

City of Grove City, Ohio



2016 Comprehensive Annual Financial Report

For the Year Ended December, 31, 2016





City of Grove City, Ohio

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**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
of the
City of Grove City, Ohio
For the Year Ended December 31, 2016**

Issued by
Department of Finance
Michael Turner, Director



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City of Grove City, Ohio

INTRODUCTORY SECTION



City of Grove City, Ohio

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CITY OF GROVE CITY, OHIO
Comprehensive Annual Financial Report

For the Year Ended December 31, 2016

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The City of Grove City, Ohio

4035 Broadway, Grove City, Ohio 43123

614-277-3000

June 26, 2017

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, 2016. 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 comprehensive financial data in a format that provides a true understanding of the City's financial condition while providing management information for decision making purposes.

Ohio law requires every city to 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, 2016.

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 assurance that the financial statements are free of any material misstatements.

The Ohio Auditor of State has issued an unmodified ("clean") opinion on the City of Grove City's financial statements for the year ended December 31, 2016. The Independent Auditor's Report is located at the front of the Financial Section of this report.

Management's Discussion and Analysis immediately follows the Independent Auditor's Report. This section 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 36,000 residents and over 1,100 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 to the City on tracks owned and operated by CSX and or related entities. 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 members 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, licensing of regulated businesses and trades and other municipal purposes.

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, obtain 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, Law, and Information Technology.

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 sewer 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 13 member Board of Trustees, six 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 four 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 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 public meetings. The annual budget of the City is appropriated by fund, department, personal services and other objects. All funds, other than agency funds, are legally required to be budgeted and appropriated. Supplemental appropriations are made throughout the year.

ECONOMIC CONDITION

The City of Grove City is in the southwestern quadrant of the Columbus Metropolitan Area, an economy dominated by 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 2016 were as follows: national, 4.9 percent, State of Ohio, 4.9 percent, Franklin County, 4.0 percent, and Grove City, 3.8 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	1,197
Walmart Associates, Inc. (Distribution Center)	1,041
Fed Ex Ground Package Systems, Inc.	517
Halcore Group Inc.	442
Manheim Remarketing, Inc.	402
Walmart Super Center	335
Tigerpoly Manufacturing, Inc.	303
Tosoh SMD, Inc.	301
Nationwide Mutual Insurance Co.	290
The Gap, Inc. (GPS, Consumer Direct)	204

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

In 2016, the City collected cash-basis income tax receipts of \$23,536,929. This is the highest annual amount of income tax collections recorded by the City. Employee withholding taxes represent 73% of the total income tax receipts and corporate net profit taxes were 18% of the total. The City relies heavily on income tax collections to support operations and will continue to monitor receipts closely throughout 2017.

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 2016, the City issued 176 single-family residential construction building permits with an average value of \$232,304. The total value of all building permits issued was \$320,752,748.

- **Fiber Optic Network**

Grove City Council authorized \$4,650,000 for the design and construction of a municipal fiber optic network to provide for increased bandwidth and reliability for the transmission of data. The City will become the provider of lit fiber optic services for public entities in the Southwest corridor of Franklin County including South-Western City Schools, Jackson Township, Prairie Township, and the City of Grove City. The City expects construction of the fiber optic network will be complete by July 2017.

- **Town Center Redevelopment**

Our Town Center remains a vital element of our community, both economically and civically. The City has leveraged public and private redevelopment dollars to enhance the living and business spaces, walkability and aesthetics in the Town Center, while preserving its historical charm. A new pedestrian promenade provides enhanced connectivity between the recently completed Grove City Library and Broadway Station, a 120-unit up-scale apartment community targeted to young professionals and seniors.

- **Library**

On October 16, 2016, Southwest Public Libraries hosted the Dedication and Grand Opening Celebration of the new \$18,000,000 Grove City Library. The City of Grove City and Southwest Public Libraries entered into a partnership to build the 46,000 square foot library in the Town Center at Broadway and Grant Avenue. The new library replaces the aging library and features significantly more meeting rooms, quiet study and reading space, expanded technology services and children's programming areas.

- **2016 Street Program**

The City allocated \$2,000,000 for the annual Street Program in 2016 in order to maintain public streets, bike paths, sidewalks and curb ramps throughout the City.

- **2016 Sidewalk Program**

The City allocated \$400,000 for a sidewalk monitoring program to ensure they are safe for travel. While sidewalk maintenance is the responsibility of the adjacent property owner, the City has initiated a program to pay 50 percent of the repair cost and provide a 20-year payment plan for property owners to pay their portion.

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, 2016, 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 States 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, 2015. This was the 27th 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, President of Council Roby Schottke, Council Members Jeffrey M. Davis, Steven M. Bennett, Ted A. Berry and Laura Lanese 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



Government Finance Officers Association

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, 2015

Executive Director/CEO

CITY OF GROVE CITY, OHIO
List Of Principal Officials
As Of December 31, 2016

Elected City Officials

MAYOR

Richard L. “Ike” Stage

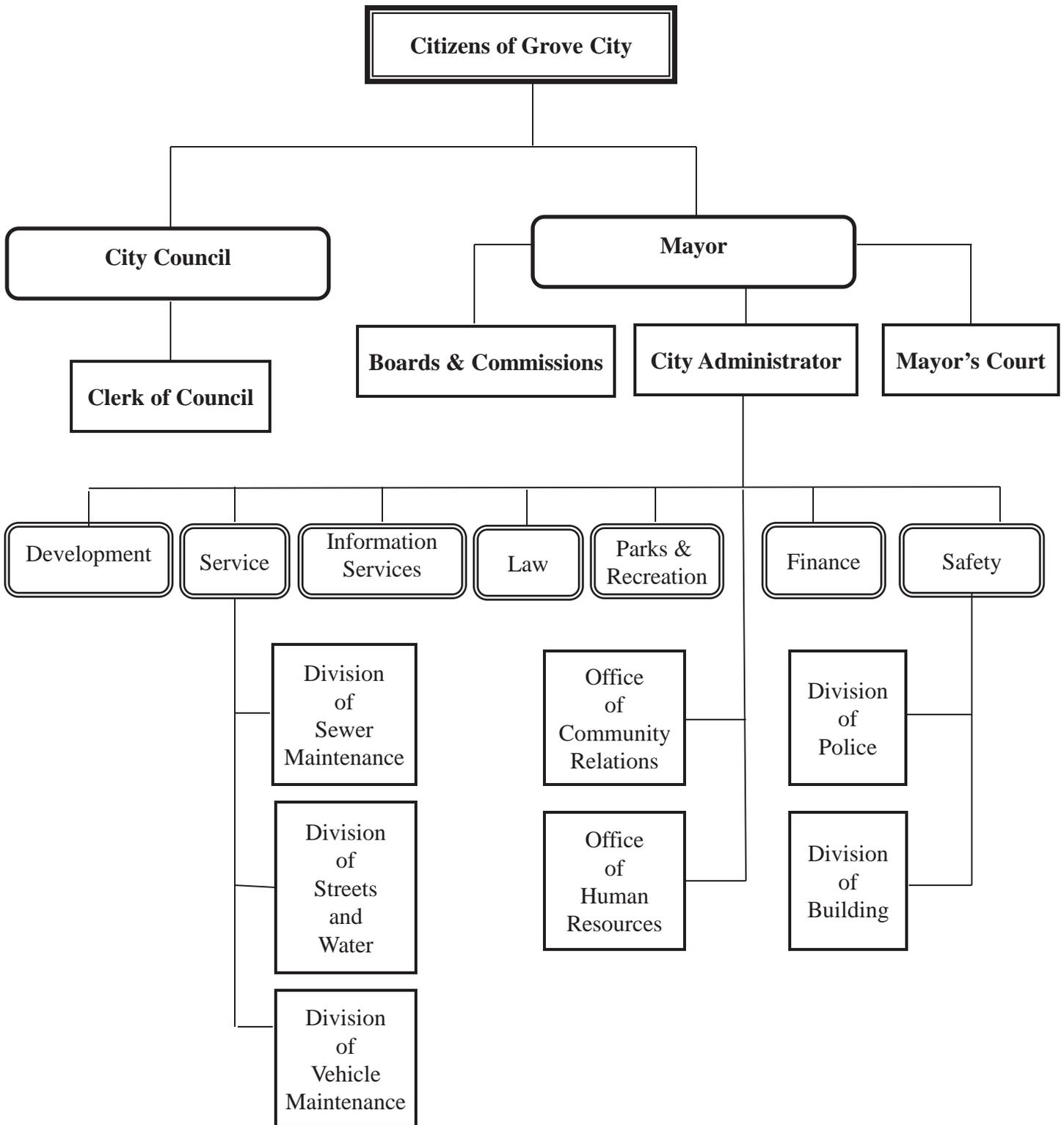
City Council

Roby Schottke	<i>Council President</i> <i>Council Member Ward 4</i>
Ted A. Berry	<i>Council Member Ward 1</i>
Jeffrey M. Davis	<i>Council Member Ward 2</i>
Steven M. Bennett	<i>Council Member Ward 3</i>
Laura Lanese	<i>Council Member At Large</i>
Tami K. Kelly, MMC	<i>Clerk Of Council</i>

City Officials

Charles W. Boso Jr.	<i>City Administrator</i>
Michael A. Turner	<i>Finance Director</i>
Stephen J. Smith	<i>Law Director</i>
Cindi D. Fitzpatrick	<i>Service Director</i>
Kimberly K. Conrad	<i>Parks and Recreation Director</i>
Jeffrey A. Pearson	<i>Chief of Police</i>
William F. Vedra	<i>Deputy City Administrator/Safety Director</i>
Todd R. Hurley	<i>Information System Director</i>

City of Grove City Organizational Chart





City of Grove City, Ohio

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City of Grove City, Ohio

FINANCIAL SECTION



City of Grove City, Ohio

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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, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2017, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State
Columbus, Ohio

June 26, 2017

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CITY OF GROVE CITY, OHIO
Management's Discussion And Analysis
For The Year Ended December 31, 2016
(Unaudited)

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, 2016.

FINANCIAL HIGHLIGHTS

- The City's total net position decreased \$2,057,729. Net position of Governmental Activities decreased \$2,037,128, while net position of Business-Type Activities decreased \$20,601.
- Governmental Activities had general revenues that accounted for \$36,682,571 of all governmental revenues. Program specific revenues in the form of charges for services, grants, contributions, and interest accounted for \$9,332,018 of total governmental revenues of \$46,014,589.
- Enterprise funds reflected a total operating loss of \$830,788. The Water Fund reflected an operating loss of \$342,151 and the Sewer Fund reflected an operating loss of \$488,637. The change in net position for the enterprise funds was a decrease of \$20,601.
- The City had \$47,260,836 in expenses related to Governmental Activities. \$9,332,018 of these expenses were offset by program specific charges for services, grants, contributions, and interest. General revenues (primarily income taxes) of \$36,682,571 exceeded the amount needed to provide for these programs. The City had \$2,780,117 in expenses related to Business-Type Activities. \$1,968,635 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 inflows 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.

CITY OF GROVE CITY, OHIO
Management's Discussion And Analysis
For The Year Ended December 31, 2016
(Unaudited)

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, Buckeye Center TIF, Debt Service, 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.

CITY OF GROVE CITY, OHIO
Management's Discussion And Analysis
For The Year Ended December 31, 2016
(Unaudited)

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 2016 compared to 2015.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2016	2015	2016	2015	2016
Assets:						
Current And Other						
Assets	\$69,422,367	\$72,690,336	\$3,812,802	\$3,871,291	\$73,235,169	\$76,561,627
Capital Assets, Net	210,421,838	212,739,644	52,517,394	52,411,641	262,939,232	265,151,285
Total Assets	<u>279,844,205</u>	<u>285,429,980</u>	<u>56,330,196</u>	<u>56,282,932</u>	<u>336,174,401</u>	<u>341,712,912</u>
Deferred Outflows of Resources:						
Deferred Charge on Refunding	25,613	464,397	0	0	25,613	464,397
Pension	2,746,051	7,378,155	31,067	105,693	2,777,118	7,483,848
Total Deferred Outflows of Resources	<u>2,771,664</u>	<u>7,842,552</u>	<u>31,067</u>	<u>105,693</u>	<u>2,802,731</u>	<u>7,948,245</u>
Liabilities:						
Current And Other Liabilities	3,335,461	8,369,180	84,173	223,272	3,419,634	8,592,452
Long-Term Liabilities:						
Due Within One Year	3,175,113	3,154,321	212,381	193,872	3,387,494	3,348,193
Due In More Than One Year:						
Net Pension Liability	19,371,974	25,373,558	169,074	255,699	19,541,048	25,629,257
Other Amounts	50,234,578	50,562,197	2,646,989	2,485,767	52,881,567	53,047,964
Total Liabilities	<u>76,117,126</u>	<u>87,459,256</u>	<u>3,112,617</u>	<u>3,158,610</u>	<u>79,229,743</u>	<u>90,617,866</u>
Deferred Inflows of Resources:						
Property Taxes Revenue in Lieu Of Taxes	2,679,657	2,730,849	0	0	2,679,657	2,730,849
Pension	4,103,561	5,187,862	0	0	4,103,561	5,187,862
Total Deferred Inflows Of Resources	<u>96,040</u>	<u>312,208</u>	<u>2,970</u>	<u>4,940</u>	<u>99,010</u>	<u>317,148</u>
Net Position:						
Net Investment In Capital Assets	171,710,057	172,924,846	49,710,060	49,794,978	221,420,117	222,719,824
Restricted	13,109,015	20,551,330	0	0	13,109,015	20,551,330
Unrestricted	14,800,413	4,106,181	3,535,616	3,430,097	18,336,029	7,536,278
Total Net Position	<u>\$199,619,485</u>	<u>\$197,582,357</u>	<u>\$53,245,676</u>	<u>\$53,225,075</u>	<u>\$252,865,161</u>	<u>\$250,807,432</u>

CITY OF GROVE CITY, OHIO
Management's Discussion And Analysis
For The Year Ended December 31, 2016
(Unaudited)

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2016 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

GASB 68 requires the net pension liability to equal the City's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service.
2. Minus plan assets available to pay these benefits.

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

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

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For The Year Ended December 31, 2016
(Unaudited)

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

Net position for governmental activities decreased \$2,037,128. Net investment in capital assets increased \$1,214,789 mainly due to capital asset additions exceeding depreciation. Current and other assets increased \$3,267,969, mainly due to the lease receivable associated with the construction and lease of the new library. Capital Assets increased \$2,317,806 primarily due to the addition of the Grove City Library.

Current and Other Liabilities increased \$5,033,719 mainly due to unearned revenue in relation to the direct financing lease. The significant increase in total deferred outflow of resources in 2016 was due to an increase in the difference between projected and actual earnings on investments related to the City's net pension liability for OPERS.

The net pension liability increase represents the City's proportionate share of the OPERS traditional plan's unfunded benefits. As indicated above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability.

The total net position of the City's Business-Type Activities decreased \$20,601, which is immaterial.

Table 2 shows the changes in net positions for the years ended December 31, 2015 and 2016.

