043	3,841,201	57,842
Total Expenditures	26,122,758	26,631,605	24,619,683	2,011,922
Excess Of Revenues Over (Under) Expenditures	(3,328,145)	(3,836,992)	1,330,939	5,167,931
Other Financing Sources (Uses):				
Proceeds From Sale Of Capital Assets	0	0	16,322	16,322
Refund Of Prior Year Expenditure	0	0	207,733	207,733
Transfers - Out	(3,165,500)	(7,399,605)	(7,399,605)	0
Total Other Financing Sources (Uses)	(3,165,500)	(7,399,605)	(7,175,550)	224,055
Net Change In Fund Balance	(6,493,645)	(11,236,597)	(5,844,611)	5,391,986
Fund Balance At Beginning Of Year	20,269,128	20,269,128	20,269,128	0
Prior Year Encumbrances	3,651,247	3,651,247	3,651,247	0
Fund Balance At End Of Year	$17,426,730	$12,683,778	$18,075,764	$5,391,986

CITY OF GROVE CITY, OHIO

Police Pension Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Property Taxes	$783,232	$783,232	$815,295	$32,063
Intergovernmental	82,358	96,081	98,566	2,485
Miscellaneous	59,424	45,702	0	(45,702)
Total Revenues	925,014	925,015	913,861	(11,154)
Expenditures:				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Personal Services	1,147,258	1,447,258	1,376,124	71,134
Other Operating Charges	20,000	20,000	8,935	11,065
Total Expenditures	1,167,258	1,467,258	1,385,059	82,199
Net Change In Fund Balance	(242,244)	(542,243)	(471,198)	71,045
Fund Balance At Beginning Of Year	1,452,005	1,452,005	1,452,005	0
Fund Balance At End Of Year	$1,209,761	$909,762	$980,807	$71,045

CITY OF GROVE CITY, OHIO

Debt Service Fund

Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual

(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Property Taxes	$852,627	$852,627	$909,002	$56,375
Intergovernmental	112,189	104,814	109,878	5,064
Special Assessments	50,000	50,000	111,264	61,264
Miscellaneous	63,679	71,054	104	(70,950)
Total Revenues	1,078,495	1,078,495	1,130,248	51,753
Expenditures:				
Current Operations And Maintenance:				
General Government				
General Miscellaneous				
Contractual Services	245,046	245,046	81,777	163,269
Other Operating Charges	20,000	20,000	9,879	10,121
Total General Miscellaneous	265,046	265,046	91,656	173,390
Debt Service:				
Principal Retirement	729,499	729,499	729,499	0
Interest And Fiscal Charges	389,443	426,334	410,585	15,749
Total Debt Service	1,118,942	1,155,833	1,140,084	15,749
Total Expenditures	1,383,988	1,420,879	1,231,740	189,139
Excess Of Revenues Over (Under) Expenditures	(305,493)	(342,384)	(101,492)	240,892
Other Financing Sources (Uses):				
Refunding Bonds Issued	0	1,321,505	1,395,000	73,495
Payment To Refunding Escrow Agent	0	(1,358,099)	(1,358,099)	0
Total Other Financing Sources (Uses)	0	(36,594)	36,901	73,495
Net Change In Fund Balance	(305,493)	(378,978)	(64,591)	314,387
Fund Balance At Beginning Of Year	593,022	593,022	593,022	0
Prior Year Encumbrances	81,078	81,078	81,078	0
Fund Balance At End Of Year	$368,607	$295,122	$609,509	$314,387

CITY OF GROVE CITY, OHIO

Buckeye Center TIF Debt Service Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Revenue In Lieu Of Taxes	$3,100,000	$3,100,000	$1,478,740	($1,621,260)
Expenditures:				
Current Operations And Maintenance:				
General Government				
General Miscellaneous				
Contractual Services	50,000	50,000	27,947	22,053
Intergovernmental				
Other Operating Charges	1,700,000	1,700,000	1,688,650	11,350
Total General Government	1,750,000	1,750,000	1,716,597	33,403
Debt Service:				
Principal Retirement	440,000	440,000	440,000	0
Interest And Fiscal Charges	796,413	796,413	761,505	34,908
Total Debt Service	1,236,413	1,236,413	1,201,505	34,908
Total Expenditures	2,986,413	2,986,413	2,918,102	68,311
Net Change In Fund Balance	113,587	113,587	(1,439,362)	(1,552,949)
Fund Balance At Beginning Of Year	3,269,913	3,269,913	3,269,913	0
Prior Year Encumbrances	5,000	5,000	5,000	0
Fund Balance At End Of Year	$3,388,500	$3,388,500	$1,835,551	($1,552,949)

CITY OF GROVE CITY, OHIO

Pinnacle TIF Debt Service Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Revenue In Lieu Of Taxes	$1,350,000	$1,350,000	$1,454,992	$104,992
Intergovernmental	165,000	165,000	196,840	31,840
Total Revenues	1,515,000	1,515,000	1,651,832	136,832
Expenditures:				
Current Operations And Maintenance:				
General Government				
General Miscellaneous				
Contractual Services	43,586	43,586	19,659	23,927
Intergovernmental				
Other Operating Charges	2,542,033	2,542,033	2,542,033	0
Total General Government	2,585,619	2,585,619	2,561,692	23,927
Debt Service:				
Principal Retirement	250,000	250,000	250,000	0
Interest And Fiscal Charges	331,005	331,005	331,005	0
Total Debt Service	581,005	581,005	581,005	0
Total Expenditures	3,166,624	3,166,624	3,142,697	23,927
Net Change In Fund Balance	(1,651,624)	(1,651,624)	(1,490,865)	160,759
Fund Balance At Beginning Of Year	1,082,121	1,082,121	1,082,121	0
Prior Year Encumbrances	2,545,619	2,545,619	2,545,619	0
Fund Balance At End Of Year	$1,976,116	$1,976,116	$2,136,875	$160,759

CITY OF GROVE CITY, OHIO

Capital Improvement Capital Projects Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Intergovernmental	$0	$0	$2,308,178	$2,308,178
Expenditures:				
Capital Outlay:				
Infrastructure	6,762,673	14,145,682	13,889,188	256,494
Excess Of Revenues Over (Under) Expenditures	(6,762,673)	(14,145,682)	(11,581,010)	2,564,672
Other Financing Sources:				
Transfers - In	2,000,000	14,417,253	7,196,725	(7,220,528)
Net Change In Fund Balance	(4,762,673)	271,571	(4,384,285)	(4,655,856)
Fund Balance At Beginning Of Year	1,510,350	1,510,350	1,510,350	0
Prior Year Encumbrances	3,547,172	3,547,172	3,547,172	0
Fund Balance At End Of Year	$294,849	$5,329,093	$673,237	($4,655,856)

CITY OF GROVE CITY, OHIO

Water Enterprise Fund
Schedule Of Revenues, Expenses And Changes In Fund Equity - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Charges For Services	$440,000	$440,000	$442,485	$2,485
Tap-In Fees	100,000	100,000	132,102	32,102
Miscellaneous	0	0	77,224	77,224
Total Revenues	540,000	540,000	651,811	111,811
Expenses:				
Purchased Services	49,390	42,987	42,987	0
Capital Outlay	1,144,594	1,655,911	1,562,757	93,154
Debt Service:				
Principal Retirement	136,248	136,248	136,248	0
Interest And Fiscal Charges	204,545	204,544	105,921	98,623
Total Expenses	1,534,777	2,039,690	1,847,913	191,777
Excess Of Revenues Over Under Expenses	(994,777)	(1,499,690)	(1,196,102)	303,588
Other Financing Sources:				
Proceeds From OWDA Loan	0	504,914	504,914	0
Net Change In Net Position	(994,777)	(994,776)	(691,188)	303,588
Fund Equity At Beginning Of Year	1,408,922	1,408,922	1,408,922	0
Prior Year Encumbrances	1,147,271	1,147,271	1,147,271	0
Fund Equity At End Of Year	$1,561,416	$1,561,417	$1,865,005	$303,588