Table 2
Changes In Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2016	2015	2016	2015	2016
Revenues:						
Program Revenues:						
Charges For Services	\$3,741,627	\$4,350,014	\$1,848,443	\$1,842,639	\$5,590,070	\$6,192,653
Operating Grants, Contributions And Interest	2,216,828	2,183,308	0	0	2,216,828	2,183,308
Capital Grants, Contributions And Interest	2,028,528	2,798,696	626,564	125,996	2,655,092	2,924,692
Total Program Revenues	7,986,983	9,332,018	2,475,007	1,968,635	10,461,990	11,300,653
General Revenues:						
Property Taxes	2,682,076	2,647,774	0	0	2,682,076	2,647,774
Revenue In Lieu Of Taxes	5,942,633	6,329,917	0	0	5,942,633	6,329,917
Other Local Taxes	1,052,852	1,126,977	0	0	1,052,852	1,126,977
Municipal Income Taxes	22,231,507	24,324,866	0	0	22,231,507	24,324,866
Unrestricted						
Grants And Entitlements	1,382,795	1,375,475	0	0	1,382,795	1,375,475
Interest	323,841	503,172	0	0	323,841	503,172
Miscellaneous	319,933	374,390	0	0	319,933	374,390
Total General Revenues	33,935,637	36,682,571	0	0	33,935,637	36,682,571
Total Revenues	\$41,922,620.00	\$46,014,589.00	\$2,475,007.00	\$1,968,635.00	\$44,397,627.00	\$47,983,224.00

(Continued)

CITY OF GROVE CITY, OHIO
Management's Discussion And Analysis
For The Year Ended December 31, 2016
(Unaudited)

Table 2
Changes In Net Position
(Continued)

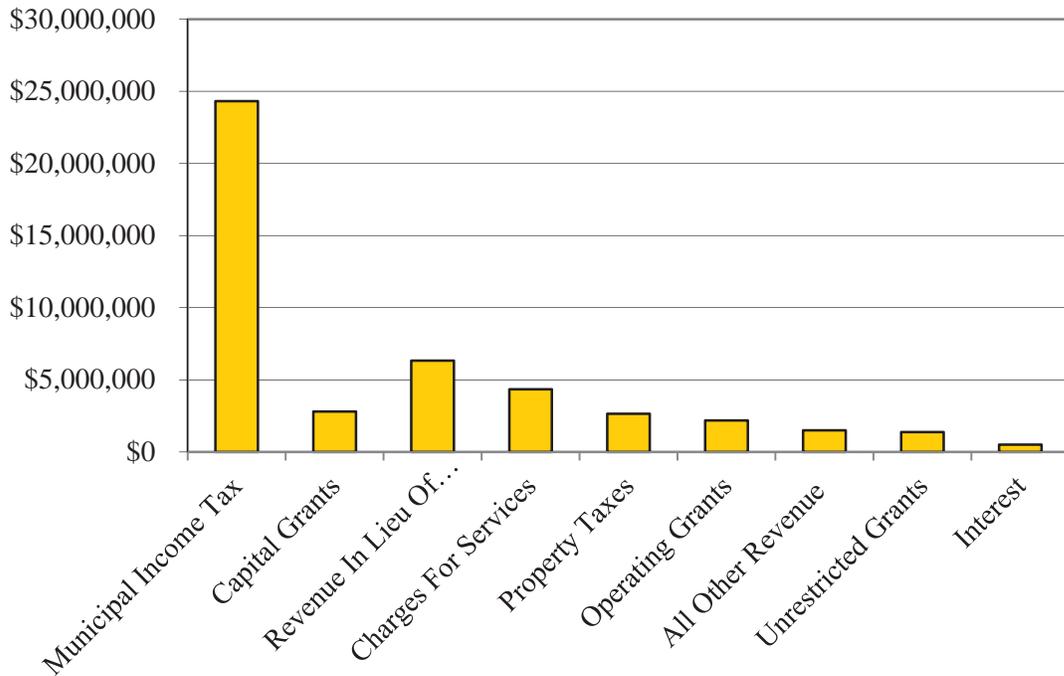
	Governmental Activities		Business-Type Activities		Total	
	2015	2016	2015	2016	2015	2016
Program Expenses:						
Security Of						
Persons And Property	\$10,797,554	\$12,313,322	\$0	\$0	\$10,797,554	\$12,313,322
Public Health	333,594	364,968	0	0	333,594	364,968
Leisure Time Activities	3,185,644	3,964,411	0	0	3,185,644	3,964,411
Community Development:	2,142,864	2,014,290	0	0	2,142,864	2,014,290
Primary Community Development						
Transportation	9,519,363	8,581,839	0	0	9,519,363	8,581,839
General Government:						
Primary Government	11,035,775	16,154,050	0	0	11,035,775	16,154,050
Intergovernmental	2,015,679	2,041,575	0	0	2,015,679	2,041,575
Interest And						
Fiscal Charges	1,825,761	1,826,381	0	0	1,825,761	1,826,381
Water	0	0	1,020,631	1,060,606	1,020,631	1,060,606
Sewer	0	0	2,510,008	1,719,511	2,510,008	1,719,511
Total Expenses	<u>40,856,234</u>	<u>47,260,836</u>	<u>3,530,639</u>	<u>2,780,117</u>	<u>44,386,873</u>	<u>50,040,953</u>
Change In Net Position Before Transfers	1,066,386	(1,246,247)	(1,055,632)	(811,482)	10,754	(2,057,729)
Transfers	(340,516)	(790,881)	340,516	790,881	0	0
Change in Net Position	<u>725,870</u>	<u>(2,037,128)</u>	<u>(715,116)</u>	<u>(20,601)</u>	<u>10,754</u>	<u>(2,057,729)</u>
Net Position At Beginning Of Year	198,893,615	199,619,485	53,960,792	53,245,676	252,854,407	252,865,161
Net Position At End Of Year	<u>\$199,619,485</u>	<u>\$197,582,357</u>	<u>\$53,245,676</u>	<u>\$53,225,075</u>	<u>\$252,865,161</u>	<u>\$250,807,432</u>

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 73 percent of the tax revenue received in 2016 with business net profit contributing 18 percent and individuals contributing 9 percent. The City provides a full tax credit for taxes paid to another municipality and an exemption for residents under the age of 18.

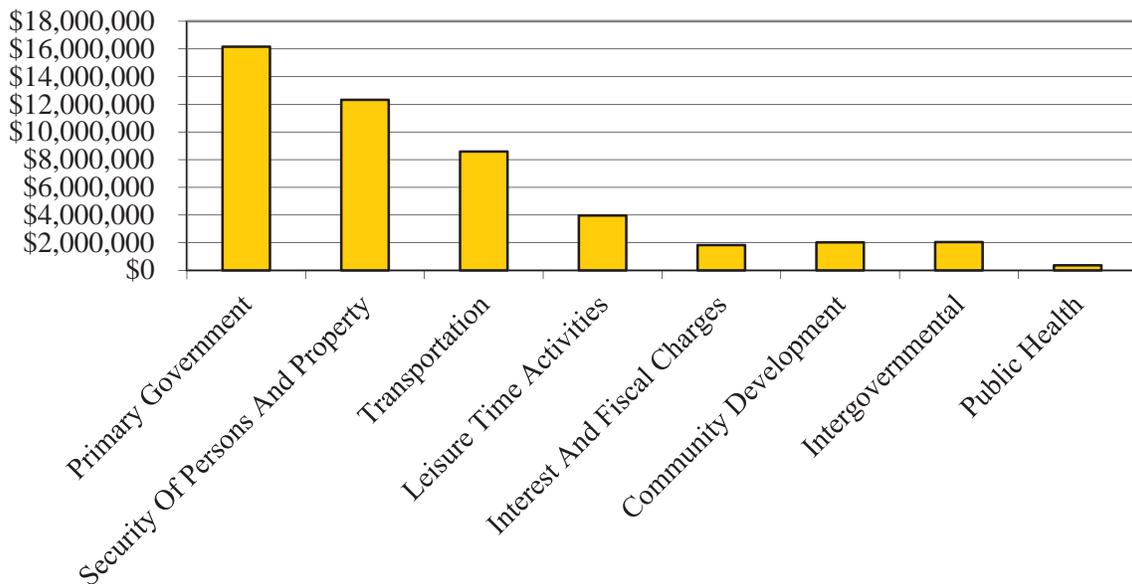
CITY OF GROVE CITY, OHIO
Management's Discussion And Analysis
For The Year Ended December 31, 2016
(Unaudited)

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.

Expenses (Accrual Basis) - Governmental Activities



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When looking at the sources of income to support Governmental Activities, it should be noted that program revenues totaled \$9,332,018. This is an increase of \$1,345,035 due to Charges for Services and Capital Grants, Contributions, and Interest. Charges for services increased due to additional special assessments not related to debt. Capital Grants, Contributions, and Interest increased due to an increase in State funding for the Racetrack and Gantz Road Improvement projects. 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 increased \$4,091,969. This increase is primarily the result of increases in municipal income tax revenue of \$2,093,359. Income taxes increased due to an increase in employer withholding amounts the City received during 2016. There was an increase in expenses of \$6,404,602 primarily due to an increase in general government expenses for increased property maintenance costs in the Town Center, Grant Homestead property and Century Village properties. Security of Persons and Property expenses increased \$1,515,768 mainly due to salary increases.

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.

Net position of Business-Type Activities decreased \$20,601, which is immaterial.

THE CITY'S FUNDS

Information about the City's major Governmental Funds begins on page 20. These funds are reported using the modified accrual basis of accounting. All Governmental Funds had total revenues and other financing sources of \$45,990,218 and \$35,414,823, respectively, and expenditures and other financing uses of \$59,043,030 and \$34,082,156, respectively. Unassigned fund balance equals \$5,557,278. The restricted fund balance of \$15,039,265 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, 2016, decreased \$9,081,038, primarily due to an increase in transfers out to the Capital Improvement Fund.

The Police Pension Fund's balance at December 31, 2016 was \$465,365. Fund balance decreased \$15,543, mainly due to an increase in personal services expenditures.

CITY OF GROVE CITY, OHIO
Management's Discussion And Analysis
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(Unaudited)

The Buckeye Center TIF Fund's balance at December 31, 2016, was \$2,555,240. Fund balance decreased \$744,331 primarily due to the City refunding the 2006 Buckeye Center TIF Revenue Bonds. The payment made to the bond escrow agent to retire the 2006 bonds was greater than the amount of the 2016 refunding bonds issued.

The Debt Service Fund's balance at December 31, 2016, was \$1,249,988. The decrease of \$490,470 was primarily due to debt payments exceeding revenues.

The Pinnacle TIF Fund's balance at December 31, 2016, was \$3,310,787. The increase of \$1,975,338 was mainly due to a decrease in principal payments in 2016.

The Capital Improvement Fund's balance at December 31, 2016, was \$11,579,567. The decrease of \$3,725,224 is primarily due an increase in expenditures towards the new Grove City Library during 2016.

The Water Fund's net position decreased \$188,346, mainly due to current year depreciation of infrastructure assets.

The Sewer Fund's net position increased \$167,745, mainly due to fewer expenses on the sanitary sewer rehab project for 2016.

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. Original and final General Fund budgeted revenues and other financing sources were \$27,540,521. The original budgeted appropriations and other financing uses were \$35,219,099. The final budgeted appropriations and other financing uses were \$44,726,932 resulting in an increase over the original budgeted appropriations and other financing uses of \$9,507,833. The increase in appropriations was primarily supplement appropriations as transfers to the Capital Improvement Fund. Actual revenues and other financing sources exceeded final budgeted revenues and other financing sources by \$2,188,625 due to conservative budgeting and an increase in Municipal Income Tax revenue because employer withholding increased. Actual expenditures were less than final budgeted expenditures by \$1,236,770 because management made a conservative estimate regarding final appropriations. The City's ending General Fund balance was \$3,425,395 above the final budgeted amount.

CITY OF GROVE CITY, OHIO
Management's Discussion And Analysis
For The Year Ended December 31, 2016
(Unaudited)

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Table 3
Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2015	2016	2015	2016	2015	2016
Land	\$51,115,006	\$51,996,027	\$23,000	\$23,000	\$51,138,006	\$52,019,027
Construction In Progress	10,679,831	7,048,504	27,440	506,787	10,707,271	7,555,291
Buildings	2,862,218	8,652,639	641,594	624,829	3,503,812	9,277,468
Improvements Other Than Buildings	2,398,696	2,331,161	276,182	257,691	2,674,878	2,588,852
Machinery And Equipment	1,334,168	1,728,233	16,440	11,829	1,350,608	1,740,062
Furniture And Fixtures	86,799	89,600	0	0	86,799	89,600
Vehicles	1,556,381	1,589,824	9,626	5,776	1,566,007	1,595,600
Computer Equipment	494,669	451,735	0	0	494,669	451,735
Infrastructure	139,894,070	138,851,921	51,523,112	50,981,729	191,417,182	189,833,650
Totals	\$210,421,838	\$212,739,644	\$52,517,394	\$52,411,641	\$262,939,232	\$265,151,285

Governmental capital assets had an increase of \$2,317,806 due to current year additions exceeding current year depreciation. Business-Type capital assets decreased \$105,753 primarily due to the depreciation exceeding current year additions.

See Note 11 of the notes to the basic financial statements for more detailed information.

Debt

At December 31, 2016, the City of Grove City had \$54,469,293 in debt outstanding for Governmental and Business-Type Activities.

Table 4
Outstanding Debt at Year-end

	Governmental Activities		Business-Type Activities	
	2015	2016	2015	2016
General Obligation Bonds	\$28,225,000	\$21,005,000	\$0	\$0
Premium On Bonds	257,319	209,084	0	0
OPWC Loans Payable	4,907,797	4,493,546	281,890	216,801
TIF Revenue Bonds	17,795,000	26,145,000	0	0
Promissory Note	500,000	0	0	0
OWDA Loan Payable	0	0	2,525,444	2,399,862
Total	\$51,685,116	\$51,852,630	\$2,807,334	\$2,616,663

CITY OF GROVE CITY, OHIO
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(Unaudited)

Outstanding governmental debt increased \$167,514 from 2015 due to the issuance of 2016 Pinnacle TIF Refunding Revenue Bonds and the 2016 Stringtown TIF Refunding Revenue Bonds. Business-Type Activities debt decreased \$190,671 from 2015 due to annual debt service payments.

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 Promissory Note will be paid from the Pinnacle 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 \$72,503,568, with an unvoted debt margin of \$28,570,911 at December 31, 2016.

See Note 15 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.

Basic Financial Statements

CITY OF GROVE CITY, OHIO

Statement Of Net Position

December 31, 2016

	Governmental Activities	Business-Type Activities	Total
<u>Assets:</u>			
Equity In Pooled Cash And Cash Equivalents	\$36,865,918	\$3,664,262	\$40,530,180
Cash And Cash Equivalents With Fiscal Agents	174,138	0	174,138
Cash And Cash Equivalents With Escrow Agents	4,003,968	0	4,003,968
Cash And Cash Equivalents With Trustee	1,546	0	1,546
Accrued Interest Receivable	117,019	0	117,019
Accounts Receivable	395,859	207,029	602,888
Municipal Income Taxes Receivable	5,577,117	0	5,577,117
Due From Other Governments	3,281,009	0	3,281,009
Prepaid Items	234,861	0	234,861
Materials And Supplies Inventory	119,943	0	119,943
Other Local Taxes Receivable	205,300	0	205,300
Property Taxes Receivable	2,845,395	0	2,845,395
Revenue In Lieu Of Taxes Receivable	5,187,862	0	5,187,862
Special Assessments Receivable	2,129,555	0	2,129,555
Loans Receivable	350,846	0	350,846
Lease Receivable	11,200,000	0	11,200,000
Land And Construction In Progress	59,044,531	529,787	59,574,318
Depreciable Capital Assets, Net	153,695,113	51,881,854	205,576,967
Total Assets	285,429,980	56,282,932	341,712,912
<u>Deferred Outflows Of Resources:</u>			
Deferred Charge On Refunding	464,397	0	464,397
Pension	7,378,155	105,693	7,483,848
Total Deferred Outflows of Resources	7,842,552	105,693	7,948,245
<u>Liabilities:</u>			
Accounts Payable	979,241	15,007	994,248
Accrued Wages Payable	583,777	14,181	597,958
Contracts Payable	1,744,590	164,035	1,908,625
Retainage Payable	753,412	23,625	777,037
Due To Other Governments	552,250	6,424	558,674
Accrued Interest Payable	290,842	0	290,842
Claims Payable	14,420	0	14,420
Unearned Revenue	3,450,648	0	3,450,648
Long-Term Liabilities:			
Due Within One Year	3,154,321	193,872	3,348,193
Due In More Than One Year:			
Net Pension Liability (See Note 12)	25,373,558	255,699	25,629,257
Other Amounts	50,562,197	2,485,767	53,047,964
Total Liabilities	87,459,256	3,158,610	90,617,866
<u>Deferred Inflows Of Resources:</u>			
Property Taxes	2,730,849	0	2,730,849
Revenue In Lieu Of Taxes	5,187,862	0	5,187,862
Pension	312,208	4,940	317,148
Total Deferred Inflows Of Resources	8,230,919	4,940	8,235,859
<u>Net Position:</u>			
Net Investment In Capital Assets	172,924,846	49,794,978	222,719,824
Restricted For:			
Debt Service	7,353,762	0	7,353,762
Transportation	2,883,823	0	2,883,823
Security Of Persons And Property	1,104,428	0	1,104,428
Capital Outlay	2,541,629	0	2,541,629
Other Purposes	105,768	0	105,768
Economic Development	6,561,920	0	6,561,920
Unrestricted	4,106,181	3,430,097	7,536,278
Total Net Position	\$197,582,357	\$53,225,075	\$250,807,432