CITY OF GROVE CITY, OHIO

Sewer Enterprise Fund
Schedule Of Revenues, Expenses And Changes In Fund Equity - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Charges For Services	$500,000	$500,000	$500,331	$331
Tap-In Fees	250,000	250,000	389,757	139,757
Miscellaneous	6,500	6,500	17	(6,483)
Total Revenues	756,500	756,500	890,105	133,605
Expenses:				
Personal Services	445,148	445,148	425,647	19,501
Purchased Services	312,196	312,196	211,556	100,640
Materials And Supplies	94,405	94,406	64,185	30,221
Capital Outlay	321,837	522,295	496,566	25,729
Debt Service:				
Principal Retirement	68,071	68,071	68,071	0
Interest And Fiscal Charges	17,073	17,073	17,073	0
Total Expenses	1,258,730	1,459,189	1,283,098	176,091
Net Change In Net Position	(502,230)	(702,689)	(392,993)	309,696
Fund Equity At Beginning Of Year	1,627,975	1,627,975	1,627,975	0
Prior Year Encumbrances	136,341	136,341	136,341	0
Fund Equity At End Of Year	$1,262,086	$1,061,627	$1,371,323	$309,696

CITY OF GROVE CITY, OHIO

Street Maintenance Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Intergovernmental	$1,380,000	$1,380,000	$1,395,970	$15,970
Charges For Services	0	0	2,421	2,421
Interest	40,000	40,000	9,887	(30,113)
Contributions And Donations	10,000	10,000	0	(10,000)
Miscellaneous	7,500	7,500	10,528	3,028
Total Revenues	1,437,500	1,437,500	1,418,806	(18,694)
Expenditures:				
Current Operations And Maintenance:				
Transportation				
Street Maintenance				
Personal Services	965,197	960,825	883,474	77,351
Materials And Supplies	447,559	451,931	318,651	133,280
Contractual Services	88,120	88,120	48,013	40,107
Other Operating Charges	15,935	15,935	13,203	2,732
Total Transportation	1,516,811	1,516,811	1,263,341	253,470
Capital Outlay:				
Engineering	1,002,194	1,002,194	865,183	137,011
Total Expenditures	2,519,005	2,519,005	2,128,524	390,481
Excess of Revenues Over (Under) Expenditures	(1,081,505)	(1,081,505)	(709,718)	371,787
Other Financing Sources:				
Proceeds From Sale Of Capital Assets	0	0	4,955	4,955
Net Change In Fund Balance	(1,081,505)	(1,081,505)	(704,763)	376,742
Fund Balance At Beginning Of Year	1,120,269	1,120,269	1,120,269	0
Prior Year Encumbrances	519,675	519,675	519,675	0
Fund Balance At End Of Year	$558,439	$558,439	$935,181	$376,742

CITY OF GROVE CITY, OHIO

State Highway Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Intergovernmental	$111,000	$111,000	$112,109	$1,109
Interest	8,300	8,300	2,938	(5,362)
Miscellaneous	4,000	4,000	0	(4,000)
Total Revenues	123,300	123,300	115,047	(8,253)
Expenditures:				
Current Operations And Maintenance:				
Transportation				
Street Maintenance				
Materials And Supplies	104,090	104,090	51,483	52,607
Contractual Services	60,000	60,000	5,578	54,422
Total Expenditures	164,090	164,090	57,061	107,029
Net Change In Fund Balance	(40,790)	(40,790)	57,986	98,776
Fund Balance At Beginning Of Year	396,646	396,646	396,646	0
Prior Year Encumbrances	4,090	4,090	4,090	0
Fund Balance At End Of Year	$359,946	$359,946	$458,722	$98,776

CITY OF GROVE CITY, OHIO

General Recreation Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Charges For Services	$904,000	$904,000	$978,985	$74,985
Rent	0	0	21,355	21,355
Contributions And Donations	5,000	5,000	0	(5,000)
Miscellaneous	13,000	13,000	209	(12,791)
Total Revenues	922,000	922,000	1,000,549	78,549
Expenditures:				
Current Operations And Maintenance:				
Leisure Time Activities				
Recreation				
Personal Services	674,621	674,664	665,398	9,266
Materials And Supplies	270,319	266,648	205,966	60,682
Contractual Services	270,806	274,433	211,576	62,857
Total Expenditures	1,215,746	1,215,745	1,082,940	132,805
Excess of Revenues Over (Under) Expenditures	(293,746)	(293,745)	(82,391)	211,354
Other Financing Uses:				
Refund Of Prior Year Receipts	(23,189)	(23,189)	(15,835)	7,354
Net Change In Fund Balance	(316,935)	(316,934)	(98,226)	218,708
Fund Balance At Beginning Of Year	234,680	234,680	234,680	0
Prior Year Encumbrances	82,706	82,706	82,706	0
Fund Balance At End Of Year	$451	$452	$219,160	$218,708

CITY OF GROVE CITY, OHIO

City Permissive MVL Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Intergovernmental	$165,000	$165,000	$175,834	$10,834
Interest	5,000	5,000	604	(4,396)
Miscellaneous	0	0	8	8
Total Revenues	170,000	170,000	176,446	6,446
Expenditures:				
Current Operations And Maintenance:				
Transportation				
Street Maintenance				
Materials And Supplies	77,483	77,483	25,850	51,633
Capital Outlay:				
Engineering	150,000	150,000	150,000	0
Total Expenditures	227,483	227,483	175,850	51,633
Net Change In Fund Balance	(57,483)	(57,483)	596	58,079
Fund Balance At Beginning Of Year	59,454	59,454	59,454	0
Prior Year Encumbrances	27,483	27,483	27,483	0
Fund Balance At End Of Year	$29,454	$29,454	$87,533	$58,079

CITY OF GROVE CITY, OHIO

County Permissive MVL Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Intergovernmental	$80,000	$80,000	$86,097	$6,097
Interest	5,000	5,000	926	(4,074)
Total Revenues	85,000	85,000	87,023	2,023
Expenditures:				
Current Operations And Maintenance:				
Transportation				
Street Maintenance				
Materials And Supplies	74,990	74,990	8,941	66,049
Contractual Services	150,000	150,000	150,000	0
Total Expenditures	224,990	224,990	158,941	66,049
Net Change In Fund Balance	(139,990)	(139,990)	(71,918)	68,072
Fund Balance At Beginning Of Year	150,381	150,381	150,381	0
Prior Year Encumbrances	24,990	24,990	24,990	0
Fund Balance At End Of Year	$35,381	$35,381	$103,453	$68,072

CITY OF GROVE CITY, OHIO

Senior Nutrition Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Charges For Services	$10,000	$21,326	$21,326	$0
Expenditures:				
Current Operations And Maintenance:				
Public Health				
Other Public Health Services				
Other Operating Charges	10,000	23,000	20,914	2,086
Net Change In Fund Balance	0	(1,674)	412	2,086
Fund Balance At Beginning Of Year	3,712	3,712	3,712	0
Fund Balance At End Of Year	$3,712	$2,038	$4,124	$2,086

CITY OF GROVE CITY, OHIO

Drug Law Enforcement Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Intergovernmental	$30,000	$30,000	$105,601	$75,601
Fines And Forfeitures	10,000	1,000	21,930	20,930
Interest	0	0	3,025	3,025
Miscellaneous	0	0	4,891	4,891
Total Revenues	40,000	31,000	135,447	104,447
Expenditures:				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Materials And Supplies	89,710	89,710	86,926	2,784
Net Change In Fund Balance	(49,710)	(58,710)	48,521	107,231
Fund Balance At Beginning Of Year	383,358	383,358	383,358	0
Prior Year Encumbrances	19,710	19,710	19,710	0
Fund Balance At End Of Year	$353,358	$344,358	$451,589	$107,231

CITY OF GROVE CITY, OHIO

DARE Program Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:	$0	$0	$0	$0
Expenditures:	0	0	0	0
Net Change In Fund Balance	0	0	0	0
Fund Balance At Beginning Of Year	37,804	37,804	37,804	0
Fund Balance At End Of Year	$37,804	$37,804	$37,804	$0

CITY OF GROVE CITY, OHIO

Community Development Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Other Local Taxes	$220,000	$220,000	$266,606	$46,606
Rent	0	0	20,780	20,780
Contributions and Donations	500	500	37,220	36,720
Miscellaneous	0	0	944	944
Total Revenues	220,500	220,500	325,550	105,050
Expenditures:				
Current Operations And Maintenance:				
Community Development				
Community Development				
Personal Services	120,042	120,041	106,276	13,765
Materials And Supplies	8,223	8,223	5,362	2,861
Contractual Services	3,130	3,131	850	2,281
Other Operating Charges	219,928	219,929	196,571	23,358
Total Expenditures	351,323	351,324	309,059	42,265
Net Change In Fund Balance	(130,823)	(130,824)	16,491	147,315
Fund Balance At Beginning Of Year	115,499	115,499	115,499	0
Prior Year Encumbrances	24,868	24,868	24,868	0
Fund Balance At End Of Year	$9,544	$9,543	$156,858	$147,315