See Accompanying Notes To The Basic Financial Statements

CITY OF GROVE CITY, OHIO

Statement Of Activities

For The Year Ended December 31, 2016

	<i>Expenses</i>	<i>Program Revenues</i>		
		<i>Charges For Services</i>	<i>Operating Grants, Contributions And Interest</i>	<i>Capital Grants, Contributions And Interest</i>
<u>Governmental Activities:</u>				
Security Of Persons And Property	\$12,313,322	\$311,576	\$219,499	\$0
Public Health	364,968	23,732	0	0
Leisure Time Activities	3,964,411	1,655,559	7,913	0
Community Development	2,014,290	2,339,184	5,680	1,315,416
Transportation	8,581,839	0	1,921,108	1,483,280
General Government:				
Primary Government	16,154,050	19,963	29,108	0
Intergovernmental	2,041,575	0	0	0
Interest And Fiscal Charges	1,826,381	0	0	0
<i>Total Governmental Activities</i>	<u>47,260,836</u>	<u>4,350,014</u>	<u>2,183,308</u>	<u>2,798,696</u>
<u>Business-Type Activities:</u>				
Water	1,060,606	619,476	0	125,996
Sewer	1,719,511	1,223,163	0	0
<i>Total Business-Type Activities</i>	<u>2,780,117</u>	<u>1,842,639</u>	<u>0</u>	<u>125,996</u>
<i>Total Activities</i>	<u>\$50,040,953</u>	<u>\$6,192,653</u>	<u>\$2,183,308</u>	<u>\$2,924,692</u>

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

Total General Revenues

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

<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Total</i>
(\$11,782,247)	\$0	(\$11,782,247)
(341,236)	0	(341,236)
(2,300,939)	0	(2,300,939)
1,645,990	0	1,645,990
(5,177,451)	0	(5,177,451)
(16,104,979)	0	(16,104,979)
(2,041,575)	0	(2,041,575)
(1,826,381)	0	(1,826,381)
(37,928,818)	0	(37,928,818)
0	(315,134)	(315,134)
0	(496,348)	(496,348)
0	(811,482)	(811,482)
(37,928,818)	(811,482)	(38,740,300)
907,759	0	907,759
1,134,794	0	1,134,794
605,221	0	605,221
6,329,917	0	6,329,917
1,126,977	0	1,126,977
24,324,866	0	24,324,866
1,375,475	0	1,375,475
503,172	0	503,172
374,390	0	374,390
36,682,571	0	36,682,571
(790,881)	790,881	0
35,891,690	790,881	36,682,571
(2,037,128)	(20,601)	(2,057,729)
199,619,485	53,245,676	252,865,161
<u>\$197,582,357</u>	<u>\$53,225,075</u>	<u>\$250,807,432</u>

CITY OF GROVE CITY, OHIO

**Balance Sheet
Governmental Funds**

December 31, 2016

	General Fund	Police Pension Fund	Buckeye Center TIF Fund	Debt Service Fund
<u>Assets:</u>				
Equity In Pooled Cash And Cash Equivalents	\$9,918,291	\$663,800	\$2,553,694	\$1,249,988
Cash And Cash Equivalents				
With Fiscal Agents	0	0	0	0
With Escrow Agents	0	0	0	0
Restricted Assets:				
Cash And Cash Equivalents				
With Trustee	0	0	1,546	0
Receivables:				
Property Taxes	975,564	1,219,455	0	650,376
Other Local Taxes	182,836	0	0	0
Revenue In Lieu Of Taxes	0	0	1,158,829	0
Municipal Income Taxes	5,577,117	0	0	0
Accounts	395,859	0	0	0
Special Assessments	0	0	0	2,129,555
Accrued Interest	111,437	0	0	0
Due From Other Governments	1,542,100	68,783	0	45,856
Materials And Supplies Inventory	15,525	0	0	0
Loans Receivable	350,846	0	0	0
Capital Leases Receivable	0	0	0	5,249,352
Prepaid Items	191,504	0	0	0
Total Assets	\$19,261,079	\$1,952,038	\$3,714,069	\$9,325,127
<u>Liabilities:</u>				
Accounts Payable	\$885,436	\$0	\$0	\$0
Contracts Payable	2,085	0	0	0
Accrued Wages Payable	530,965	0	0	0
Retainage Payable	0	0	0	0
Due To Other Governments	215,701	198,435	0	0
Total Liabilities	1,634,187	198,435	0	0
<u>Deferred Inflows Of Resources:</u>				
Property Taxes	936,291	1,170,364	0	624,194
Revenue In Lieu Of Taxes	0	0	1,158,829	0
Unavailable Revenue	4,222,028	117,874	0	7,450,945
Total Deferred Inflows Of Resources	5,158,319	1,288,238	1,158,829	8,075,139
<u>Fund Balances:</u>				
Nonspendable	537,446	0	0	0
Restricted	0	465,365	2,555,240	1,249,988
Committed	0	0	0	0
Assigned	6,373,849	0	0	0
Unassigned	5,557,278	0	0	0
Total Fund Balances	12,468,573	465,365	2,555,240	1,249,988
Total Liabilities, Deferred Inflows Of Resources And Fund Balances	\$19,261,079	\$1,952,038	\$3,714,069	\$9,325,127

See Accompanying Notes To The Basic Financial Statements

<i>Pinnacle TIF Fund</i>	<i>Capital Improvement Fund</i>	<i>Nonmajor Governmental Funds</i>	<i>Total</i>
\$3,448,688	\$13,409,006	\$5,266,706	\$36,510,173
0	0	174,138	174,138
0	0	4,003,968	4,003,968
0	0	0	1,546
0	0	0	2,845,395
0	0	22,464	205,300
2,800,000	0	1,229,033	5,187,862
0	0	0	5,577,117
0	0	0	395,859
0	0	0	2,129,555
0	0	5,582	117,019
197,061	457,916	969,293	3,281,009
0	0	104,418	119,943
0	0	0	350,846
0	0	0	5,249,352
0	0	0	191,504
<u>\$6,445,749</u>	<u>\$13,866,922</u>	<u>\$11,775,602</u>	<u>\$66,340,586</u>
\$0	\$0	\$93,805	\$979,241
35,626	1,533,943	172,936	1,744,590
0	0	52,812	583,777
0	753,412	0	753,412
102,275	0	35,839	552,250
<u>137,901</u>	<u>2,287,355</u>	<u>355,392</u>	<u>4,613,270</u>
0	0	0	2,730,849
2,800,000	0	1,229,033	5,187,862
197,061	0	813,883	12,801,791
<u>2,997,061</u>	<u>0</u>	<u>2,042,916</u>	<u>20,720,502</u>
0	0	104,418	641,864
3,310,787	0	7,457,885	15,039,265
0	11,579,567	1,814,991	13,394,558
0	0	0	6,373,849
0	0	0	5,557,278
<u>3,310,787</u>	<u>11,579,567</u>	<u>9,377,294</u>	<u>41,006,814</u>
<u>\$6,445,749</u>	<u>\$13,866,922</u>	<u>\$11,775,602</u>	<u>\$66,340,586</u>



City of Grove City, Ohio

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CITY OF GROVE CITY, OHIO

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

December 31, 2016

Total Governmental Fund Balances		\$41,006,814
 <i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>		
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Land	51,996,027	
Construction In Progress	7,048,504	
Other Capital Assets	311,288,335	
Accumulated Depreciation	<u>(157,593,222)</u>	
Total		212,739,644
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.		
		384,682
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	3,109,251	
Delinquent Property Taxes	275,037	
Due From Other Governments	1,545,007	
Special Assessments	2,129,555	
Interest Receivable	101,340	
Lease Receivable	5,249,352	
Accounts Receivables	<u>392,249</u>	
Total		12,801,791
Lease Receivable amounts which are not financial resources and therefore are not reported in the funds:		
Amount to be amortized using interest method	3,450,648	
Offsetting Unearned Revenue	(3,450,648)	
Amount related to property to be received	<u>2,500,000</u>	
Total		2,500,000
Deferred Outflows of Resources represent deferred charges on refundings which do not provide current financial resources and therefore are not reported in the funds.		
		464,397
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	7,378,155	
Deferred Inflows - Pension	(312,208)	
Net Pension Liability	<u>(25,373,558)</u>	
Total		(18,307,611)
In the Statement of Activities interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		
		(290,842)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Premium On Debt Issued	(209,084)	
General Obligation Bonds	(21,005,000)	
OPWC Loans	(4,493,546)	
Revenue Bonds	(26,145,000)	
Compensated Absences Payable	<u>(1,863,888)</u>	
Total		<u>(53,716,518)</u>
<i>Net Position Of Governmental Activities</i>		<u><u>\$197,582,357</u></u>

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, 2016

	General Fund	Police Pension Fund	Buckeye Center TIF Fund	Debt Service Fund
<u>Revenues:</u>				
Property Taxes	\$909,182	\$1,136,574	\$0	\$606,170
Revenue In Lieu Of Taxes	0	0	2,847,003	0
Municipal Income Taxes	23,424,179	0	0	0
Other Local Taxes	747,579	0	0	0
Intergovernmental	2,121,273	137,247	0	121,409
Charges For Services	457,959	0	0	0
Licenses And Permits	1,445,391	0	0	0
Fines And Forfeitures	301,654	0	0	0
Special Assessments	0	0	0	101,995
Interest	289,973	0	2,341	200,579
Rent	0	0	0	99,421
Contributions And Donations	0	0	0	0
Miscellaneous	306,569	0	0	250
Total Revenues	30,003,759	1,273,821	2,849,344	1,129,824
<u>Expenditures:</u>				
Current Operations And Maintenance:				
Security Of Persons And Property	9,416,224	1,289,364	0	0
Public Health	342,711	0	0	0
Leisure Time Activities	1,141,495	0	0	0
Community Development	1,511,930	0	0	0
Transportation	5,591	0	0	0
General Government:				
Primary Government	11,586,456	0	0	27,943
Intergovernmental	0	0	1,729,381	0
Capital Outlay	1,558,453	0	0	0
Debt Service:				
Principal Retirement	0	0	0	901,751
Interest And Fiscal Charges	0	0	469,647	690,600
Total Expenditures	25,562,860	1,289,364	2,199,028	1,620,294
Excess Of Revenues Over (Under) Expenditures	4,440,899	(15,543)	650,316	(490,470)
<u>Other Financing Sources (Uses):</u>				
Proceeds From Sale Of Capital Assets	71,464	0	0	0
Refunding Bonds Issued	179,390	0	11,990,000	0
Insurance Recoveries	26,165	0	0	0
Payment To Refunded Bond Escrow Agent	0	0	(13,384,647)	0
Transfers - In	0	0	0	0
Transfers - Out	(13,798,956)	0	0	0
Total Other Financing Sources (Uses)	(13,521,937)	0	(1,394,647)	0
Net Change In Fund Balances	(9,081,038)	(15,543)	(744,331)	(490,470)
Fund Balances At Beginning Of Year	21,549,611	480,908	3,299,571	1,740,458
Fund Balances At End Of Year	\$12,468,573	\$465,365	\$2,555,240	\$1,249,988

See Accompanying Notes To The Basic Financial Statements

<i>Pinnacle TIF Fund</i>	<i>Capital Improvement Fund</i>	<i>Nonmajor Governmental Funds</i>	<i>Total</i>
\$0	\$0	\$0	\$2,651,926
2,601,725	0	881,189	6,329,917
0	0	0	23,424,179
0	0	379,398	1,126,977
350,445	1,254,177	2,108,823	6,093,374
0	0	1,429,765	1,887,724
0	0	242,148	1,687,539
0	0	23,110	324,764
0	0	0	101,995
0	16,475	16,718	526,086
0	0	76,812	176,233
0	1,271,951	13,163	1,285,114
0	0	67,571	374,390
<u>2,952,170</u>	<u>2,542,603</u>	<u>5,238,697</u>	<u>45,990,218</u>
0	0	34,901	10,740,489
0	0	22,257	364,968
0	0	1,583,878	2,725,373
0	0	406,703	1,918,633
0	278,681	1,678,274	1,962,546
3,382	3,832	350,327	11,971,940
312,194	0	0	2,041,575
35,626	21,901,642	610,485	24,106,206
500,000	0	102,500	1,504,251
225,315	0	321,487	1,707,049
<u>1,076,517</u>	<u>22,184,155</u>	<u>5,110,812</u>	<u>59,043,030</u>
<u>1,875,653</u>	<u>(19,641,552)</u>	<u>127,885</u>	<u>(13,052,812)</u>
0	0	0	71,464
6,865,000	2,350,610	0	21,385,000
0	0	0	26,165
(6,765,315)	0	0	(20,149,962)
0	13,698,956	233,238	13,932,194
0	(133,238)	0	(13,932,194)
<u>99,685</u>	<u>15,916,328</u>	<u>233,238</u>	<u>1,332,667</u>
1,975,338	(3,725,224)	361,123	(11,720,145)
<u>1,335,449</u>	<u>15,304,791</u>	<u>9,016,171</u>	<u>52,726,959</u>
<u>\$3,310,787</u>	<u>\$11,579,567</u>	<u>\$9,377,294</u>	<u>\$41,006,814</u>

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, 2016

Net Change In Fund Balances - Total Governmental Funds		(\$11,720,145)
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
In the current period, these amounts are:		
Capital Asset additions	2,867,160	
Construction in progress additions	20,422,758	
Depreciation	<u>(10,084,583)</u>	
Excess of Capital Outlay Over Depreciation Expense		13,205,335
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	(71,464)	
Loss On Disposal Of Capital Assets	(150,246)	
Insurance Recoveries	<u>(26,165)</u>	
Total		(247,875)
Assets Transferred From Governmental Activities To Enterprise Funds		(790,881)
Payment received subject to direct financing lease which are recorded as revenues in the governmental funds.		(2,099,421)
Some revenues that will not be collected for several months after the City's year-end are not considered "available" revenues and are therefore recorded as deferred inflows of resources in the governmental funds. Deferred inflows of resources changed by these amounts this year:		
Municipal Income Taxes	900,687	
Property Taxes	(4,152)	
Intergovernmental	(36,157)	
Special Assessments	(101,995)	
Charges for Services	366,400	
Fines And Forfeitures	6,775	
Interest	<u>(7,766)</u>	
Total		1,123,792
Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.		1,972,375
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.		67,147
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		(3,558,023)
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	590,000	
Ohio Public Works Commission Loans Payments	414,251	
Promissory Note	500,000	
Payment to refunded bond escrow agent	<u>20,149,962</u>	
Total		21,654,213
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.		
TIF Revenue Bonds		(21,385,000)
Amortization of bond premiums and 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	9,378	
Amortization Of Deferred Charge On Refunding	(7,321)	
Net Increase In Accrued Interest	<u>(121,389)</u>	
Total		(119,332)
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.		
Increase In Compensated Absences		<u>(139,313)</u>
<i>Change In Net Position Of Governmental Activities</i>		<u><u>(\$2,037,128)</u></u>