CITY OF GROVE CITY, OHIO

Community Environment Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Intergovernmental	$8,000	$8,000	$2,982	($5,018)
Licenses And Permits	25,000	25,000	43,701	18,701
Miscellaneous	400	400	0	(400)
Total Revenues	33,400	33,400	46,683	13,283
Expenditures:				
Current Operations And Maintenance:				
Community Development				
Community Development				
Materials And Supplies	30,000	30,000	15,220	14,780
Contractual Services	167,375	167,375	126,418	40,957
Total Expenditures	197,375	197,375	141,638	55,737
Net Change In Fund Balance	(163,975)	(163,975)	(94,955)	69,020
Fund Balance At Beginning Of Year	236,259	236,259	236,259	0
Prior Year Encumbrances	42,375	42,375	42,375	0
Fund Balance At End Of Year	$114,659	$114,659	$183,679	$69,020

CITY OF GROVE CITY, OHIO

Law Enforcement Assistance Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:	$0	$0	$0	$0
Expenditures:	0	0	0	0
Net Change In Fund Balance	0	0	0	0
Fund Balance At Beginning Of Year	2,336	2,336	2,336	0
Fund Balance At End Of Year	$2,336	$2,336	$2,336	$0

CITY OF GROVE CITY, OHIO

Enforcement And Education Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Fines And Forfeitures	$2,500	$2,500	$2,993	$493
Expenditures:				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Contractual Services	7,814	7,814	3,255	4,559
Net Change In Fund Balance	(5,314)	(5,314)	(262)	5,052
Fund Balance At Beginning Of Year	17,715	17,715	17,715	0
Prior Year Encumbrances	7,814	7,814	7,814	0
Fund Balance At End Of Year	$20,215	$20,215	$25,267	$5,052

CITY OF GROVE CITY, OHIO

Garden At Gantz Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:	$0	$0	$0	$0
Expenditures:	0	0	0	0
Net Change In Fund Balance	0	0	0	0
Fund Balance At Beginning Of Year	890	890	890	0
Fund Balance At End Of Year	$890	$890	$890	$0

CITY OF GROVE CITY, OHIO

Mayor's Court Computer Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Fines And Forfeitures	$27,500	$27,500	$37,485	$9,985
Expenditures:				
Current Operations And Maintenance:				
General Government				
Mayor's Court				
Materials And Supplies	3,100	3,100	0	3,100
Contractual Services	25,100	25,100	21,634	3,466
Other Operating Charges	2,500	2,500	1,200	1,300
Total General Government	30,700	30,700	22,834	7,866
Capital Outlay:				
Mayor's Court	8,500	8,500	4,309	4,191
Total Expenditures	39,200	39,200	27,143	12,057
Net Change In Fund Balance	(11,700)	(11,700)	10,342	22,042
Fund Balance At Beginning Of Year	86,265	86,265	86,265	0
Prior Year Encumbrances	22,600	22,600	22,600	0
Fund Balance At End Of Year	$97,165	$97,165	$119,207	$22,042

CITY OF GROVE CITY, OHIO

Big Splash Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Charges For Services	$318,300	$318,300	$228,519	($89,781)
Rent	0	0	2,682	2,682
Miscellaneous	0	0	26,816	26,816
Total Revenues	318,300	318,300	258,017	(60,283)
Expenditures:				
Current Operations And Maintenance:				
Leisure Time Activities				
Recreation				
Personal Services	210,956	175,956	173,237	2,719
Materials And Supplies	93,710	102,809	98,387	4,422
Contractual Services	61,675	52,075	50,442	1,633
Other Operating Charges	3,780	3,780	2,861	919
Total Expenditures	370,121	334,620	324,927	9,693
Excess Of Revenues Under Expenditures	(51,821)	(16,320)	(66,910)	(50,590)
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(168)	(669)	(257)	412
Transfers - In	50,000	50,000	45,000	(5,000)
Total Other Financing Sources (Uses)	49,832	49,331	44,743	(4,588)
Net Change In Fund Balance	(1,989)	33,011	(22,167)	(55,178)
Fund Balance At Beginning Of Year	35,134	35,134	35,134	0
Prior Year Encumbrances	13,588	13,588	13,588	0
Fund Balance At End Of Year	$46,733	$81,733	$26,555	($55,178)

CITY OF GROVE CITY, OHIO

Senior Stage Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:	$0	$0	$0	$0
Expenditures:	0	0	0	0
Net Change In Fund Balance	0	0	0	0
Fund Balance At Beginning Of Year	5,444	5,444	5,444	0
Fund Balance At End Of Year	$5,444	$5,444	$5,444	$0

CITY OF GROVE CITY, OHIO

Park Donation Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Contributions And Donations	$1,500	$1,500	$2,550	$1,050
Expenditures:	0	0	0	0
Net Change In Fund Balance	1,500	1,500	2,550	1,050
Fund Balance At Beginning Of Year	23,355	23,355	23,355	0
Fund Balance At End Of Year	$24,855	$24,855	$25,905	$1,050

CITY OF GROVE CITY, OHIO

Rockford TIF Special Revenue Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Revenue In Lieu Of Taxes	$85,000	$116,880	$116,880	$0
Intergovernmental	12,000	16,526	16,526	0
Total Revenues	97,000	133,406	133,406	0
Expenditures:				
Current Operations And Maintenance:				
General Government				
General Miscellaneous				
Contractual Services	2,000	1,045	1,045	0
Primary Government				
General Miscellaneous				
Contractual Services	95,000	132,955	132,955	0
Total Expenditures	97,000	134,000	134,000	0
Net Change In Fund Balance	0	(594)	(594)	0
Fund Balance At Beginning Of Year	914	914	914	0
Fund Balance At End Of Year	$914	$320	$320	$0

CITY OF GROVE CITY, OHIO

SR 665/I 71 Municipal Improvement TIF District Debt Service Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Revenue In Lieu Of Taxes	$600,000	$600,000	$648,472	48,472
Expenditures:				
Current Operations And Maintenance:				
General Government				
General Miscellaneous				
Contractual Services	4,306	4,306	4,306	0
Intergovernmental				
Other Operating Charges	70,694	70,694	69,537	1,157
Total Expenditures	4,306	75,000	73,843	1,157
Net Change In Fund Balance	595,694	525,000	574,629	49,629
Fund Balance At Beginning Of Year	0	0	0	0
Fund Balance At End Of Year	$595,694	$525,000	$574,629	$49,629

CITY OF GROVE CITY, OHIO

Recreation Development Capital Projects Fund
Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2012

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Licenses And Permits	$75,000	$75,000	$179,926	$104,926
Expenditures:				
Capital Outlay:				
Parks And Recreation	204,320	204,320	200,662	3,658
Net Change In Fund Balance	(129,320)	(129,320)	(20,736)	108,584
Fund Balance At Beginning Of Year	153,774	153,774	153,774	0
Prior Year Encumbrances	22,020	22,020	22,020	0
Fund Balance At End Of Year	$46,474	$46,474	$155,058	$108,584

City of Grove City, Ohio

STATISTICAL SECTION

STATISTICAL TABLES

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

CONTENTS PAGES

Financial Trends 130-141

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

Revenue Capacity 142-143

These schedules contain information to help the reader assess the City's most significant local revenue source, income taxes.

Debt Capacity 144-151

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.

Demographic and Economic Information 152-153

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

Operating Information 154-159

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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

CITY OF GROVE CITY, OHIO

Net Position By Components
Last Ten Years
(accrual basis of accounting)

TABLE 1

	2003	***2004***	***2005***	***2006***
Governmental Activities:				
Net Investment in Capital Assets	$128,823,756	$131,541,261	$129,747,946	$151,881,393
Restricted	15,342,440	7,171,787	8,966,640	11,607,974
Unrestricted	6,969,952	18,378,378	21,928,148	21,653,757
Total Governmental Activities Net Position	151,136,148	157,091,426	160,642,734	185,143,124
Business-Type Activities:				
Net Investment in Capital Assets	26,720,560	29,097,153	35,711,995	44,659,643
Restricted	277,306	277,704	303,305	0
Unrestricted	2,836,065	3,030,823	3,871,428	4,814,955
Total Business-Type Activities	29,833,931	32,405,680	39,886,728	49,474,598
Primary Government:				
Net Investment in Capital Assets	155,544,316	160,638,414	165,459,941	196,541,036
Restricted	15,619,746	7,449,491	9,269,945	11,607,974
Unrestricted	9,806,017	21,409,201	25,799,576	26,468,712
Total Primary Government Net Position	$180,970,079	$189,497,106	$200,529,462	$234,617,722

2007	*2008*	*2009*	*2010*	*2011*	*2012*
$168,161,058	$167,879,891	$166,657,938	$163,869,512	$162,830,578	$162,890,495
14,298,277	12,590,123	15,397,778	11,461,552	16,546,091	13,686,260
23,175,029	25,969,379	21,423,364	27,264,790	31,427,237	33,191,429
205,634,364	206,439,393	203,479,080	202,595,854	210,803,906	209,768,184
44,685,691	46,348,281	48,035,646	48,673,020	49,743,812	48,637,873
0	0	0	0	0	0
5,828,721	5,584,954	5,092,413	4,541,683	4,032,238	4,194,165
50,514,412	51,933,235	53,128,059	53,214,703	53,776,050	52,832,038
212,846,749	214,228,172	214,693,584	212,542,532	212,574,390	211,528,368
14,298,277	12,590,123	15,397,778	11,461,552	16,546,091	13,686,260
29,003,750	31,554,333	26,515,777	31,806,473	35,459,475	37,385,594
$256,148,776	$258,372,628	$256,607,139	$255,810,557	$264,579,956	$262,600,222

CITY OF GROVE CITY, OHIO

Changes In Net Position
Last Ten Years
(accrual basis of accounting)

TABLE 2

	2003	*2004*	*2005*	*2006*
Program Revenues:				
Governmental Activities:				
Charges For Services:				
Security Of Persons And Property	$325,025	$326,449	$345,816	$384,831
Public Health	0	0	13,350	34,730
Leisure Time Activities	1,363,264	1,355,898	1,493,001	1,388,567
Community Development:				
Primary Development	874,309	848,772	916,819	782,966
Transportation	0	176,669	233,387	74,744
General Government:				
Primary Government	276,418	35,399	30,432	42,840
Operating Grants, Contributions And Interest	1,662,922	1,574,992	2,011,152	1,839,548
Capital Grants, Contributions And Interest	794,556	967,111	2,308,353	25,892,937
Total Governmental Activities Program Revenues	5,296,494	5,285,290	7,352,310	30,441,163
Business-Type Activities:				
Charges For Services:				
Water	504,933	544,006	902,148	760,355
Sewer	344,215	379,919	419,055	552,866
Operating Grants, Contributions And Interest	0	0	0	0
Capital Grants, Contributions And Interest	492,312	1,113,278	6,930,563	6,241,921
Total Business-Type Activities Program Revenues	1,341,460	2,037,203	8,251,766	7,555,142
Total Primary Government Program Revenues	6,637,954	7,322,493	15,604,076	37,996,305
Expenses:				
Governmental Activities:				
Security Of Persons And Property	6,620,720	7,777,311	8,072,763	8,756,725
Public Health	276,176	255,097	198,126	223,883
Leisure Time Activities	1,895,869	2,290,652	2,470,743	2,148,506
Community Development:				
Primary Development	1,080,886	1,152,824	1,271,478	1,120,005
Conveyance Of Property	0	0	0	0
Transportation	1,091,121	1,353,924	4,630,846	8,515,515
General Government:				
Primary Government	3,660,892	5,213,511	6,996,686	7,650,006
Intergovernmental	0	0	0	0
Interest And Fiscal Charges	579,482	581,264	1,087,320	1,233,592
Total Governmental Activities Expenses	15,205,146	18,624,583	24,727,962	29,648,232
Business-Type Activities:				
Water	435,147	482,039	625,928	821,112
Sewer	1,012,708	897,353	1,138,042	1,141,117
Total Business-Type Activities Expenses	1,447,855	1,379,392	1,763,970	1,962,229
Total Primary Government Expenses	$16,653,001	$20,003,975	$26,491,932	$31,610,461

2007	2008	2009	2010	2011	2012
$354,699	$366,995	$501,803	$530,829	$566,733	$602,168
19,729	19,130	20,382	14,120	13,259	21,326
1,487,945	1,360,982	1,282,747	1,262,195	1,238,995	1,410,897
737,648	934,693	517,533	515,390	425,657	1,066,282
172,461	222,796	14,882	6,505	88,253	90,159
46,774	84,162	68,116	103,944	91,144	145,320
1,947,050	2,199,449	2,356,379	2,365,700	2,151,053	2,079,841
11,960,441	2,615,098	4,375,488	5,540,039	14,025,253	5,552,767
16,726,747	7,803,305	9,137,330	10,338,722	18,600,347	10,968,760
766,940	597,413	547,349	568,136	522,772	572,457
492,827	484,305	383,003	851,101	775,672	889,260
0	0	77,660	0	0	0
1,807,587	1,184,776	2,088,853	1,054,812	1,626,267	0
3,067,354	2,266,494	3,096,865	2,474,049	2,924,711	1,461,717
19,794,101	10,069,799	12,234,195	12,812,771	21,525,058	12,430,477
9,680,259	9,650,994	10,347,861	10,424,348	10,076,469	10,358,551
240,079	267,967	291,792	270,134	279,720	298,971
2,461,442	2,386,376	2,285,671	2,163,037	2,363,655	2,252,647
1,208,483	1,186,822	1,429,804	1,361,073	1,518,564	1,407,341
0	0	610,120	0	0	0
11,221,371	9,682,153	9,680,587	11,164,223	12,999,424	10,296,802
8,042,295	9,110,413	9,829,703	10,808,491	11,360,425	10,960,934
0	0	1,191,288	1,370,473	1,716,884	4,339,240
1,855,328	1,776,351	1,712,001	1,661,545	1,608,154	1,958,510
34,709,257	34,061,076	37,378,827	39,223,324	41,923,295	41,872,996
673,536	713,101	618,490	685,866	910,913	737,766
1,363,050	1,341,553	1,559,323	1,739,989	1,452,673	1,638,542
2,036,586	2,054,654	2,177,813	2,425,855	2,363,586	2,376,308
$36,745,843	$36,115,730	$39,556,640	$41,649,179	$44,286,881	$44,249,304

(Continued)

CITY OF GROVE CITY, OHIO

Changes in Net Position
Last Ten Years
(accrual basis of accounting)
(Continued)

TABLE 2

	2003	*2004*	*2005*	*2006*
Net (Expense) / Revenues:				
Governmental Activities	($9,908,652)	($13,339,293)	($17,375,652)	$792,931
Business-Type Activities	(106,395)	657,811	6,487,796	5,592,913
Total Primary Government Net Expense/Revenue	(10,015,047)	(12,681,482)	(10,887,856)	6,385,844
General Revenues and Transfers:				
Governmental Activities:				
Property Taxes Levied For General Purposes	1,768,060	1,799,108	1,228,149	1,476,272
Property Taxes Levied For Police	637,412	646,524	676,590	821,228
Property Taxes Levied For Debt Service	763,926	716,408	752,816	910,242
Property Taxes Levied For Community Development	154,732	159,660	0	0
Revenue In Lieu Of Taxes	0	0	0	2,601,794
Other Local Taxes (1)	0	0	780,473	882,644
Municipal Income Taxes Levied For General Purposes	14,859,483	15,342,810	16,730,688	15,593,062
Grants And Entitlements Not Restricted To Specific Programs	2,011,979	1,940,042	778,752	1,796,892
Rent	21,722	0	0	0
Interest	271,514	222,169	558,560	1,260,942
Miscellaneous	515,356	364,547	337,772	133,292
Transfers	(198,632)	(1,896,697)	(916,840)	(1,360,916)
Total Governmental Activities General Revenues And Transfers	20,805,552	19,294,571	20,926,960	24,115,452
Business-Type Activities:				
Grants And Entitlements Not Restricted To Specific Programs	18,416	0	55,911	33,274
Interest	2,079	17,241	20,501	9,277
Miscellaneous	0	0	0	0
Transfers	198,632	1,896,697	916,840	1,360,916
Total Business-Type Activities General Revenues And Transfers	219,127	1,913,938	993,252	1,403,467
Restatement of Governmental-Type Net Position	0	0	0	(470,993)
Restatement of Business-Type Net Position	0	0	0	2,654,490
Change In Net Position:				
Governmental Activities	10,896,900	5,955,278	3,551,308	24,437,390
Business-Type Activities	112,732	2,571,749	7,481,048	9,650,870
Total Primary Government	$11,009,632	$8,527,027	$11,032,356	$34,088,260

(1) Prior to 2005, Other Local Taxes were reported as part of Property Taxes.