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, 2016

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>				
Property Taxes	\$918,739	\$918,739	\$909,182	(\$9,557)
Municipal Income Taxes	22,577,798	22,577,798	23,536,929	959,131
Other Local Taxes	650,000	650,000	752,702	102,702
Intergovernmental	1,001,484	1,001,484	1,225,942	224,458
Charges For Services	283,500	283,500	457,959	174,459
Licenses And Permits	1,234,500	1,234,500	1,445,391	210,891
Fines And Forfeitures	340,000	340,000	301,844	(38,156)
Interest	407,500	407,500	495,129	87,629
Miscellaneous	77,000	77,000	327,049	250,049
Total Revenues	27,490,521	27,490,521	29,452,127	1,961,606
<u>Expenditures:</u>				
Current Operations And Maintenance:				
Security Of Persons And Property	10,027,719	10,088,350	9,508,514	579,836
Public Health	370,692	370,692	359,375	11,317
Leisure Time Activities	1,268,327	1,221,848	1,154,509	67,339
Community Development	3,296,972	3,277,972	3,161,506	116,466
General Government	12,883,353	13,473,849	13,034,552	439,297
Capital Outlay	2,457,431	2,494,516	2,472,001	22,515
Total Expenditures	30,304,494	30,927,227	29,690,457	1,236,770
Excess Of Revenues Under Expenditures	<u>(2,813,973)</u>	<u>(3,436,706)</u>	<u>(238,330)</u>	<u>3,198,376</u>
<u>Other Financing Sources (Uses):</u>				
Proceeds From Sale Of Capital Assets	50,000	50,000	71,464	21,464
Refunding Bonds Issued	0	0	179,390	179,390
Insurance Recoveries	0	0	26,165	26,165
Refund Of Prior Year Receipts	(5,000)	(749)	(749)	0
Transfers - Out	<u>(4,909,605)</u>	<u>(13,798,956)</u>	<u>(13,798,956)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(4,864,605)</u>	<u>(13,749,705)</u>	<u>(13,522,686)</u>	<u>227,019</u>
Net Change In Fund Balance	(7,678,578)	(17,186,411)	(13,761,016)	3,425,395
Fund Balance At Beginning Of Year	15,530,966	15,530,966	15,530,966	0
Prior Year Encumbrances	<u>3,823,750</u>	<u>3,823,750</u>	<u>3,823,750</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$11,676,138</u>	<u>\$2,168,305</u>	<u>\$5,593,700</u>	<u>\$3,425,395</u>

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, 2016

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>				
Property Taxes	\$1,148,425	\$1,148,425	\$1,136,574	(\$11,851)
Intergovernmental	150,500	150,500	137,247	(13,253)
<i>Total Revenues</i>	1,298,925	1,298,925	1,273,821	(25,104)
<u>Expenditures:</u>				
Current Operations And Maintenance:				
Security Of Persons And Property	1,309,050	1,337,452	1,226,487	110,965
Net Change In Fund Balance	(10,125)	(38,527)	47,334	85,861
Fund Balance At Beginning Of Year	616,466	616,466	616,466	0
<i>Fund Balance At End Of Year</i>	<u>\$606,341</u>	<u>\$577,939</u>	<u>\$663,800</u>	<u>\$85,861</u>

See Accompanying Notes To The Basic Financial Statements

CITY OF GROVE CITY, OHIO

Buckeye Center TIF 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, 2016

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>				
Revenue In Lieu Of Taxes	\$3,000,000	\$2,772,063	\$2,847,003	\$74,940
Interest	0	0	19,402	19,402
<i>Total Revenues</i>	<u>3,000,000</u>	<u>2,772,063</u>	<u>2,866,405</u>	<u>94,342</u>
<u>Expenditures:</u>				
Current Operations And Maintenance:				
General Government	1,554,780	1,754,849	1,729,881	24,968
Debt Services:				
Interest and Fiscal Charges	699,294	824,794	469,647	355,147
<i>Total Expenditures</i>	<u>2,254,074</u>	<u>2,579,643</u>	<u>2,199,528</u>	<u>380,115</u>
Excess of Revenues Over Expenditures	<u>745,926</u>	<u>192,420</u>	<u>666,877</u>	<u>474,457</u>
<u>Other Financing Sources (Uses):</u>				
Payment to Refunded Bond Escrow Agent	(535,000)	(13,432,675)	(13,384,647)	48,028
Refunding Bonds Issued	0	11,990,000	11,990,000	0
Transfers - In	0	1,237,937	0	(1,237,937)
<i>Total Other Financing Sources (Uses)</i>	<u>(535,000)</u>	<u>(204,738)</u>	<u>(1,394,647)</u>	<u>(1,189,909)</u>
Net Change In Fund Balance	<u>210,926</u>	<u>(12,318)</u>	<u>(727,770)</u>	<u>(715,452)</u>
Fund Balance At Beginning Of Year	3,280,811	3,280,811	3,280,811	0
Prior Year Encumbrances	150	150	150	0
<i>Fund Balance At End Of Year</i>	<u><u>\$3,491,887</u></u>	<u><u>\$3,268,643</u></u>	<u><u>\$2,553,191</u></u>	<u><u>(\$715,452)</u></u>

CITY OF GROVE CITY, OHIO

**Statement Of Fund Net Position
Proprietary Funds**

December 31, 2016

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>	<u>Governmental Activities Internal Service Fund</u>
<u>Assets:</u>				
<u>Current Assets:</u>				
Equity In Pooled Cash And Cash Equivalents	\$2,558,774	\$1,105,488	\$3,664,262	\$355,745
Accounts Receivable	92,836	114,193	207,029	0
Prepaid Items	0	0	0	43,357
Total Current Assets	2,651,610	1,219,681	3,871,291	399,102
<u>Non-Current Assets:</u>				
Land And Construction In Progress	101,898	427,889	529,787	0
Depreciable Capital Assets, Net	24,947,303	26,934,551	51,881,854	0
Total Non-Current Assets	25,049,201	27,362,440	52,411,641	0
Total Assets	27,700,811	28,582,121	56,282,932	399,102
<u>Deferred Outflows of Resources:</u>				
Pension	0	105,693	105,693	0
<u>Liabilities:</u>				
<u>Current Liabilities:</u>				
Accounts Payable	0	15,007	15,007	0
Contracts Payable	78,981	85,054	164,035	0
Accrued Wages Payable	0	14,181	14,181	0
Compensated Absences Payable	0	22,686	22,686	0
Retainage Payable	0	23,625	23,625	0
Due To Other Governments	0	6,424	6,424	0
Claims Payable	0	0	0	14,420
OPWC Loans Payable	0	40,817	40,817	0
OWDA Loans Payable	130,369	0	130,369	0
Total Current Liabilities	209,350	207,794	417,144	14,420
<u>Long-Term Liabilities (Net Of Current Portion):</u>				
Compensated Absences Payable	0	40,290	40,290	0
OPWC Loans Payable	0	175,984	175,984	0
OWDA Loans Payable	2,269,493	0	2,269,493	0
Net Pension Liability	0	255,699	255,699	0
Total Long-Term Liabilities	2,269,493	471,973	2,741,466	0
Total Liabilities	2,478,843	679,767	3,158,610	14,420
<u>Deferred Inflows of Resources:</u>				
Pension	0	4,940	4,940	0
<u>Net Position:</u>				
Net Investment In Capital Assets	22,649,339	27,145,639	49,794,978	0
Unrestricted	2,572,629	857,468	3,430,097	384,682
Total Net Position	\$25,221,968	\$28,003,107	\$53,225,075	\$384,682

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, 2016

	Water Fund	Sewer Fund	Total	Governmental Activities Internal Service Fund
<u>Operating Revenues:</u>				
Charges For Services	\$441,274	\$522,211	\$963,485	\$250,000
Tap-In Fees	178,202	700,952	879,154	0
<i>Total Operating Revenues</i>	<u>619,476</u>	<u>1,223,163</u>	<u>1,842,639</u>	<u>250,000</u>
<u>Operating Expenses:</u>				
Personal Services	0	526,724	526,724	0
Contractual Services	217,375	341,239	558,614	91,676
Materials And Supplies	0	27,520	27,520	0
Depreciation	744,252	816,317	1,560,569	0
Claims	0	0	0	91,177
<i>Total Operating Expenses</i>	<u>961,627</u>	<u>1,711,800</u>	<u>2,673,427</u>	<u>182,853</u>
Operating Income (Loss)	<u>(342,151)</u>	<u>(488,637)</u>	<u>(830,788)</u>	<u>67,147</u>
<u>Non-Operating Expenses:</u>				
Loss On Disposal Of Capital Assets	(4,779)	0	(4,779)	0
Interest And Fiscal Charges	(94,200)	(7,711)	(101,911)	0
<i>Total Non-Operating Revenues And Expenses</i>	<u>(98,979)</u>	<u>(7,711)</u>	<u>(106,690)</u>	<u>0</u>
Income (Loss) Before Capital Contributions	(441,130)	(496,348)	(937,478)	67,147
Capital Contributions	252,784	664,093	916,877	0
Change In Net Position	(188,346)	167,745	(20,601)	67,147
Net Position At Beginning Of Year	25,410,314	27,835,362	53,245,676	317,535
<i>Net Position At End Of Year</i>	<u>\$25,221,968</u>	<u>\$28,003,107</u>	<u>\$53,225,075</u>	<u>\$384,682</u>

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, 2016

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>	<u>Governmental Activities Internal Service Fund</u>
<u>Increases (Decreases) In Cash And Cash Equivalents:</u>				
Cash Flows From Operating Activities:				
Cash Received From Customers	\$436,689	\$515,154	\$951,843	\$250,000
Cash Payments For Personal Services	0	(497,202)	(497,202)	0
Cash Payments To Suppliers For Goods And Services	(177,774)	(273,874)	(451,648)	(89,475)
Cash Payments For Claims	0	0	0	(76,757)
Tap-In Fees	<u>178,202</u>	<u>700,952</u>	<u>879,154</u>	<u>0</u>
<i>Net Cash Provided By Operating Activities</i>	<u>437,117</u>	<u>445,030</u>	<u>882,147</u>	<u>83,768</u>
Cash Flows From Capital And Related Financing Activities:				
Acquisition Of Capital Assets	(61,458)	(481,260)	(542,718)	0
Principal Paid On OPWC Loans	(6,731)	(58,358)	(65,089)	0
Principal Paid On OWDA Loans	(125,582)	0	(125,582)	0
Interest And Fiscal Charges Paid On OPWC Loans	(101)	(7,711)	(7,812)	0
Interest And Fiscal Charges Paid On OWDA Loans	<u>(94,099)</u>	<u>0</u>	<u>(94,099)</u>	<u>0</u>
<i>Net Cash Used For Capital And Related Financing Activities</i>	<u>(287,971)</u>	<u>(547,329)</u>	<u>(835,300)</u>	<u>0</u>
<i>Net Increase (Decrease) In Cash And Cash Equivalents</i>	149,146	(102,299)	46,847	83,768
Cash And Cash Equivalents At Beginning Of Year	<u>2,409,628</u>	<u>1,207,787</u>	<u>3,617,415</u>	<u>271,977</u>
<i>Cash And Cash Equivalents At End Of Year</i>	<u><u>\$2,558,774</u></u>	<u><u>\$1,105,488</u></u>	<u><u>\$3,664,262</u></u>	<u><u>\$355,745</u></u>

(Continued)

CITY OF GROVE CITY, OHIO

**Statement Of Cash Flows
Proprietary Funds
(Continued)**

For The Year Ended December 31, 2016

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>	<u>Governmental Activities Internal Service Fund</u>
<u>Reconciliation Of Operating Income (Loss) To Net Cash Provided By For Operating Activities:</u>				
Operating Income (Loss)	(\$342,151)	(\$488,637)	(\$830,788)	\$67,147
<u>Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided By Operating Activities:</u>				
Depreciation	744,252	816,317	1,560,569	0
Changes In Assets And Liabilities:				
Increase In Accounts Receivable	(4,585)	(7,057)	(11,642)	0
Decrease In Prepays	0	0	0	2,201
Decrease In Deferred Outflows of Resources - Pension	0	19,548	19,548	0
Increase In Accounts Payable	0	6,969	6,969	0
Increase In Contracts Payable	39,601	76,111	115,712	0
Increase In Accrued Wages Payable	0	2,574	2,574	0
Increase In Compensated Absences Payable	0	10,940	10,940	0
Increase In Due To Other Governments	0	2,231	2,231	0
Increase In Retainage Payable	0	11,613	11,613	0
Increase In Claims Payable	0	0	0	14,420
Decrease in Net Pension Liability	0	(2,633)	(2,633)	0
Decrease in Deferred Inflows of Resources - Pension	0	(2,946)	(2,946)	0
Net Cash Provided By Operating Activities	<u>\$437,117</u>	<u>\$445,030</u>	<u>\$882,147</u>	<u>\$83,768</u>
<u>Noncash Capital Financing Activities:</u>				
Assets Transferred From Governmental Funds	\$126,788	\$664,093	\$790,881	\$0
Service Lines Donated By Developers	125,996	0	125,996	0
Total Noncash Capital Financing Activities	<u>\$252,784</u>	<u>\$664,093</u>	<u>\$916,877</u>	<u>\$0</u>

See Accompanying Notes To The Basic Financial Statements

CITY OF GROVE CITY, OHIO

**Statement Of Fiduciary Assets and Liabilities
Agency Funds**

December 31, 2016

Assets:

Equity In Pooled Cash And Cash Equivalents	\$2,119,564
Other Local Taxes Receivable	<u>22,464</u>

<i>Total Assets</i>	<u><u>\$2,142,028</u></u>
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Liabilities:

Due To Other Governments	\$22,464
Undistributed Assets	420,359
Deposits Held And Due To Others	<u>1,699,205</u>

<i>Total Liabilities</i>	<u><u>\$2,142,028</u></u>
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See Accompanying Notes To The Basic Financial Statements

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

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, public service, street maintenance, parks and recreation, senior services, engineering, and general administrative services. 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 and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City. The City has no component units.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

The City is associated with four organizations, two of which are defined as jointly governed organizations and two as shared risk pools. See Notes 20 and 21. These organizations are as follows:

Jointly Governed Organizations:

Grove City Area Community Improvement Corporation
Mid-Ohio Regional Planning Commission

Shared Risk Pools:

Central Ohio Risk Management Association Self-Insurance Pool, Inc.
Central Ohio Health Care Consortium

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.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(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.

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

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.

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.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

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 nonmajor governmental funds of the City account for grants and other resources whose use is restricted or committed 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 funds 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 Fund - The Internal Service fund accounts 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.

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 five 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, the distribution of hotel/motel tax to the Grove City Area Visitors and Convention Bureau, and income tax revenues collected for Scioto Township JEDD.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

MEASUREMENT FOCUS

Government-Wide Financial Statements

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

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. The governmental fund financial statements therefore include 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 deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

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 for property taxes and Note 9 for revenue in lieu of taxes). 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.

Deferred inflows represent amounts under the 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 and pension reported in the government-wide Statement of Net Position. The deferred outflows of resources related to pension are explained in Note 12. 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.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, revenue in lieu of taxes, pension 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, 2016, but which were levied to finance 2017 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 income taxes, delinquent property taxes, intergovernmental grants, special assessments, charges for services, fines and forfeitures and interest. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 23. Deferred inflows of resources related to pension are reported on the government-wide Statement of Net Position. (See Note 12)

EXPENSES/EXPENDITURES

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

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.

PENSIONS

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

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, except those held with Fiscal Agents and Trustee. 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 has an escrow account to hold monies for the cost of developing and constructing the Grove City Town Center Apartment Project. The balance in this account is presented on the Balance Sheet as "Cash And Cash Equivalents With Escrow Agent". 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 STAROhio, Federal Farm Credit Bank Bonds, Federal Home Loan Bank Bonds, Federal Home Loan Mortgage Corporation Bonds, Federal Home Loan Mortgage Corporation Notes, Federal National Mortgage Association Bonds, and Federal National Mortgage Association Notes. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices.

During 2016, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

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

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 2016 amounted to \$289,973 which includes \$201,546 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.

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.

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, 2016, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/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 acquisition 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 capitalized.

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

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

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:

<u>Description</u>	<u>Governmental And Business-Type Activities Estimated Lives</u>
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.

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 and net pension liability 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 and bonds are recognized as liabilities on the governmental fund financial statements when due.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

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 prepaid items and material and supplies inventory that are not expected to be converted to cash. It also includes the long-term portion of loans receivable.

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).

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. All remaining assigned amounts in the General Fund were established by City Council.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

The Finance Director assigned fund balance to cover a gap between estimated revenue and appropriations in the 2017 appropriated budget.

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 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.

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.

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

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.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

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.

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. Interfund services provided and used are not eliminated in the process of consolidation. 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.

BOND PREMIUM

On the government-wide financial statements, bond premiums 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 are presented as additions to the face amount of bonds payable.

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

Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

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 is deferred and 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 outflows of resources on the Statement of Net Position.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

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 the 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.

CONTRIBUTIONS OF CAPITAL

Contributions of capital arise from outside contributions of capital assets and grants, or outside contributions of resources restricted to capital acquisition and construction or transfers of governmental capital assets financed by governmental funds to enterprise funds.

ESTIMATES

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

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLE

For 2016, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 72, “Fair Value Measurement and Application,” GASB Statement No 73, “Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68,” GASB Statement No. 76, “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments,” GASB Statement No. 77, “Tax Abatement Disclosures”, GASB Statement No. 79, “Certain External Investment Pools and Pool Participants,” and GASB Statement No. 82, “Pension Issues an Amendment of GASB Statements No. 67, No. 68 and No. 73.”

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes for applying fair value to certain investments and disclosures related to all fair value measurements. These changes were incorporated in the City’s 2016 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68. The implementation of this GASB pronouncement did not result in any changes to the City’s financial statements.

GASB Statement No. 76 identifies-in the context of the current governmental financial reporting environment-the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with generally accepted accounting principles (GAAP) and the framework for selecting those principles. The implementation of this GASB pronouncement did not result in any changes to the City’s financial statements.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

GASB Statement No. 77 requires disclosure of information about the nature and magnitude of tax abatements. These changes were incorporated in the City's 2016 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 79 establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. This Statement provides accounting and financial reporting guidance and also establishes additional note disclosure requirements for governments that participate in those pools. The City participates in STAR Ohio which implemented GASB Statement No. 79 for fiscal year 2016. The City incorporated the corresponding GASB 79 guidance into their fiscal year 2016 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 82 improves consistency in the application of pension accounting. These changes were incorporated in the City's fiscal year 2016 financial statements; however, there was no effect on beginning net position/fund balance.

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 and Buckeye Center TIF Special Revenue Funds 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) Investments are reported at fair value (GAAP basis) rather than at cost (budget basis).
- (e) 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.

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 and Buckeye Center TIF Special Revenue Funds are as follows:

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

Net Change In Fund Balance

	<i>General Fund</i>	<i>Police Pension Fund</i>	<i>Buckeye Center TIF Fund</i>
	<u> </u>	<u> </u>	<u> </u>
GAAP Basis	(\$9,081,038)	(\$15,543)	(\$744,331)
<u><i>Increases (Decreases) Due To:</i></u>			
Revenue Accruals	(207,681)	0	17,064
Expenditure Accruals	464,150	62,877	0
Encumbrances Outstanding			
At Year-End (Budget Basis)	(4,591,747)	0	(503)
Change In Fair Value Of Investments - 2015	(127,576)	0	0
Unrecorded Cash - 2015	50,032	0	0
Change In Fair Value Of Investments - 2016	(301,187)	0	0
Unrecorded Cash - 2016	34,031	0	0
Budget Basis	<u>(\$13,761,016)</u>	<u>\$47,334</u>	<u>(\$727,770)</u>

NOTE 5 - DEPOSITS AND INVESTMENTS

The City is a charter City and has adopted an investment policy through City ordinance. The City has elected to follow the provisions of State statute. State statutes classify monies held by the City into three categories, active deposits, inactive deposits, and interim deposits.

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

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

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

Interim monies held by the City may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio and certain limitations of bonds and other obligations of political subdivisions of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

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. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

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.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

INVESTMENTS

Investments are reported at fair value. As of December 31, 2016, the City had the following investments:

<u>Measurement/Investment</u>	<u>Measurement Amount</u>	<u>Maturity</u>	<u>S&P Moody's Ratings</u>	<u>Percent of Total Investments</u>
Net Asset Value Per Share:				
STAROhio	\$3,778,424	Less than one year	AAAm	8.94%
Fair Value - Level Two Inputs:				
Federal Farm Credit Bank Bonds	6,758,246	Less than four years	Aaa	15.98%
Federal Home Loan Bank Bonds	6,881,373	Less than five years	Aaa	16.28%
Federal Home Loan Mortgage Corp Bonds	5,274,990	Less than five years	Aaa	12.48%
Federal Home Loan Mortgage Corp Notes	3,193,022	Less than five years	Aaa	7.54%
Federal National Mortgage Association Bonds	12,218,307	Less than five years	Aaa	28.90%
Federal National Mortgage Association Notes	4,175,166	Less than five years	Aaa	9.88%
Total Fair Value - Level Two Inputs	<u>38,501,104</u>			
Totals	<u>\$42,279,528</u>			

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the City's recurring fair value measurements as of December 31, 2016. The City's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs)

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

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

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's Investment Policy places no limit on the amount the Finance Director may invest with in one issuer. 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 2016 for real and public utility property taxes represents collections of 2015 taxes.

2016 real property taxes were levied after October 1, 2016, on the assessed value as of January 1, 2016, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2016 real property taxes are collected in and intended to finance 2017.

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. 2016 public utility property taxes which became a lien December 31, 2015, are levied after October 1, 2016, and are collected in 2017 with real property taxes.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

The full tax rate for all City operations for the year ended December 31, 2016, was \$3.50 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2016 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	
Residential/Agricultural	\$595,130,710
Commercial/Industrial/Public Utility	262,755,940
Public Utility Personal	20,766,490
Total Property Taxes	<u>\$878,653,140</u>

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, 2016, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2016 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 – TAX ABATEMENTS

As of December 31, 2016, the City provides tax abatements through three programs: The Community Reinvestment Area (CRA) Tax Abatements, Tax Increment Financing (TIF), and Tax Incentive Agreements. The City’s Tax Increment Financings and Tax Incentive agreements did not meet the requirements for GASB 77.

COMMUNITY REINVESTMENT AREA (CRA)

Pursuant to Ohio Revised Code Chapter 5709, the City established four Community Reinvestment Area’s to provide property tax abatements to encourage housing maintenance and economic and community development in areas that have not enjoyed reinvestment by remodeling or new construction. Abatements are obtained by the property owner filing an application with the City. There is a 100 percent exemption on the improvements for a period of 10 years for remodeling and 15 years for new construction. The amount of taxes abated for 2016 was \$132,545.

NOTE 9 - RECEIVABLES

Receivables at December 31, 2016 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

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

be collected in more than one year for the City amount to \$2,129,555. There were no delinquent special assessments at December 31, 2016. 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. \$20,429 of the \$350,846 is expected to be received within the next year.

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

	<u>Amount</u>
<u>Governmental Activities:</u>	
Local Government	\$270,615
Liquor Permits	40,961
Cigarette Tax	1,374
911 Wireless	65,000
Bulletproof Vest Grant	4,785
DUI Taskforce Grant	1,955
JAG Internet Crimes Against Children Grant	512
Ohio Public Works Commission Grant - Gantz Road	457,916
State of Ohio - Racetrack Redevelopment Grant	1,087,382
STOP (Stop Teenage Opportunity to Purchase) Grant	192
DARE Grant	23,150
Ohio Attorney General	13,420
Franklin County Auditor	220
Franklin County Municipal Court	102
Homestead And Rollback	380,933
Gasoline Tax	651,093
Motor Vehicle License Tax	137,909
Permissive Motor Vehicle License Tax	143,490
Total Due From Other Governments	<u>\$3,281,009</u>

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

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

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 the 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.

In 2015, the City created the Lumberyard Tax Increment Financing District for the Lumberyard redevelopment, construction of a multifamily housing complex, and all related site improvements. 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.

NOTE 10 – LEASE RECEIVABLE

During June 2015, the City entered into a lease/purchase agreement with Southwest Public Libraries (the “Library”) for the construction of a new facility. The City agreed to construct the new facility and lease it to the Library for a period not to exceed 30 years. At the end of the lease term, the Library will receive title to the facility. The City is reporting this lease as a direct financing lease. The lease term commenced with the issuance of the occupancy permit in October 2016. The terms of the lease include \$9,000,000 in annual lease payments and \$2,000,000 in up-front payments for the new facility. At December 31, 2016, the up-front payments have been received. In association with the lease commencement, the City will also receive the old Library as consideration for the new facility. Title has not yet been transferred, thus this amount has been included with the lease receivable on the entity-wide statements in the amount of \$2,500,000. This amount is not reported as a receivable on the fund financial statements as it does not represent current financial resources.

The entity-wide statements include the gross investment in the lease as the lease receivable. The difference between the initial gross investment in the lease and the carrying amount of the property

CITY OF GROVE CITY, OHIO

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For The Year Ended December 31, 2016

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subject to the lease of \$3,651,227 is recorded as unearned revenue and is being amortized using the interest method. Governmental funds do not report amortization; therefore, the unearned portion is not included in the receivable reported in the governmental funds. The fund financial statements report a receivable for the present value of the future minimum lease payments of \$5,249,353.

At December 31, 2016, the City's total cost associated with the asset is \$17,202,828. The remaining balance of the library will be donated by the City to the Library once all eligibility requirements are met. The City does not anticipate any amounts being uncollectible. During 2016, the Library paid the City \$300,000 in association with the lease agreement, \$99,421 principal and \$200,579 in interest. The outstanding lease receivable at December 31, 2016 is \$8,700,000. A schedule of the future minimum lease payments are as follows:

<u>Year Ending December 31</u>	<u>Present Value of Minimum Lease Payment</u>	<u>Interest</u>	<u>Minimum Lease Payment</u>
2017	\$103,149	\$196,851	\$300,000
2018	107,017	192,983	300,000
2019	111,031	188,969	300,000
2020	115,194	184,806	300,000
2021	119,514	180,486	300,000
2022-2026	668,254	831,746	1,500,000
2027-2031	803,308	696,692	1,500,000
2032-2036	965,656	534,344	1,500,000
2037-2041	1,160,815	339,185	1,500,000
2042-2045	1,095,415	104,585	1,200,000
Total	<u>\$5,249,353</u>	<u>\$3,450,647</u>	\$8,700,000
Old Library			<u>2,500,000</u>
Lease Receivable			<u>\$11,200,000</u>

NOTE 11 - CAPITAL ASSETS

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

	<u>Balance At 12/31/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance At 12/31/2016</u>
<u>Governmental Activities</u>				
Capital Assets, Not Being Depreciated:				
Land	\$51,115,006	\$881,021	\$0	\$51,996,027
Construction In Progress	10,679,831	20,422,758	(24,054,085)	7,048,504
Total Capital Assets, Not Being Depreciated	<u>\$61,794,837</u>	<u>\$21,303,779</u>	<u>(\$24,054,085)</u>	<u>\$59,044,531</u>

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	<u>Balance At</u> <u>12/31/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance At</u> <u>12/31/2016</u>
Governmental Activities				
Depreciable Capital Assets:				
Buildings	\$6,628,382	\$15,726,256	(\$9,848,773)	\$12,505,865
Improvements Other Than Buildings	5,588,843	128,391	0	5,717,234
Machinery And Equipment	4,395,462	705,965	(11,750)	5,089,677
Furniture And Fixtures	279,653	20,022	0	299,675
Vehicles	3,564,372	385,500	(183,971)	3,765,901
Computer Equipment	2,453,232	86,406	0	2,539,638
Infrastructure:				
Curbs And Gutters	24,584,597	759,938	0	25,344,535
Sidewalks	9,620,710	351,636	0	9,972,346
Streets	188,186,473	4,705,754	(2,400,741)	190,491,486
Storm Sewer Lines	32,527,866	1,051,638	0	33,579,504
Other Infrastructure	20,654,637	1,327,837	0	21,982,474
Total Depreciable Capital Assets	<u>298,484,227</u>	<u>25,249,343</u>	<u>(12,445,235)</u>	<u>311,288,335</u>
Total Capital Assets At Historical Cost	<u>360,279,064</u>	<u>46,553,122</u>	<u>(36,499,320)</u>	<u>370,332,866</u>
Less Accumulated Depreciation:				
Buildings	(3,766,164)	(87,062)	0	(3,853,226)
Improvements Other Than Buildings	(3,190,147)	(195,926)	0	(3,386,073)
Machinery and Equipment	(3,061,294)	(310,921)	10,771	(3,361,444)
Furniture and Fixtures	(192,854)	(17,221)	0	(210,075)
Vehicles	(2,007,991)	(290,453)	122,367	(2,176,077)
Computer Equipment	(1,958,563)	(129,340)	0	(2,087,903)
Infrastructure:				
Curbs And Gutters	(17,763,453)	(1,080,271)	0	(18,843,724)
Sidewalks	(6,074,149)	(511,023)	0	(6,585,172)
Streets	(97,539,385)	(6,150,927)	2,215,449	(101,474,863)
Storm Sewer Lines	(9,848,893)	(652,700)	0	(10,501,593)
Other Infrastructure	(4,454,333)	(658,739)	0	(5,113,072)
Total Accumulated Depreciation	<u>(149,857,226)</u>	<u>(10,084,583)</u> *	<u>2,348,587</u>	<u>(157,593,222)</u>
Depreciable Capital Assets, Net	<u>148,627,001</u>	<u>15,164,760</u>	<u>(10,096,648)</u>	<u>153,695,113</u>
Governmental Activities Capital Assets, Net	<u>\$210,421,838</u>	<u>\$36,468,539</u>	<u>(\$34,150,733)</u>	<u>\$212,739,644</u>

*Depreciation expense was charged to governmental programs as follows:

Security Of Persons And Property	\$290,152
Leisure Time Activities	352,301
Community Development	12,167
Transportation	6,371,383
General Government	3,058,580
Total Depreciation Expense	<u>\$10,084,583</u>

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Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

	<i>Balance At 12/31/2015</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance At 12/31/2016</i>
<u>Business-Type Activities</u>				
Capital Assets, Not Being Depreciated:				
Land	\$23,000	\$0	\$0	\$23,000
Construction In Progress	27,440	506,787	(27,440)	506,787
Total Capital Assets, Not Being Depreciated	50,440	506,787	(27,440)	529,787
Depreciable Capital Assets:				
Buildings	868,211	0	0	868,211
Improvements Other Than Buildings	850,318	0	0	850,318
Machinery And Equipment	129,830	0	0	129,830
Vehicles	99,024	0	0	99,024
Computer Equipment	7,235	0	0	7,235
Infrastructure:				
Water Lines	35,872,560	252,784	(16,478)	36,108,866
Sewer Lines	41,026,303	727,464	0	41,753,767
Total Depreciable Capital Assets	78,853,481	980,248	(16,478)	79,817,251
Less Accumulated Depreciation:				
Buildings	(226,617)	(16,765)	0	(243,382)
Improvements Other Than Buildings	(574,136)	(18,491)	0	(592,627)
Machinery And Equipment	(113,390)	(4,611)	0	(118,001)
Vehicles	(89,398)	(3,850)	0	(93,248)
Computer Equipment	(7,235)	0	0	(7,235)
Infrastructure:				
Water Lines	(11,327,520)	(709,719)	11,699	(12,025,540)
Sewer Lines	(14,048,231)	(807,133)	0	(14,855,364)
Total Accumulated Depreciation	(26,386,527)	(1,560,569)	11,699	(27,935,397)
Depreciable Capital Assets, Net	52,466,954	(580,321)	(4,779)	51,881,854
Business-Type Activities Capital Assets, Net	\$52,517,394	(\$73,534)	(\$32,219)	\$52,411,641

For the year ended December 31, 2016, the City's governmental funds transferred assets to the Water and Sewer Enterprise Funds. The value of the transferred governmental assets to the Water and Sewer Fund was \$126,788 and \$664,093, respectively. Additions to Business-Type capital assets being depreciated include \$125,996 in assets donated by developers.