2007	*2008*	*2009*	*2010*	*2011*	*2012*
($17,982,510)	($26,257,771)	($28,241,497)	($28,884,602)	($23,322,948)	($30,904,236)
1,030,768	211,840	919,052	48,194	561,125	(914,591)
(16,951,742)	(26,045,931)	(27,322,445)	(28,836,408)	(22,761,823)	(31,818,827)
1,133,738	841,433	879,784	1,050,517	914,945	844,540
1,048,565	1,004,047	818,385	1,072,050	837,166	818,161
810,143	788,411	1,032,886	849,758	1,053,861	912,171
0	0	0	0	0	0
3,230,374	3,478,111	4,106,367	4,020,452	4,424,227	3,699,084
1,028,325	710,029	1,086,044	1,116,660	1,202,117	810,105
16,397,634	17,308,542	15,303,978	17,237,914	19,436,382	19,940,544
2,402,645	2,094,050	2,038,934	1,970,289	2,711,904	1,272,509
0	0	0	0	0	0
2,166,402	1,850,905	932,125	649,141	807,467	612,050
273,432	194,255	95,224	72,916	142,931	852,688
(50,000)	(1,206,983)	(284,129)	(38,321)	0	106,662
28,441,258	27,062,800	26,009,598	28,001,376	31,531,000	29,868,514
0	0	0	0	0	0
236	0	0	0	0	0
0	0	4,013	129	222	77,241
50,000	1,206,983	284,129	38,321	0	(106,662)
50,236	1,206,983	288,142	38,450	222	(29,421)
10,032,492	0	(728,414)	0	0	0
(41,190)	0	(12,370)	0	0	0
20,491,240	805,029	(2,960,313)	(883,226)	8,208,052	(1,035,722)
1,039,814	1,418,823	1,194,824	86,644	561,347	(944,012)
$21,531,054	$2,223,852	($1,765,489)	($796,582)	$8,769,399	($1,979,734)

CITY OF GROVE CITY, OHIO

Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

TABLE 3

	2003	*2004*	*2005*	*2006*
General Fund				
Nonspendable	$0	$0	$0	$0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	3,761,539	3,810,321	5,626,637	5,216,142
Unreserved	14,439,903	13,726,108	13,188,548	16,362,239
Total General Fund	18,201,442	17,536,429	18,815,185	21,578,381
All Other Governmental Funds				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Reserved	3,529,671	10,579,170	3,233,582	3,396,504
Unreserved, Undesignated (Deficit)				
Reported In:				
Special Revenue Funds	2,070,442	2,708,086	3,047,244	3,395,878
Debt Service Funds	1,419,428	1,762,199	1,905,094	1,828,294
Capital Projects Funds	(139,887)	(15,828,723)	(24,361,025)	732,729
Total All Other Governmental Funds	6,879,654	(779,268)	(16,175,105)	9,353,405
Total Governmental Funds	$25,081,096	$16,757,161	$2,640,080	$30,931,786

(1) The City implemented GASB 54 in 2011.

2007	*2008*	*2009*	*2010*	*2011 (1)*	*2012*
$0	$0	$0	$295,345	$397,901	$405,725
0	0	0	3,687,622	2,997,481	1,668,128
0	0	0	16,073,796	21,772,230	22,405,749
1,716,494	886,578	5,899,172	0	0	0
22,067,732	25,281,935	16,353,807	0	0	0
23,784,226	26,168,513	22,252,979	20,056,763	25,167,612	24,479,602
0	0	0	50,646	122,183	110,639
0	0	0	11,758,608	12,843,216	10,004,281
0	0	0	7,254,461	5,566,525	8,259,910
8,315,194	4,568,489	3,942,181	0	0	0
4,042,465	5,148,100	5,341,385	0	0	0
2,695,304	2,117,264	4,761,158	0	0	0
1,066,445	2,628,205	601,775	0	0	0
16,119,408	14,462,058	14,646,499	19,063,715	18,531,924	18,374,830
$39,903,634	$40,630,571	$36,899,478	$39,120,478	$43,699,536	$42,854,432

CITY OF GROVE CITY, OHIO

Changes In Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

TABLE 4

	2003	*2004*	*2005*	*2006*
Revenues:				
Property Taxes	$2,627,857	$2,557,486	$2,633,055	$3,218,150
Revenue In Lieu Of Taxes	0	0	0	1,101,794
Municipal Income Taxes	14,458,885	13,624,118	15,679,344	17,065,753
Other Local Taxes	723,303	781,617	768,143	826,628
Intergovernmental	4,481,523	4,339,465	4,687,994	3,826,781
Charges For Services	1,653,811	1,374,320	1,323,490	1,356,110
Licenses And Permits	997,929	946,310	1,211,756	967,300
Fines And Forfeitures	187,276	198,211	207,624	249,419
Special Assessments	80,814	86,112	81,799	87,534
Interest	335,697	433,950	1,024,478	1,744,308
Rent	21,722	42,730	44,357	51,481
Contributions And Donations	0	45,430	55,379	54,190
Miscellaneous	515,356	92,912	73,382	133,292
Total Revenues	26,084,173	24,522,661	27,790,801	30,682,740
Expenditures:				
Current Operations And Maintenance:				
Security Of Persons And Property	6,215,034	7,169,373	7,539,806	8,092,726
Public Health	276,176	255,097	198,126	223,883
Leisure Time Activities	1,653,070	1,789,778	1,851,767	1,762,494
Community Development:				
Primary Development	1,084,086	1,123,302	1,122,303	1,068,489
Conveyance Of Property	0	0	0	0
Transportation	1,053,306	1,206,133	1,126,447	1,100,085
General Government:				
Primary Government	3,749,317	4,754,778	5,439,363	5,620,981
Intergovernmental	0	0	0	0
Capital Outlay	13,258,603	16,757,169	16,138,194	7,793,740
Debt Service:				
Principal Retirement	7,038,085	7,791,315	743,800	791,246
Interest And Fiscal Charges	526,344	631,910	1,209,421	1,120,325
Issuance Costs	0	0	0	357,067
Principal Retirement - Current Refunding	0	0	0	0
Deferred Charges	0	37,651	0	0
Total Expenditures	34,854,021	41,516,506	35,369,227	27,931,036
Excess of Revenues Over (Under) Expenditures	($8,769,848)	($16,993,845)	($7,578,426)	$2,751,704

2007	2008	2009	2010	2011	2012
$3,010,739	$2,608,543	$2,755,244	$2,968,884	$2,836,665	$2,565,710
1,198,082	1,676,004	4,106,367	4,020,452	4,424,227	3,699,084
17,339,360	16,827,527	15,849,098	17,569,012	18,304,508	21,750,608
1,004,656	702,619	1,095,826	1,109,832	1,252,822	747,442
5,252,502	5,028,654	5,106,258	9,060,831	8,755,871	8,360,366
1,539,747	1,429,612	1,389,518	1,332,140	1,345,577	1,512,727
904,120	1,007,622	610,029	619,645	490,419	1,213,088
245,607	259,617	380,268	386,078	432,675	464,329
76,498	51,384	23,897	118,058	1,440,394	179,896
2,413,869	4,137,466	1,004,641	706,200	692,638	694,185
47,028	55,005	48,784	54,681	56,024	59,868
59,383	36,688	42,157	155,181	54,402	43,823
273,432	194,255	95,224	72,916	142,931	852,688
33,365,023	34,014,996	32,507,311	38,173,910	40,229,153	42,143,814
8,890,373	9,017,015	9,583,643	9,697,200	9,296,235	9,892,977
240,079	267,967	291,792	270,134	279,720	298,971
1,890,187	1,965,631	1,905,279	1,902,060	2,093,314	2,026,456
1,165,585	1,181,787	1,404,547	1,329,356	1,501,817	1,415,387
0	0	471,690	0	0	0
1,282,273	1,375,437	1,432,898	1,407,756	1,352,002	1,413,219
6,488,046	6,566,892	6,211,447	7,581,627	8,120,346	9,255,112
0	0	1,191,288	1,370,473	1,716,884	4,339,240
11,802,699	7,961,859	11,081,383	9,249,404	8,154,295	11,272,925
1,054,316	1,369,052	9,111,354	1,524,318	1,579,244	1,438,980
1,547,618	1,925,586	1,817,039	1,645,778	1,593,119	1,535,949
0	0	154,760	0	0	0
0	1,945,240	0	0	0	0
0	0	0	0	0	0
34,361,176	33,576,466	44,657,120	35,978,106	35,686,976	42,889,216
($996,153)	$438,530	($12,149,809)	$2,195,804	$4,542,177	($745,402)