The \$9,848,773 in deletions to governmental activities buildings represents the asset subject to the direct financing lease.

NOTE 12 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services

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each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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For The Year Ended December 31, 2016

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

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

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

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

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

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

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COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

	<u>State and Local</u>
2016 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2016 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	<u>2.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution to OPERS was \$820,472 for 2016. Of this amount, \$134,673 is reported as an intergovernmental payable.

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

Plan Description - City full-time police participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

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

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

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$1,176,517 for 2016. Of this amount \$193,347 is reported as an intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2015, and was determined by rolling forward the total pension liability as of January 1, 2015, to December 31, 2015. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the

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For The Year Ended December 31, 2016

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contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	
Proportion of the Net Pension Liability:			
Current Measurement Date	0.04920700%	0.26590700%	
Prior Measurement Date	<u>0.04672700%</u>	<u>0.26841950%</u>	
Change in Proportionate Share	<u>0.0024800%</u>	<u>-0.0025125%</u>	
			<u>Total</u>
Proportionate Share of the Net Pension Liability	\$8,523,273	\$17,105,984	\$25,629,257
Pension Expense	\$1,286,074	\$2,310,532	\$3,596,606

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$2,505,310	\$2,784,198	\$5,289,508
Changes in proportion and differences between City contributions and proportionate share of contributions	197,351	0	197,351
City contributions subsequent to the measurement date	<u>820,472</u>	<u>1,176,517</u>	<u>1,996,989</u>
Total Deferred Outflows of Resources	<u>\$3,523,133</u>	<u>\$3,960,715</u>	<u>\$7,483,848</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$164,687	\$48,033	\$212,720
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>0</u>	<u>104,428</u>	<u>104,428</u>
Total Deferred Inflows of Resources	<u>\$164,687</u>	<u>\$152,461</u>	<u>\$317,148</u>

\$1,996,989 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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For The Year Ended December 31, 2016

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Year Ending December 31:	OPERS	OP&F	Total
2017	\$638,994	\$703,779	\$1,342,773
2018	679,054	703,779	1,382,833
2019	652,974	703,779	1,356,753
2020	566,952	544,345	1,111,297
2021	0	(20,121)	(20,121)
2022	0	(3,824)	(3,824)
Total	\$2,537,974	\$2,631,737	\$5,169,711

Actuarial Assumptions – OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2015, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuations are presented below.

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

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

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

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

CITY OF GROVE CITY, OHIO

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For The Year Ended December 31, 2016

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weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.4 percent for 2015.

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

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

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

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

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$13,579,656	\$8,523,273	\$4,258,374

Changes between Measurement Date and Report Date

In October 2016, the OPERS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of December 31, 2016. The most significant change is a reduction in the discount rate from 8.0 percent to 7.5 percent. Although the exact amount of these changes is not known, the impact to the City's net pension liability is expected to be significant.

Actuarial Assumptions – OP&F

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

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

Valuation Date	January 1, 2015
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent, simple

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2015, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 Year Expected Real Rate of Return**</u>	<u>30 Year Expected Real Rate of Return**</u>
Cash and Cash Equivalents	- %	0.00 %	0.00 %
Domestic Equity	16.00	6.50	7.80
Non-US Equity	16.00	6.70	8.00
Core Fixed Income *	20.00	3.50	5.35
Global Inflation Protected Securities*	20.00	3.50	4.73
High Yield	15.00	6.35	7.21
Real Estate	12.00	5.80	7.43
Private Markets	8.00	9.50	10.73
Timber	5.00	6.55	7.35
Master Limited Partnerships	8.00	9.65	10.75
Total	<u>120.00 %</u>		

Note: Assumptions are geometric.

* levered 2x

** Numbers are net of expected inflation

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

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

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

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Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$22,560,501	\$17,105,984	\$12,485,471

NOTE 13 - POST-EMPLOYMENT BENEFITS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description - The 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 maintained two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which funded multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.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 the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

At the beginning of 2016, OPERS maintained three health care trusts. The two cost-sharing, multiple employer trusts, the 401(h) Health Care Trust (401(h) Trust) and the 115 Health Care Trust (115 Trust), worked together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. Each year, the OPERS Board of Trustees determines the portion of the employer contributions rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0 percent for both the Traditional Pension and Combined plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) Trust that provides funding for a Retiree Medical Account (RMA) for Member-Directed Plan members. The employer contribution as a percentage of covered payroll deposited to the RMAs for 2016 was 4.0 percent.

In March 2016, OPERS received two favorable rulings from the IRS allowing OPERS to consolidate all health care assets into the 115 Trust. Transition to the new health care trust structure occurred during 2016. OPERS Combining Statements of Changes in Fiduciary Net Position for the year ended December 31, 2016, will reflect a partial year of activity in the 401(h) Trust and VEBA Trust prior to the termination of these trusts as of end of business day June 30, 2016, and the assets and liabilities, or net position, of these trusts being consolidated into the 115 Trust on July 1, 2016.

Substantially all of the City's contribution allocated to fund postemployment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2016, 2015, and 2014 was \$152,230, \$122,479 and \$ 114,575, respectively. For 2016, 85.26 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2015 and 2014.

OHIO POLICE AND FIRE PENSION FUND

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

OPF provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OPF meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 45.

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

OPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OPF website at

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units. Active members do not make contributions to the OPEB Plan.

OPF maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administered 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 OPF 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 2016, the portion of employer contributions allocated to health care was 0.5 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).

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

The City's contribution to OPF for the years ended December 31, 2016, 2015, and 2014 were \$1,207,478, \$1,172,290, and \$1,154,270, respectively, of which \$32,239, \$30,059, and \$30,952, respectively, was allocated to the healthcare plan. For 2016, 84.22 percent has been contributed for police with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2015 and 2014.

NOTE 14 - 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.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

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 21 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 15 - 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, 2016, was as follows:

<i>Types / Issues</i>	<i>Balance 12/31/15</i>	<i>Issued</i>	<i>Retired</i>	<i>Balance 12/31/16</i>	<i>Due Within One Year</i>
<u>Business-Type Activities</u>					
<u>Ohio Public Works Commission (OPWC) Loans</u>					
1995 - 3.00% Kingston Avenue Reconstruction \$200,624	\$6,731	\$0	\$6,731	\$0	\$0
1995 - 3.50% Grant Run Interceptor Phase II \$537,324	18,739	0	18,739	0	0
1999 - 3.00% Marsh Run Gravity Sewer \$703,276	256,420	0	39,619	216,801	40,817
Total OPWC Loans	281,890	0	65,089	216,801	40,817
<u>Ohio Water Development Authority (OWDA) Loans</u>					
2010 - 3.89% Big Run/Fryer Park Water Storage Tank \$2,600,000	1,955,061	0	98,163	1,856,898	102,018
2011 - 3.37% Haughn Road Water Main \$671,338	570,383	0	27,419	542,964	28,351
Total OWDA Loans	2,525,444	0	125,582	2,399,862	130,369
<u>Other Long-Term Obligations</u>					
Compensated Absences	52,036	35,264	24,324	62,976	22,686
<u>Net Pension Liability</u>					
OPERS	169,074	86,625	0	255,699	0
Total Business-Type Activities	\$3,028,444	\$121,889	\$214,995	\$2,935,338	\$193,872

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

<i>Types / Issues</i>	<i>Balance 12/31/15</i>	<i>Issued</i>	<i>Retired</i>	<i>Balance 12/31/16</i>	<i>Due Within One Year</i>
<u>Governmental Activities</u>					
<u>General Obligation Bonds</u>					
2006 - Pinnacle Club Drive Construction And Improvement Bonds					
Serial Bonds 4.0% - 5.25%					
\$4,225,000	\$2,125,000	\$0	\$2,125,000	\$0	\$0
Term Bonds 4.0%					
\$4,505,000	4,505,000	0	4,505,000	0	0
Premium On Bonds	40,768	0	40,768	0	0
2009 - SR 665 Construction And Improvements Bonds					
Serial Bonds 2.5% - 4.375%					
\$3,155,000	2,085,000	0	205,000	1,880,000	200,000
Term Bonds 4.5% - 5.125%					
\$4,430,000	4,430,000	0	0	4,430,000	0
2012 - 2.75% Various Purpose Refunding Term Bonds					
\$1,395,000	1,080,000	0	85,000	995,000	90,000
2015 - Library Construction Bonds					
Serial Bonds 1.5% - 4.0%					
\$7,425,000	7,425,000	0	300,000	7,125,000	300,000
Term Bonds 3.875%					
\$2,970,000	2,970,000	0	0	2,970,000	0
Term Bonds 4.0%					
\$3,605,000	3,605,000	0	0	3,605,000	0
Premium On Bonds	216,551	0	7,467	209,084	0
Total General Obligation Bonds Payable	28,482,319	0	7,268,235	21,214,084	590,000
<u>Ohio Public Works Commission (OPWC) Loans</u>					
1997 - 0.00% Hoover Road/ SR 665 Realignment					
\$351,546	37,009	0	18,502	18,507	18,507
1998 - 0.00% Haughn Road Widening \$446,773					
	57,286	0	22,911	34,375	22,911
1999 - 0.00% Broadway \$409,887					
	92,230	0	20,494	71,736	20,494
1999 - 0.00% Hoover Road/ Buckeye Ranch/ Orders Road \$518,378					
	\$103,674	\$0	\$25,919	\$77,755	\$25,919

(Continued)

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

<i>Types / Issues</i>	<i>Balance 12/31/15</i>	<i>Issued</i>	<i>Retired</i>	<i>Balance 12/31/16</i>	<i>Due Within One Year</i>
Old Stringtown To					
Sonora Drive \$745,578	\$205,033	\$0	\$37,279	\$167,754	\$37,279
2001 - 0.00% Broadway					
\$456,181	91,837	0	36,737	55,100	36,737
2004 - 0.00% Hoover Road/ Milligan Road To Orders Road					
\$720,000	339,998	0	35,789	304,209	35,789
2005 - 0.00% Demorest Road/ Big Run Road \$543,017					
\$285,083	285,083	0	27,151	257,932	27,151
2005 - 0.00% Stringtown Road/ Interstate 71 To McDowell Road \$1,235,678					
\$462,486	462,486	0	40,216	422,270	40,216
2008 - 0.00% Old Stringtown Road Reconstruction \$678,014					
\$457,657	457,657	0	33,901	423,756	33,901
2009 - 0.00% Grove City Road Reconstruction \$390,000					
\$296,400	296,400	0	15,600	280,800	15,600
2013 - Holton/Hoover Interchange Improvements \$180,632					
\$169,115	169,115	0	7,352	161,763	7,353
2013 - Stringtown Road Reconstruction Reconstruction Phase II					
\$2,494,789	2,309,989	0	92,400	2,217,589	92,400
Total OPWC Loans	4,907,797	0	414,251	4,493,546	414,257
<u>Tax Increment Financing</u>					
<u>Revenue Bonds</u>					
2006 - 5.13% - 5.38% Buckeye Center TIF Revenue Bonds					
\$16,290,000	13,035,000	0	13,035,000	0	0
2015 - 1.3%-4.5% Special Obligation Nontax Revenue Bonds					
Serial Bonds - 1.3%-3.6 % \$1,830,000	1,830,000	0	0	1,830,000	125,000
Term Bonds - 4.0%-4.5% \$2,930,000	2,930,000	0	0	2,930,000	0
2016 - 2.27% Pinnacle TIF Revenue Bonds					
\$6,865,000	0	6,865,000	0	6,865,000	395,000
2016 - 2.27% Stringtown TIF Revenue Bonds					
\$14,520,000	0	14,520,000	0	14,520,000	840,000
Total Tax Increment Financing Revenue Bonds	\$17,795,000	\$21,385,000	\$13,035,000	\$26,145,000	\$1,360,000

(Continued)

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

<i>Types / Issues</i>	<i>Balance 12/31/15</i>	<i>Issued</i>	<i>Retired</i>	<i>Balance 12/31/16</i>	<i>Due Within One Year</i>
Governmental Activities					
Other Long-Term Obligations					
2014 Promissory Note	\$500,000	\$0	\$500,000	\$0	\$0
Compensated Absences	1,724,575	920,528	781,215	1,863,888	790,064
Total Other Long-Term Obligations	2,224,575	920,528	1,281,215	1,863,888	790,064
Net Pension Liability					
OPERS	5,466,725	2,800,849	0	8,267,574	0
OP&F	13,905,249	3,200,735	0	17,105,984	0
Total Net Pension Liability	19,371,974	6,001,584	0	25,373,558	0
Total Governmental Activities	\$72,781,665	\$28,307,112	\$21,998,701	\$79,090,076	\$3,154,321

The City's overall legal debt margin was \$72,503,568, with an unvoted debt margin of \$28,570,911 at December 31, 2016.

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

<i>Year</i>	<i>Governmental Activities</i>			
	<i>General Obligation Bonds</i>			
	<i>Serial Bonds</i>		<i>Term Bonds</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2017	\$500,000	\$321,901	\$90,000	\$505,324
2018	510,000	310,150	90,000	502,848
2019	550,000	296,201	90,000	500,374
2020	555,000	281,513	95,000	497,898
2021	560,000	265,813	100,000	495,286
2022-2026	2,595,000	996,889	1,110,000	2,421,755
2027-2031	2,195,000	555,590	1,695,000	2,102,170
2032-2036	1,540,000	113,489	3,275,000	1,615,705
2037-2041	0	0	3,205,000	839,519
2042-2046	0	0	2,250,000	182,400
Totals	\$9,005,000	\$3,141,546	\$12,000,000	\$9,663,279

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

<i>Year</i>	<i>Governmental Activities</i>		
	<i>OPWC Loans</i>	<i>Revenue Bonds</i>	
	<i>Principal</i>	<i>Principal</i>	<i>Interest</i>
2017	\$414,257	\$1,360,000	\$645,533
2018	365,934	1,375,000	630,725
2019	336,101	1,395,000	600,266
2020	299,935	1,430,000	568,980
2021	271,049	1,465,000	536,591
2022-2026	1,194,785	7,915,000	2,153,692
2027-2031	681,621	8,880,000	1,165,020
2032-2036	545,561	1,180,000	409,287
2037-2041	384,303	1,145,000	130,362
Totals	\$4,493,546	\$26,145,000	\$6,840,456

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

<i>Year</i>	<i>Business-Type Activities</i>			
	<i>Water OWDA Loans</i>		<i>Sewer OPWC Loans</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2017	\$130,369	\$89,312	\$40,817	\$6,200
2018	135,340	84,341	42,051	4,966
2019	140,500	79,181	43,321	3,695
2020	145,858	73,822	44,631	2,386
2021	151,422	68,259	45,981	1,037
2022-2026	848,299	250,106	0	0
2027-2031	848,074	77,062	0	0
Totals	\$2,399,862	\$722,083	\$216,801	\$18,284

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 loans will be repaid from the Water Enterprise Fund.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

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.

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 were refunded in 2016 for \$6,865,000 in Pinnacle tax increment financing term revenue bonds.

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.

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:

<i>Year</i>	<i>Amount</i>
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
	<u>\$4,430,000</u>

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

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

maturity. The redemption date for the bonds is December 1, 2012, and each December 1, thereafter at 100 percent of the principal amount thereof plus accrued interest to date of redemption.

On July 2, 2015, the City issues \$14,000,000 in general obligation bonds for the purpose of building a new library building. Of these bonds, \$7,425,000 are serial bonds and \$6,575,000 are term bonds. The bonds were issued for a 30 year period with final maturity in December 2044. The serial bonds mature from December 1, 2016 to December 1, 2034. The bonds are subject to optional redemption prior to maturity in years 2027-2032.

The \$6,575,000 in term bonds maturing on December 1, 2035 to December 1, 2044 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:

<u>Year</u>	<u>Amount</u>
2035	\$550,000
2036	570,000
2037	595,000
2038	615,000
2039	640,000
2040	665,000
2041	690,000
2042	720,000
2043	750,000
2044	780,000
	<u>\$6,575,000</u>

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 bonds were refunded in 2016 for \$14,520,000 in Stringtown tax increment financing term revenue bonds.

The City has pledged future revenue in lieu of taxes to repay the revenue bonds in the Buckeye Center TIF Special Revenue Fund. The debt is payable solely from revenues and are payable through 2031. Revenue in lieu of taxes were projected to produce 148.36 percent of the debt service requirements over the life of the bonds.

On December 2, 2015, the City issued \$4,760,000 in tax increment financing term revenue bonds for the purpose of paying the costs of providing for the construction of a multifamily housing complex and for providing all related site improvements. The Series 2015 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

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

from revenue in lieu of taxes. The bonds were issued for a 25 year period with final maturity in December 2040.

The City has pledged future revenue in lieu of taxes to repay the revenue bonds in the Lumberyard TIF Special Revenue Fund. The debt is payable solely from revenues and are payable through 2040. The total principal and interest remaining to be paid on the bonds is \$7,544,668.

The term bonds, issued at \$2,930,000, maturing on December 1, 2029 to December 1, 2040 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 2029 through 2040.

<u>Year</u>	<u>Amount</u>
2029	\$195,000
2030	200,000
2031	210,000
2032	220,000
2033	225,000
2034	235,000
2035	245,000
2036	255,000
2037	270,000
2038	280,000
2039	290,000
2040	305,000
	<u>\$2,930,000</u>

On October 26, 2016 the City issued \$6,865,000 in Pinnacle tax increment financing term revenue refunding bonds in the order to take advantage of lower interest rates. These bonds are paid from the Pinnacle TIF Debt Service Fund. As result, the 2006 Pinnacle Club Drive Construction and Improvement Bonds consisting of \$2,125,000 serial bonds and \$4,505,000 term bonds were refunded and the liability has been removed from the City's financial statements. The Series 2016 Pinnacle 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 15 year period with final maturity in October 2031. The City also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$738,372, but incurred an accounting loss of \$96,458 (difference between reacquisition price and net carrying amount of the old debt, which is shown in the following table:

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

Bonds Outstanding at 12/31/15	\$6,630,000
Premium on Bonds at 12/31/15	40,768
Total Refunded Bonds Outstanding at 12/31/15	<u>6,670,768</u>
Payment to Refunded Bond Escrow Agent - Other Financing Uses	(6,765,315)
Amortization of Premium Prior to Refunding	<u>(1,911)</u>
2016 Refunding Bonds Accounting Loss	<u><u>(\$96,458)</u></u>

The City has pledged future revenue in lieu of taxes to repay the revenue bonds in the Pinnacle 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 \$8,171,503.

On October 26, 2016 the City issued \$14,520,000 in Stringtown tax increment financing term revenue refunding bonds in the order to take advantage of lower interest rates. These bonds are paid from the Buckeye Center TIF Special Revenue Fund. As result, the 2006 Buckeye Center TIF Revenue Bonds consisting of \$13,035,000 bonds were refunded and the liability has been removed from the City's financial statements. In addition to refunding the \$13,035,000 Buckeye Center TIF Revenue Bonds the City also received \$2,530,000 for the purpose of road construction. The Series 2016 Stringtown 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 15 year period with final maturity in October 2031. The City also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$3,286,818, but incurred an accounting loss of \$349,647 (difference between reacquisition price and net carrying amount of the old debt, which is shown in the following table:

Bonds Outstanding at 12/31/15	\$13,035,000
Payment to Refunded Bond Escrow Agent - Other Financing Uses	<u>(13,384,647)</u>
2016 Refunding Bonds Accounting Loss	<u><u>(\$349,647)</u></u>

The City has pledged future revenue in lieu of taxes to repay the revenue bonds in the 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 \$17,269,287.

At December 31, 2016, \$2,352,091 of the debt proceeds were unexpended.

PROMISSORY NOTE PAYABLE

The 2014 Pinnacle Promissory Note was issued January 31, 2014. The total amount of the note is \$1,500,000. The note was used for the purchase of the Pinnacle Parkland. The note was paid off during 2016 from the Pinnacle TIF Debt Service Fund.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

COMPENSATED ABSENCES

Compensated absences will be paid from the General, Street Maintenance, General Recreation, Community Development, Big Splash, and Sewer Funds. The City pays obligations related to employee compensation from the fund benefitting from their service. There is no repayment schedule for the net pension liability. However, employer pension contributions are made from the following funds: the General Fund, Street Maintenance, General Recreation, Community Development, Big Splash, and Sewer Funds. See Note 12 for additional information related to the net pension liability.

MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS

The City has one outstanding issue of multifamily housing mortgage revenue bonds in the aggregate principal amount of \$8,735,000 at December 31, 2016 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.

NOTE 16 - SIGNIFICANT COMMITMENTS

CONTRACTUAL COMMITMENTS

The City has entered into various contracts for the construction and acquisition of capital assets. At December 31, 2016, the significant outstanding construction commitments are as follows:

<i>Project</i>	<i>Contract Amount</i>	<i>Amount Expended</i>	<i>Balance At 12/31/16</i>
Town Center Redevelopment, Phase III	\$2,647,428	\$2,357,097	\$290,331
2016 Sanitary Sewer Rehabilitation	394,094	319,193	74,901
2016 Sidewalks	311,012	270,233	40,779
Gantz Road Improvements, Part 1	766,594	702,751	63,843
Beulah Park Race Track Facility Demolition	606,601	512,782	93,819
Traffic Signal Upgrades	42,232	0	42,232
Broadway and Windsor Park Trail Improvement	330,582	271,103	59,479
Grant Homestead Farmhouse Restoration	575,624	195,274	380,350
Library - Miles McClellan Construction	13,499,200	13,348,487	150,713
Library - Braun & Steidl	1,499,207	1,492,980	6,227
Totals	<u>\$20,672,574</u>	<u>\$19,469,900</u>	<u>\$1,202,674</u>

ENCUMBRANCES

Encumbrances are commitments related to unperformed contracts for goods and services. Encumbrances accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

Governmental Funds:	
General Fund	\$4,591,747
Buckeye Center TIF Fund	503
Debt Service Fund	56,700
Pinnacle TIF Fund	216,923
Capital Improvement Fund	12,830,143
Nonmajor Governmental Funds	1,276,440
Total Governmental Funds	<u>18,972,456</u>
Proprietary Funds:	
Water Fund	140,292
Sewer Fund	386,683
Total Proprietary Funds	<u>526,975</u>
Internal Service Fund	<u>43,418</u>
Total	<u>\$19,542,849</u>

NOTE 17 – JOINT ECONOMIC DEVELOPMENT DISTRICT

During 2015, a Joint Economic Development District (JEDD) was created between the City of Grove City, the Village of Commercial Point, and Scioto Township. The JEDD was established for the purpose of facilitating economic development to create jobs and employment opportunities and to improve the economic welfare of the people in the Township, Village, City and State of Ohio.

The JEDD agreement requires that no more than two percent of the income tax collected during the year is designated to be set aside for the purpose of maintaining the areas within the JEDD. The remaining proceeds will be distributed as follows: ten percent is to be distributed to the City's General Fund, 88 percent to be distributed to the Township's General Fund, and the remaining two percent to be distributed to the Village's General Fund.

NOTE 18 - 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, Canal Winchester, and Powell. Each member has two representatives on the Board of Trustees.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(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 \$300,000,000 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 \$25,000 per loss for property and \$750,000 aggregate for liability, with a \$150,000 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 \$14,420 reported in the fund at December 31, 2016. This 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. This estimate was not effected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in claims activity for the year as follows:

	<u>Beginning of Fiscal Year</u>	<u>Current Fiscal Year Claims</u>	<u>Claims Payments</u>	<u>End of Fiscal Year</u>
2015	\$0	\$43,604	\$43,604	\$0
2016	0	91,177	76,757	14,420

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

NOTE 19 - INTERFUND ACTIVITY

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

	<i>Transfers From</i>			
		Capital		
	General Fund	Improvement Fund	Total	
<i>Transfers To</i>	Capital Improvement Fund	\$13,698,956	\$0	\$13,698,956
	Nonmajor Governmental Funds	100,000	133,238	233,238
	Totals	<u>\$13,798,956</u>	<u>\$133,238</u>	<u>\$13,932,194</u>

Transfers from the General Fund represent subsidy monies for operations of the Capital Improvement Capital Projects Fund and the Big Splash Special Revenue Funds. The transfer from the Capital Improvement Fund to a nonmajor fund was for unspent bond proceeds.

NOTE 20 - 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 13 member Board of Trustees, six 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 four are volunteer citizens. The Board exercises total control over the operation of the CIC including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to 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 60 political subdivisions in and around Delaware, Fairfield, Fayette, Franklin, Hocking, Knox, Licking, Logan, Madison, Marion, Morrow, Perry, 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. The Commission exercises total control over the operation of the MORPC including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to representation on the Commission.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

NOTE 21 - 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, Canal Winchester, 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 ten 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, 2013. The Pool is governed by a Board of Directors consisting of one director appointed by each member. The Board elects a chairman, a vice chairman 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 \$200,000 per claim per year, with an unlimited individual lifetime maximum. The aggregate excess loss coverage has been structured to indemnify the Pool for aggregate claims paid in excess of \$13,483,095 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.

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

NOTE 22 - CONTINGENT LIABILITIES

LITIGATION

The City of Grove City is defendant in an ongoing lawsuit pertaining to matters that are incidental to performing routine governmental and other functions. Based on the current status of the legal proceedings, it is the opinion of management that the ultimate resolution of such will not have a material effect on the City's financial statements.

FEDERAL AND STATE GRANTS

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

NOTE 23 – 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:

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

Fund Balances	General Fund	Police Pension Fund	Buckeye Center TIF Fund	Debt Service Fund
<i>Nonspendable</i>				
Materials And Supplies Inventory	\$15,525	\$0	\$0	\$0
Loans Receivable	330,417	0	0	0
Prepays	191,504	0	0	0
<i>Total Nonspendable</i>	537,446	0	0	0
<i>Restricted For</i>				
Police Pension	0	465,365	0	0
Debt Service	0	0	0	1,249,988
Road Maintenance And Repair	0	0	0	0
Police Programs	0	0	0	0
Community Development and Improvements	0	0	2,555,240	0
Recreational Activities	0	0	0	0
<i>Total Restricted</i>	0	465,365	2,555,240	1,249,988
<i>Committed To</i>				
Capital Improvements	0	0	0	0
Recreational Improvements	0	0	0	0
Community Development And Improvements	0	0	0	0
DARE Program	0	0	0	0
Recreational Activities	0	0	0	0
<i>Total Committed</i>	0	0	0	0
<i>Assigned To</i>				
2017 Appropriations	2,592,236	0	0	0
Purchases On Order for:				
Administration	3,194,338	0	0	0
Safety	113,539	0	0	0
Health	15,320	0	0	0
Leisure Time Services	11,666	0	0	0
Economic Development	143,935	0	0	0
Capital	302,815	0	0	0
<i>Total Assigned</i>	6,373,849	0	0	0
<i>Unassigned</i>	5,557,278	0	0	0
<i>Total Fund Balances</i>	\$12,468,573	\$465,365	\$2,555,240	\$1,249,988

(Continued)

CITY OF GROVE CITY, OHIO

Notes To The Basic Financial Statements

For The Year Ended December 31, 2016

(Continued)

Fund Balances	Pinnacle TIF Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total
<i>Nonspendable</i>				
Materials And Supplies Inventory	\$0	\$0	\$104,418	\$119,943
Loans Receivable	0	0	0	330,417
Prepays	0	0	0	191,504
<i>Total Nonspendable</i>	0	0	104,418	641,864
<i>Restricted For</i>				
Police Pension	0	0	0	465,365
Debt Service	3,310,787	0	858,633	5,419,408
Road Maintenance And Repair	0	0	1,990,039	1,990,039
Police Programs	0	0	563,705	563,705
Community Development and Improvements	0	0	4,006,680	6,561,920
Recreational Activities	0	0	38,828	38,828
<i>Total Restricted</i>	3,310,787	0	7,457,885	15,039,265
<i>Committed To</i>				
Capital Improvements	0	11,579,567	0	11,579,567
Recreational Improvements	0	0	533,637	533,637
Community Development And Improvements	0	0	583,340	583,340
DARE Program	0	0	13,793	13,793
Recreational Activities	0	0	684,221	684,221
<i>Total Committed</i>	0	11,579,567	1,814,991	13,394,558
<i>Assigned To</i>				
2017 Appropriations	0	0	0	2,592,236
Purchases On Order for:				
Administration	0	0	0	3,194,338
Safety	0	0	0	113,539
Health	0	0	0	15,320
Leisure Time Services	0	0	0	11,666
Economic Development	0	0	0	143,935
Capital	0	0	0	302,815
<i>Total Assigned</i>	0	0	0	6,373,849
<i>Unassigned</i>	0	0	0	5,557,278
<i>Total Fund Balances</i>	\$3,310,787	\$11,579,567	\$9,377,294	\$41,006,814



City of Grove City, Ohio

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GROVE CITY, OHIO
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Three Years (1)

	2016	2015	2014
City's Proportion of the Net Pension Liability	0.04920700%	0.04672700%	0.04672700%
City's Proportionate Share of the Net Pension Liability	\$8,523,273	\$5,635,799	\$5,508,505
City's Covered-Employee Payroll	\$6,123,958	\$5,728,742	\$5,256,286
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	139.18%	98.38%	104.80%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.08%	86.45%	86.36%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year

Amounts presented as of the City's measurement date which is the prior year end.

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

	2016	2015	2014
City's Proportion of the Net Pension Liability	0.26590700%	0.26841950%	0.26841950%
City's Proportionate Share of the Net Pension Liability	\$17,105,984	\$13,905,249	\$13,072,872
City's Covered-Employee Payroll	\$6,011,744	\$5,912,200	\$6,408,672
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	284.54%	235.20%	203.99%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.77%	71.71%	73.00%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year

Amounts presented as of the City's measurement date which is the prior year end.

CITY OF GROVE CITY, OHIO
Required Supplementary Information
Schedule of City Contributions
Ohio Public Employees Retirement System - Traditional Plan
Last Four Years (1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$820,472	\$734,875	\$687,449	\$683,317
Contributions in Relation to the Contractually Required Contribution	<u>(820,472)</u>	<u>(734,875)</u>	<u>(687,449)</u>	<u>(683,317)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered-Employee Payroll	\$6,837,267	\$6,123,958	\$5,728,742	\$5,256,286
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.00%	12.00%	13.00%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2013 is not available. An additional column will be added each year



City of Grove City, Ohio

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CITY OF GROVE CITY, OHIO
Required Supplementary Information
Schedule of City Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$1,176,517	\$1,142,231	\$1,123,318	\$1,017,915
Contributions in Relation to the Contractually Required Contribution	<u>(1,176,517)</u>	<u>(1,142,231)</u>	<u>(1,123,318)</u>	<u>(1,017,915)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered-Employee Payroll	\$6,192,195	\$6,011,744	\$5,912,200	\$6,408,672
Contributions as a Percentage of Covered-Employee Payroll:	19.00%	19.00%	19.00%	15.88%

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$716,999	\$697,205	\$514,880	\$666,030	\$634,031	\$647,020
<u>(716,999)</u>	<u>(697,205)</u>	<u>(514,880)</u>	<u>(666,030)</u>	<u>(634,031)</u>	<u>(647,020)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$5,623,522	\$5,468,275	\$4,038,275	\$5,223,765	\$4,972,792	\$5,074,667
12.75%	12.75%	12.75%	12.75%	12.75%	12.75%

COMBINING FINANCIAL STATEMENTS
AND
INDIVIDUAL FUND SCHEDULES

CITY OF GROVE CITY, OHIO

Nonmajor Fund Descriptions

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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.

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)

CITY OF GROVE CITY, OHIO

***Nonmajor Fund Descriptions
(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.

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.