(Continued)

CITY OF GROVE CITY, OHIO

Changes In Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)
(Continued)

TABLE 4

	2003	*2004*	*2005*	*2006*
Other Financing Sources (Uses):				
Proceeds Of Bond Anticipation Notes	$6,700,000	$7,925,000	$0	$0
Proceeds From Sale Of Capital Assets	0	0	0	0
Proceeds Of OPWC Loans	94,868	428,275	1,120,620	456,302
Premium On Debt Issued	34,773	271,635	264,390	63,700
General Obligation Bonds Issued	0	0	0	8,730,000
Revenue Bonds Issued	0	0	0	16,290,000
Inception Of Capital Leases	0	0	0	0
Proceeds Of Capital Leases	10,485	0	1,335	0
Current Refunding	0	0	(7,925,000)	0
Issuance Of Refunding Bonds	0	1,360,000	0	0
Payment To Refunded Bond Escrow Agent	0	(1,315,000)	0	0
Transfers - In	72,911	74,000	40,000	1,458,776
Transfers - Out	(50,000)	(74,000)	(40,000)	(1,458,776)
Total Other Financing Sources (Uses)	6,863,037	8,669,910	(6,538,655)	25,540,002
Net Change in Fund Balances	($1,906,811)	($8,323,935)	($14,117,081)	$28,291,706
Debt Service As A Percentage Of Noncapital Expenditures	35.0%	34.2%	10.2%	11.4%

2007	*2008*	*2009*	*2010*	*2011*	*2012*
$9,530,240	$7,585,000	$0	$0	$0	$0
0	22,519	33,010	25,196	36,881	21,277
57,925	265,888	802,125	0	0	0
0	0	0	0	0	0
0	0	7,585,000	0	0	0
0	0	0	0	0	0
30,569	0	0	0	0	0
349,267	0	0	0	0	0
0	(7,585,000)	0	0	0	0
0	0	0	0	0	1,395,000
0	0	0	0	0	(1,358,099)
0	6,075,666	10,122,320	7,934,022	791,297	7,241,725
0	(6,075,666)	(10,123,739)	(7,934,022)	(791,297)	(7,399,605)
9,968,001	288,407	8,418,716	25,196	36,881	(99,702)
$8,971,848	$726,937	($3,731,093)	$2,221,000	$4,579,058	($845,104)
11.6%	20.6%	31.2%	10.5%	9.7%	9.8%

CITY OF GROVE CITY, OHIO

Income Tax Revenue By Payer Type (1)
Last Ten Years
(cash basis of accounting)

TABLE 5

Year	*Withholding*	*Percentage Of Total*	*Individual*	*Percentage Of Total*	*Business Net Profit*	*Percentage Of Total*	*Total*
2003	$11,020,416	76%	$1,301,125	9%	$2,143,022	15%	$14,464,563
2004	11,208,037	79%	1,095,884	8%	1,921,151	13%	14,225,072
2005	10,607,902	74%	1,457,238	10%	2,218,294	16%	14,283,434
2006	12,192,582	73%	1,447,133	9%	3,042,871	18%	16,682,586
2007	12,864,202	76%	1,352,341	8%	2,653,811	16%	16,870,354
2008	13,519,744	79%	1,428,590	8%	2,340,640	14%	17,288,974
2009	13,412,072	84%	1,420,211	9%	1,168,159	7%	16,000,442
2010	13,641,317	80%	1,377,668	8%	2,028,024	12%	17,047,009
2011	13,769,523	74%	1,554,558	8%	3,232,268	18%	18,556,349
2012	14,316,999	75%	1,602,408	8%	3,165,641	17%	19,085,048

Source: City of Columbus Ohio, Division of Income Tax and Regional Income Tax Agency

(1) These amounts are reported gross and do take into account tax refunds or adjustments. Income tax revenues are credited to the General Fund.

The City levies a municipal income tax of 2.0 percent. This rate has been the same for all 10 years presented.

CITY OF GROVE CITY, OHIO

Principal Income Taxpayers - Individual Filers
2005 And 2011

TABLE 6

	2005 (2)		*2011 (1)*	
Range Of Withholding Amount	***Number Of Individual Filers***	***Percentage Of Individual Filers***	***Number Of Individual Filers***	***Percentage Of Individual Filers***
$200,000 and higher	80	0.75%	187	1.68%
$150,000 - 199,999	213	2.00%	415	3.73%
$100,000 - 149,999	1,078	10.12%	1,408	12.65%
$75,000 - 99,999	1,357	12.74%	1,403	12.61%
$50,000 - 74,999	1,956	18.36%	1,799	16.17%
$25,000 - 49,999	2,517	23.62%	2,463	22.14%
$24,999 and lower	3,453	32.41%	3,452	31.02%
Total	10,654	100.00%	11,127	100.00%

(1) This is the latest information available.

(2) Due to a change in the Income Average Report provided by the Regional Income Tax Agency, salary amounts over $100,000 are now reported in $10,000 increments.

Source: Regional Income Tax Agency

Note: Due to confidentiality issues, the names of the 10 largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Information prior to 2005 was not available.

CITY OF GROVE CITY, OHIO

Computation Of Legal Debt Margin
Last Ten Years

TABLE 7

	2003	*2004*	*2005*	*2006*
Total Assessed Valuation	$684,813,923	$711,751,699	$812,782,633	$839,491,937
Overall debt limitation - 10.5% of assessed valuation	71,905,462	74,733,928	85,342,176	88,146,653
Gross indebtedness authorized by Council	24,694,397	33,482,291	35,785,797	34,267,562
Less Debt Outside Limitation	(5,138,397)	(4,688,291)	(5,304,797)	(21,502,562)
Net Debt Subject to Limitation	19,556,000	28,794,000	30,481,000	12,765,000
Less amount available in the Debt Service Funds	(1,419,428)	(1,535,271)	(1,913,242)	(1,828,294)
Total Net Debt Subject to Limitation	18,136,572	27,258,729	28,567,758	10,936,706
Legal debt margin within 10.5% limitation	$53,768,890	$47,475,199	$56,774,418	$77,209,947
Legal Debt Margin as a Percentage of the Debt Limit	74.8%	63.5%	66.5%	87.6%
Unvoted debt limitation 5.5% of assessed valuation	$37,664,766	$39,146,343	$44,703,045	$46,172,057
Gross indebtedness authorized by Council	24,694,397	33,482,291	35,785,797	34,267,562
Less Debt Outside Limitation	(5,138,397)	(4,688,291)	(5,304,797)	(21,502,562)
Net Debt Subject to Limitation	19,556,000	28,794,000	30,481,000	12,765,000
Less amount available in the Debt Service Funds	(1,419,428)	(1,535,271)	(1,913,242)	(1,828,294)
Total Net Debt Subject to Limitation	18,136,572	27,258,729	28,567,758	10,936,706
Legal debt margin within 5.5% limitation	$19,528,194	$11,887,614	$16,135,287	$35,235,351
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	51.8%	30.4%	36.1%	76.3%

Ohio Bond Law sets a limit of 10.5 percent for voted debt and 5.5 percent for unvoted debt.

2007	*2008*	*2009*	*2010*	*2011*	*2012*
$837,638,956	$847,280,806	$864,396,724	$875,735,620	$802,849,890	$816,045,070
87,952,090	88,964,485	90,761,656	91,952,240	84,299,238	85,684,732
42,780,421	41,662,688	38,983,028	37,633,330	38,338,636	37,289,732
(21,140,181)	(20,807,448)	(20,888,028)	(20,263,330)	(21,733,636)	(21,279,732)
21,640,240	20,855,240	18,095,000	17,370,000	16,605,000	16,010,000
(2,346,978)	0	(1,183,219)	(892,483)	(674,099)	(666,848)
19,293,262	20,855,240	16,911,781	16,477,517	15,930,901	15,343,152
$68,658,828	$68,109,245	$73,849,875	$75,474,723	$68,368,337	$70,341,580
78.1%	76.6%	81.4%	82.1%	81.1%	82.1%
$46,070,143	$46,600,444	$47,541,820	$48,165,459	$44,156,744	$44,882,479
42,780,421	41,662,688	38,983,028	37,633,330	38,338,636	37,289,732
(21,140,181)	(20,807,448)	(20,888,028)	(20,263,330)	(21,733,636)	(21,279,732)
21,640,240	20,855,240	18,095,000	17,370,000	16,605,000	16,010,000
(2,346,978)	0	(1,183,219)	(892,483)	(674,099)	(666,848)
19,293,262	20,855,240	16,911,781	16,477,517	15,930,901	15,343,152
$26,776,881	$25,745,204	$30,630,039	$31,687,942	$28,225,843	$29,539,327
58.1%	55.2%	64.4%	65.8%	63.9%	65.8%

CITY OF GROVE CITY, OHIO

Ratio Of Outstanding Debt By Type
Last Ten Years

TABLE 8

	Governmental Activities						
Year	***General Obligation Bonds***	***Special Assessment Bonds***	***OPWC Loans***	***Bond Anticipation Notes***	***Capital Leases***	***TIF Revenue Bonds***	***Certificates Of Participation***
2003	$5,460,000	$195,138	$2,682,135	$6,700,000	$11,236	$0	$310,000
2004	5,012,349	162,156	2,920,758	7,925,000	7,555	0	0
2005	4,516,532	128,576	3,833,831	0	6,217	0	0
2006	12,799,416	94,352	4,051,117	0	3,211	16,290,000	0
2007	12,146,051	59,436	3,836,340	9,530,240	321,349	16,260,000	0
2008	11,362,687	23,777	3,809,420	9,530,240	250,764	16,075,000	0
2009	18,134,322	12,318	4,315,687	0	176,727	15,745,000	0
2010	17,410,958	0	4,001,188	0	99,226	15,350,000	0
2011	16,655,960	0	3,686,689	0	19,481	14,930,000	0
2012	16,058,412	0	3,372,190	0	0	14,490,000	0

(1) "Population Estimates," published by the Mid-Ohio Regional Planning Commission

(2) Computation of per capita personal income multiplied by population (in thousands)
The per capita personal income was not available for 2012; the 2011 amount was used as an estimate.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Business-Type Activities							
Revenue Bonds	***OPWC Loans***	***OWDA Loans***	***Total Primary Government***	***Population (1)***	***Personal Income (2)***	***Debt Per Capita***	***Percentage Of Personal Income***
$550,000	$1,301,124	$0	$17,209,633	30,679	$898,833	$561	1.91%
380,000	1,225,377	0	17,633,195	30,826	927,277	572	1.90%
195,000	1,147,390	0	9,827,546	31,580	985,864	311	1.00%
0	1,067,093	0	34,305,189	32,447	1,053,002	1,057	3.26%
0	984,405	0	43,137,821	33,483	1,126,837	1,288	3.83%
0	899,251	0	41,951,139	33,699	1,185,733	1,245	3.54%
0	815,023	0	39,199,077	34,027	1,187,780	1,152	3.30%
0	731,640	158,304	37,751,316	34,280	1,199,800	1,101	3.15%
0	645,539	2,471,408	38,409,077	34,569	1,356,280	1,111	2.83%
0	556,632	2,860,910	37,338,144	35,708	1,400,968	1,046	2.67%

CITY OF GROVE CITY, OHIO

Ratio Of General Obligation Bonded Debt To Estimated Actual Value And General Obligation Bonded Debt Per Capita Last Ten Years

TABLE 9

Year	*General Obligation Bonded Debt*	*Estimated Actual Value Of Taxable Property (1)*	*Population (2)*	*Percentage Of Bonded Debt To Estimated Actual Value*	*Bonded Debt Per Capita*
2003	$5,460,000	$2,028,932,031	30,679	0.27%	$177.97
2004	5,012,349	2,097,872,747	30,826	0.24%	162.60
2005	4,516,532	2,368,849,877	31,580	0.19%	143.02
2006	12,799,416	2,429,368,167	32,447	0.53%	394.47
2007	12,146,051	2,393,254,160	33,483	0.51%	362.75
2008	11,362,687	2,420,802,303	33,699	0.47%	337.18
2009	18,134,322	2,469,704,925	34,027	0.73%	532.94
2010	17,410,958	2,502,101,771	34,280	0.70%	507.90
2011	16,655,960	2,293,856,829	34,569	0.73%	481.82
2012	16,058,412	2,331,557,343	35,708	0.69%	449.71

(1) Franklin County Auditor

(2) Source: "Population Estimates", published by the Mid-Ohio Regional Planning Commission.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF GROVE CITY, OHIO

Computation Of Direct And Overlapping Governmental Debt
December 31, 2012

TABLE 10

Jurisdiction	*Debt Outstanding*	*Percentage Applicable To City Of Grove City (2)*	*Amount Applicable To City Of Grove City*
Direct:			
City of Grove City			
General Obligation Bonds	$16,058,412	100.00%	$16,058,412
TIF Revenue Bonds	14,490,000	100.00%	14,490,000
OPWC Loans	3,372,190	100.00%	3,372,190
Total Direct	33,920,602		33,920,602
Overlapping:			
South-Western City School District (1)			
General Obligation Bonds	68,865,329	34.24%	23,579,489
Energy Conservation Bonds	8,020,000	34.24%	2,746,048
Bond Anticipation Notes	333,331	34.24%	114,133
Franklin County			
General Obligation Bonds	254,660,000	3.35%	8,531,110
Special Obligation Bonds And Notes	35,495,000	3.35%	1,189,083
OPWC Loans	10,428,000	3.35%	349,338
Total Overlapping	377,801,660		36,509,200
Total Direct And Overlapping Debt	$411,722,262		$70,429,802

Source: Franklin County Auditor

(1) The debt outstanding for South-Western City School District is at June 30, 2012.

(2) Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

CITY OF GROVE CITY, OHIO

Pledged Revenue Coverage
Last Ten Years

TABLE 11

Year	Operating Revenues	Less: Operating Expenses (1)	Net Revenue Available For Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
			Water Revenue Bonds				
2003	$504,943	$45,527	$459,416	$160,000	$46,278	$206,278	2.23
2004	544,006	93,712	450,294	170,000	36,038	206,038	2.19
2005	902,148	177,563	724,585	185,000	24,988	209,988	3.45
2006	769,032	179,796	589,236	195,000	7,870	202,870	2.90
2007	766,947	118,279	648,668	0	0	0	0.00
2008	597,413	137,002	460,411	0	0	0	0.00
2009	547,349	12,758	534,591	0	0	0	0.00
2010	568,152	85,054	483,098	0	0	0	0.00
2011	522,772	196,117	326,655	0	0	0	0.00
2012	649,681	0	649,681	0	0	0	0.00

(1) Operating expenses do not include depreciation expense.

(2) Tax Increment Financing Revenue Bonds are backed by the revenue in lieu of taxes charged and collected in the same manner and in the same amount as real property taxes. Revenue in lieu of taxes presented on this table reflects only the Buckeye Center TIF as TIF Revenue Bonds outstanding pertain only to this TIF zone and only these TIF revenues may be utilized for repayment of the debt.

Revenue In Lieu Of Taxes (2)	Debt Service Requirements			Coverage
	Principal	Interest	Total	
		TIF Revenue Bonds		
$0	$0	$0	$0	0.00
0	0	0	0	0.00
0	0	0	0	0.00
1,101,794	0	0	0	0.00
1,198,082	30,000	873,330	903,330	1.33
2,199,203	185,000	864,575	1,049,575	2.10
2,504,134	330,000	855,314	1,185,314	2.11
2,796,283	395,000	838,181	1,233,181	2.27
2,950,053	420,000	817,937	1,237,937	2.38
1,478,740	440,000	794,135	1,234,135	1.20

CITY OF GROVE CITY, OHIO

Demographic Statistics
Last Ten Years

TABLE 12

					Unemployment Rate (4)			
Year	***Population (1)***	***Personal Income (2)***	***Per Capita Income (3)***		***Federal***	***State***	***Franklin County***	***Grove City***
2003	30,679	$898,833	$29,298		6.0%	6.2%	5.3%	4.8%
2004	30,826	927,277	30,081		5.5%	6.1%	5.4%	5.0%
2005	31,580	985,864	31,218		5.1%	5.9%	5.2%	4.8%
2006	32,447	1,053,002	32,453		4.6%	5.4%	4.7%	4.3%
2007	33,483	1,126,837	33,654		4.6%	5.6%	4.7%	4.3%
2008	33,699	1,185,733	35,186		5.8%	6.5%	5.5%	5.0%
2009	34,027	1,187,780	34,907		9.3%	10.2%	8.3%	7.7%
2010	34,280	1,199,800	35,000		9.6%	10.1%	8.5%	8.1%
2011	34,569	1,356,280	39,234		8.9%	8.6%	7.6%	7.0%
2012	35,708	1,400,968	39,234	(5)	8.1%	7.2%	6.1%	5.5%

Source:

(1) "Population Estimates", published by the Mid-Ohio Regional Planning Commission.

(2) Computation of per capita personal income multiplied by population (in thousands)

(3) U. S. Department of Commerce, Bureau of Economic Analysis

(4) U. S. Department of Labor, Bureau of Labor Statistics

(5) The Per Capita Income was not available for 2012; the 2011 amount was used as an estimate.

CITY OF GROVE CITY, OHIO

Principal Employers
2006 And 2012

TABLE 13

	2006			2012		
Employer	***Number Of Employees***	***Rank***	***Percentage Of Total Employment***	***Number Of Employees***	***Rank***	***Percentage Of Total Employment***
South-Western City School District	1,800	1	9.61%	1,905	1	8.25%
Wal-Mart Associates, Inc.	1,050	2	5.60%	1,195	2	5.18%
FedEx Ground Package Systems, Inc.	850	3	4.54%	997	3	4.32%
The GAP, Inc.	600	4	3.20%	574	4	2.49%
FedEx Smart Post	N/A	N/A	N/A	513	5	2.22%
Wal-Mart Super Center	450	7	2.40%	329	6	1.42%
Manheim Remarketing, Inc.	480	5	2.56%	310	7	1.34%
Tigerpoly Manufacturing, Inc.	446	8	2.39%	303	8	1.31%
Tosoh SMD, Inc.	325	10	1.73%	283	9	1.23%
Halcore Group, Inc.	380	9	2.03%	258	10	1.12%
Nationwide Mutual Insurance Co.	450	6	2.40%	N/A	N/A	N/A
Total Employees	6,831		36.46%	6,667		28.88%
All Other Employers	11,907		63.54%	16,422		71.12%
Total Employment within the City	18,738		100.00%	23,089		100.00%

Source: Estimates from Mid Ohio Regional Planning Commission, employers and RITA.

Information prior to 2006 was not available.

CITY OF GROVE CITY, OHIO

Operating Indicators By Function/Program
Last Ten Years

TABLE 14

Function/Program	*2003*	*2004*	*2005*	*2006*
General Government:				
Active Income Tax Accounts:				
Individual	N/A	10,825	13,297	16,199
Business Net Profit	N/A	737	971	1,143
Withholding	N/A	660	832	949
Clerk of Courts:				
Criminal Cases	483	456	342	416
Traffic Court Cases	1,454	1,329	1,743	2,257
Parking Cases	484	618	595	691
Security Of Persons And Property:				
Police Calls (1)	53,556	52,715	51,311	49,867
Physical Arrests	1,206	3,168	3,675	1,877
Class A Crimes	1,267	1,211	1,245	1,245
Top Ten Parking Violations (2)	461	515	727	827
Community Development:				
Trees Planted	N/A	1,051	725	515
Trees Pruned	N/A	1,853	1,838	1,439
Trees Removed	N/A	304	312	221
Leaves Collected (in tons)	N/A	N/A	N/A	484
Landscape Inspections	N/A	N/A	229	331
Leisure Time Activities:				
General Recreation Revenues	$1,047,158	$1,092,924	$1,012,187	$1,009,822

Source: City Departments

(1) Beginning in 2003, a change in reporting criteria resulted in significantly lower numbers.

(2) Beginning in 2007, the Police Department no longer tracks this information.

N/A - Information not available

2007	*2008*	*2009*	*2010*	*2011*	*2012*
18,731	20,327	22,630	20,921	21,707	23,404
1,089	1,239	1,244	1,269	3,113	3,468
1,539	1,883	1,910	1,902	4,577	4,953
428	468	573	735	677	819
2,123	2,057	3,187	3,307	3,888	3,776
703	731	628	545	381	321
69,823	86,993	102,934	101,401	96,388	96,411
1,410	1,567	1,685	1,802	1,686	2,007
2,157	3,681	4,011	3,921	3,741	4,185
N/A	N/A	N/A	N/A	N/A	N/A
548	506	1,247	312	431	817
1,953	1,467	1,231	3,004	2,494	1,623
407	291	265	370	719	704
330	320	367	424	333	269
197	206	235	127	118	103
$1,059,087	$1,049,717	$931,986	$882,251	$912,083	$1,000,549

CITY OF GROVE CITY, OHIO

Capital Assets Statistics By Function/Program
Last Ten Years

TABLE 15

Function/Program	*2003*	*2004*	*2005*	*2006*	
General Government:					
Government Center	1	1	1	1	
Security Of Persons And Property:					
Number Of Police Stations	1	1	1	1	
Number Of Fire Stations (1)	3	3	3	3	
Leisure Time Activities:					
Number of Parks	7	7	7	8	
Park Area (acres)	289	289	289	289	
Number Of Playgrounds	7	7	7	7	
Number Of Swimming Pools	1	1	1	1	
Number Of Tennis Courts	6	6	6	6	
Number Of Community Centers	3	3	3	3	
Number Of Public Libraries	1	1	1	1	
Basic Utility Services:					
Miles Of Water Distribution	94.9	96.2	137.2	143.1	#
Miles Of Sanitary Sewers	85.6	86.3	145.7	150.4	#
Miles Of Storm Sewers	31.3	32.7	108.2	116.2	#
Transportation:					
Miles Of Streets	N/A	N/A	117.1	134.7	
Number Of Street Lights	2,807	3,207	3,207	3,397	
Number Of Traffic Signs	2,801	2,915	2,915	3,225	
Number Of Traffic Lights	36	38	38	41	

Source: City Records
(1) Fire Protection provided by Jackson Township

(2) Starting in 2007, the calculation of parks included community, neighborhood, and mini parks.

(3) In 2006 and 2007, the calculation of basic utility services was restated by EMH&T to reflect a more accurate count.

N/A - Information not available

2007		2008	2009	2010	2011	2012
1		1	1	1	1	1
1		1	1	1	1	1
3		3	3	3	3	3
18	(2)	18	18	18	18	18
440	(2)	452	461	263	263	263
14	(2)	14	14	15	15	15
1		1	1	1	1	1
6		2	2	2	2	2
3		3	4	4	4	4
1		1	1	1	1	1
149.0	(3)	154.9	159.3	163.3	168.2	170.3
155.1	(3)	159.9	168.0	170.1	180.2	180.3
124.2	(3)	132.3	140.6	143.4	149.4	149.8
135.0		149.9	152.9	153.3	155.8	155.8
3,492		3,592	3,608	3,645	3,651	3,655
3,220		3,463	3,592	3,604	3,700	3,750
50		54	55	55	55	55

CITY OF GROVE CITY, OHIO

City Government Employees By Function/Program
Last Ten Years

TABLE 16

	2003		*2004*		*2005*		*2006*	
Function/Program	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All
Security Of Persons And Property	76	85	78	84	79	85	78	83
Leisure Time Activities	18	60	20	58	20	57	21	61
Community Development	12	17	13	16	11	13	11	13
Transportation	12	14	16	17	12	12	13	14
General Government	11	19	11	19	16	24	17	25
Total Number of Employees	129	195	138	194	138	191	140	196

Source: City Payroll Records

2007		*2008*		*2009*		*2010*		*2011*		*2012*	
Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All
77	83	78	83	79	84	78	85	80	86	79	87
21	57	21	63	22	56	22	56	24	59	22	61
11	13	11	15	10	11	10	11	10	10	11	14
14	23	14	19	14	19	16	20	13	20	14	20
14	25	14	25	15	23	13	24	11	23	13	20
137	201	138	205	140	193	139	196	138	198	139	202

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Grove City, Ohio

Mayor, Richard L. “Ike” Stage

The City of Grove City, Ohio
Department of Finance
Michael Turner, Director

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