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.

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.

Lumberyard TIF Fund

The Lumberyard TIF Fund accounts for and reports restricted resources that are restricted for economic development.

(Continued)

CITY OF GROVE CITY, OHIO

***Nonmajor Fund Descriptions
(Continued)***

DEBT SERVICE FUND

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

Nonmajor Debt Service Fund

SR 665/I71 Municipal 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 FUND

Capital Projects Funds are established to account for and report 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.

INTERNAL SERVICE FUND

To account for and report the financing of goods and services provided by one department to other departments within the City.

Workers' Compensation Self-Insurance Fund

The Workers' Compensation Self-Insurance Fund accounts for and reports the assets set aside for claims settlements and related liabilities associated with the City's workers' compensation self-insurance program.

CITY OF GROVE CITY, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds**

December 31, 2016

	<i>Nonmajor Special Revenue Funds</i>	<i>Nonmajor Debt Service Fund</i>	<i>Nonmajor Capital Projects Fund</i>	<i>Total Nonmajor Governmental Funds</i>
<u>Assets:</u>				
Equity In Pooled Cash And Cash Equivalents	\$3,764,239	\$858,633	\$643,834	\$5,266,706
Cash And Cash Equivalents With Fiscal Agents	4,178,106	0	0	4,178,106
Receivables:				
Other Local Taxes	22,464	0	0	22,464
Revenue In Lieu Of Taxes	615,000	614,033	0	1,229,033
Accrued Interest	5,582	0	0	5,582
Due From Other Governments	969,293	0	0	969,293
Materials And Supplies Inventory	104,418	0	0	104,418
<i>Total Assets</i>	<u>\$9,659,102</u>	<u>\$1,472,666</u>	<u>\$643,834</u>	<u>\$11,775,602</u>
<u>Liabilities:</u>				
Accounts Payable	\$93,805	\$0	\$0	\$93,805
Contracts Payable	62,739	0	110,197	172,936
Accrued Wages Payable	52,812	0	0	52,812
Due To Other Governments	35,839	0	0	35,839
<i>Total Liabilities</i>	<u>245,195</u>	<u>0</u>	<u>110,197</u>	<u>355,392</u>
<u>Deferred Inflows Of Resources:</u>				
Revenue In Lieu Of Taxes	615,000	614,033	0	1,229,033
Unavailable Revenue	813,883	0	0	813,883
<i>Total Deferred Inflows Of Resources</i>	<u>1,428,883</u>	<u>614,033</u>	<u>0</u>	<u>2,042,916</u>
<u>Fund Balances:</u>				
Nonspendable	104,418	0	0	104,418
Restricted	6,599,252	858,633	0	7,457,885
Committed	1,281,354	0	533,637	1,814,991
<i>Total Fund Balances</i>	<u>7,985,024</u>	<u>858,633</u>	<u>533,637</u>	<u>9,377,294</u>
<i>Total Liabilities, Deferred Inflows Of Resources And Fund Balances</i>	<u>\$9,659,102</u>	<u>\$1,472,666</u>	<u>\$643,834</u>	<u>\$11,775,602</u>

CITY OF GROVE CITY, OHIO

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

For The Year Ended December 31, 2016

	<i>Nonmajor Special Revenue Funds</i>	<i>Nonmajor Debt Service Fund</i>	<i>Nonmajor Capital Projects Fund</i>	<i>Total Nonmajor Governmental Funds</i>
<u>Revenues:</u>				
Revenue In Lieu Of Taxes	\$257,339	\$623,850	\$0	\$881,189
Other Local Taxes	379,398	0	0	379,398
Intergovernmental	2,108,823	0	0	2,108,823
Charges For Services	1,429,765	0	0	1,429,765
Licenses And Permits	43,787	0	198,361	242,148
Fines And Forfeitures	23,110	0	0	23,110
Interest	16,718	0	0	16,718
Rent	76,812	0	0	76,812
Contributions And Donations	7,470	0	5,693	13,163
Miscellaneous	67,571	0	0	67,571
<i>Total Revenues</i>	<u>4,410,793</u>	<u>623,850</u>	<u>204,054</u>	<u>5,238,697</u>
<u>Expenditures:</u>				
Current Operations And Maintenance:				
Security Of Persons And Property	34,901	0	0	34,901
Public Health	22,257	0	0	22,257
Leisure Time Activities	1,573,691	0	10,187	1,583,878
Community Development	406,703	0	0	406,703
Transportation	1,678,274	0	0	1,678,274
General Government:				
Primary Government	320,094	30,233	0	350,327
Capital Outlay	342,111	0	268,374	610,485
Debt Service:				
Principal Retirement	0	102,500	0	102,500
Interest And Fiscal Charges	168,800	152,687	0	321,487
<i>Total Expenditures</i>	<u>4,546,831</u>	<u>285,420</u>	<u>278,561</u>	<u>5,110,812</u>
Excess Of Revenues Over (Under) Expenditures	(136,038)	338,430	(74,507)	127,885
<u>Other Financing Sources:</u>				
Transfers - In	100,000	133,238	0	233,238
Excess Of Revenues And Other Financing Net Change In Fund Balances	(36,038)	471,668	(74,507)	361,123
Fund Balances At Beginning Of Year	8,021,062	386,965	608,144	9,016,171
<i>Fund Balances At End Of Year</i>	<u>\$7,985,024</u>	<u>\$858,633</u>	<u>\$533,637</u>	<u>\$9,377,294</u>

CITY OF GROVE CITY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds**

December 31, 2016

	<i>Street Maintenance Fund</i>	<i>State Highway Fund</i>	<i>General Recreation Fund</i>	<i>City Permissive MVL Fund</i>
<u>Assets:</u>				
Equity In Pooled Cash And Cash Equivalents	\$605,048	\$484,201	\$721,056	\$526,701
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
Accrued Interest	1,428	1,252	0	1,182
Due From Other Governments	729,826	59,176	0	96,138
Materials And Supplies Inventory	1,323	103,095	0	0
<i>Total Assets</i>	<u>\$1,337,625</u>	<u>\$647,724</u>	<u>\$721,056</u>	<u>\$624,021</u>
<u>Liabilities:</u>				
Accounts Payable	\$51,014	\$12,251	\$22,986	\$0
Contracts Payable	24,306	0	0	38,433
Accrued Wages Payable	29,472	0	16,981	0
Due To Other Governments	18,334	0	14,580	0
<i>Total Liabilities</i>	<u>123,126</u>	<u>12,251</u>	<u>54,547</u>	<u>38,433</u>
<u>Deferred Inflows Of Resources:</u>				
Revenue In Lieu Of Taxes	0	0	0	0
Unavailable Revenue	617,047	51,015	0	81,375
<i>Total Deferred Inflows Of Resources</i>	<u>617,047</u>	<u>51,015</u>	<u>0</u>	<u>81,375</u>
<u>Fund Balances:</u>				
Nonspendable	1,323	103,095	0	0
Restricted	596,129	481,363	0	504,213
Committed	0	0	666,509	0
<i>Total Fund Balances</i>	<u>597,452</u>	<u>584,458</u>	<u>666,509</u>	<u>504,213</u>
<i>Total Liabilities, Deferred Inflows Of Resources And Fund Balances</i>	<u>\$1,337,625</u>	<u>\$647,724</u>	<u>\$721,056</u>	<u>\$624,021</u>

<i>County Permissive MVL Fund</i>	<i>Senior Nutrition Fund</i>	<i>Drug Law Enforcement Fund</i>	<i>DARE Program Fund</i>	<i>Community Development Fund</i>	<i>Community Environment Fund</i>
\$226,351	\$4,921	\$463,465	\$13,793	\$322,307	\$251,880
174,138	0	0	0	0	0
0	0	0	0	22,464	0
0	0	0	0	0	0
515	0	1,205	0	0	0
47,352	0	0	0	0	0
0	0	0	0	0	0
<u>\$448,356</u>	<u>\$4,921</u>	<u>\$464,670</u>	<u>\$13,793</u>	<u>\$344,771</u>	<u>\$251,880</u>
\$0	\$0	\$0	\$0	\$7,173	\$79
0	0	0	0	0	0
0	0	0	0	4,748	0
0	0	0	0	1,311	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13,232</u>	<u>79</u>
0	0	0	0	0	0
40,022	0	1,043	0	0	0
<u>40,022</u>	<u>0</u>	<u>1,043</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
408,334	0	463,627	0	0	0
0	4,921	0	13,793	331,539	251,801
<u>408,334</u>	<u>4,921</u>	<u>463,627</u>	<u>13,793</u>	<u>331,539</u>	<u>251,801</u>
<u>\$448,356</u>	<u>\$4,921</u>	<u>\$464,670</u>	<u>\$13,793</u>	<u>\$344,771</u>	<u>\$251,880</u>

(Continued)

CITY OF GROVE CITY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
(Continued)
December 31, 2016**

	Law Enforcement Assistance Fund	Enforcement And Education Fund	Mayor's Court Computer Fund
<u>Assets:</u>			
Equity In Pooled Cash And Cash Equivalents	\$9,722	\$33,377	\$43,861
Cash And Cash Equivalents			
With Fiscal Agents	0	0	0
Receivables:			
Other Local Taxes	0	0	0
Revenue In Lieu Of Taxes	0	0	0
Accrued Interest	0	0	0
Due From Other Governments	13,420	0	0
Materials And Supplies Inventory	0	0	0
Total Assets	\$23,142	\$33,377	\$43,861
<u>Liabilities:</u>			
Accounts Payable	\$0	\$0	\$302
Contracts Payable	0	0	0
Accrued Wages Payable	0	0	0
Due To Other Governments	0	0	0
Total Liabilities	0	0	302
<u>Deferred Inflows Of Resources:</u>			
Revenue In Lieu Of Taxes	0	0	0
Unavailable Revenue	0	0	0
Total Deferred Inflows Of Resources	0	0	0
<u>Fund Balances:</u>			
Nonspendable	0	0	0
Restricted	23,142	33,377	43,559
Committed	0	0	0
Total Fund Balances	23,142	33,377	43,559
Total Liabilities, Deferred Inflows Of Resources And Fund Balances	\$23,142	\$33,377	\$43,861

<i>Big Splash Fund</i>	<i>Park Donation Fund</i>	<i>Rockford TIF Fund</i>	<i>Lumberyard TIF Fund</i>	<i>Total</i>
\$16,016	\$38,715	\$113	\$2,712	\$3,764,239
0	0	0	4,003,968	4,178,106
0	0	0	0	22,464
0	0	280,000	335,000	615,000
0	0	0	0	5,582
0	0	23,381	0	969,293
0	0	0	0	104,418
<u>\$16,016</u>	<u>\$38,715</u>	<u>\$303,494</u>	<u>\$4,341,680</u>	<u>\$9,659,102</u>
\$0	\$0	\$0	\$0	\$93,805
0	0	0	0	62,739
1,611	0	0	0	52,812
1,614	0	0	0	35,839
<u>3,225</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>245,195</u>
0	0	280,000	335,000	615,000
0	0	23,381	0	813,883
<u>0</u>	<u>0</u>	<u>303,381</u>	<u>335,000</u>	<u>1,428,883</u>
0	0	0	0	104,418
0	38,715	113	4,006,680	6,599,252
12,791	0	0	0	1,281,354
<u>12,791</u>	<u>38,715</u>	<u>113</u>	<u>4,006,680</u>	<u>7,985,024</u>
<u>\$16,016</u>	<u>\$38,715</u>	<u>\$303,494</u>	<u>\$4,341,680</u>	<u>\$9,659,102</u>

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, 2016

	<i>Street Maintenance Fund</i>	<i>State Highway Fund</i>	<i>General Recreation Fund</i>	<i>City Permissive MVL Fund</i>
<u>Revenues:</u>				
Revenue In Lieu Of Taxes	\$0	\$0	\$0	\$0
Other Local Taxes	0	0	0	0
Intergovernmental	1,478,506	119,879	0	193,287
Charges For Services	0	0	1,221,690	0
Licenses And Permits	0	0	0	0
Fines And Forfeitures	0	0	0	0
Interest	3,411	2,749	0	2,600
Rent	0	0	49,700	0
Contributions And Donations	0	0	0	0
Miscellaneous	32,530	9,672	3,495	0
<i>Total Revenues</i>	<u>1,514,447</u>	<u>132,300</u>	<u>1,274,885</u>	<u>195,887</u>
<u>Expenditures:</u>				
Current Operations And Maintenance:				
Security Of Persons And Property	0	0	0	0
Public Health	0	0	0	0
Leisure Time Activities	0	0	1,261,338	0
Community Development	0	0	0	0
Transportation	1,435,616	182,172	0	25,000
General Government:				
Primary Government	0	0	0	0
Capital Outlay	226,724	0	0	38,433
Debt Service:				
Interest And Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>1,662,340</u>	<u>182,172</u>	<u>1,261,338</u>	<u>63,433</u>
Excess Of Revenues Over (Under) Expenditures	(147,893)	(49,872)	13,547	132,454
<u>Other Financing Sources:</u>				
Transfers - In	0	0	0	0
Net Change In Fund Balances	(147,893)	(49,872)	13,547	132,454
Fund Balances At Beginning Of Year	745,345	634,330	652,962	371,759
<i>Fund Balances At End Of Year</i>	<u><u>\$597,452</u></u>	<u><u>\$584,458</u></u>	<u><u>\$666,509</u></u>	<u><u>\$504,213</u></u>

<i>County Permissive MVL Fund</i>	<i>Senior Nutrition Fund</i>	<i>Drug Law Enforcement Fund</i>	<i>DARE Program Fund</i>	<i>Community Development Fund</i>	<i>Community Environment Fund</i>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	379,398	0
266,732	0	0	0	0	680
0	23,732	0	0	0	0
0	0	0	0	0	43,787
0	0	1,775	0	0	0
1,298	0	2,692	0	0	0
0	0	0	0	25,647	0
0	0	0	250	5,000	0
0	0	10,442	0	0	0
<u>268,030</u>	<u>23,732</u>	<u>14,909</u>	<u>250</u>	<u>410,045</u>	<u>44,467</u>
0	0	34,901	0	0	0
0	22,257	0	0	0	0
0	0	0	0	0	0
0	0	0	0	383,134	23,569
35,486	0	0	0	0	0
0	0	0	0	0	0
32,103	0	28,125	0	0	0
0	0	0	0	0	0
<u>67,589</u>	<u>22,257</u>	<u>63,026</u>	<u>0</u>	<u>383,134</u>	<u>23,569</u>
200,441	1,475	(48,117)	250	26,911	20,898
0	0	0	0	0	0
200,441	1,475	(48,117)	250	26,911	20,898
207,893	3,446	511,744	13,543	304,628	230,903
<u>\$408,334</u>	<u>\$4,921</u>	<u>\$463,627</u>	<u>\$13,793</u>	<u>\$331,539</u>	<u>\$251,801</u>

(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, 2016

	<i>Law Enforcement Assistance Fund</i>	<i>Enforcement And Education Fund</i>	<i>Mayor's Court Computer Fund</i>	<i>Big Splash Fund</i>
<u>Revenues:</u>				
Revenue In Lieu Of Taxes	\$0	\$0	\$0	\$0
Other Local Taxes	0	0	0	0
Intergovernmental	13,420	0	0	0
Charges For Services	0	0	0	184,343
Licenses And Permits	0	0	0	0
Fines And Forfeitures	0	1,372	19,963	0
Interest	0	0	0	0
Rent	0	0	0	1,465
Contributions And Donations	0	0	0	0
Miscellaneous	0	0	0	8,730
<i>Total Revenues</i>	<u>13,420</u>	<u>1,372</u>	<u>19,963</u>	<u>194,538</u>
<u>Expenditures:</u>				
Current Operations And Maintenance:				
Security Of Persons And Property	0	0	0	0
Public Health	0	0	0	0
Leisure Time Activities	0	0	0	312,353
Community Development	0	0	0	0
Transportation	0	0	0	0
General Government:				
Primary Government	0	0	24,998	0
Capital Outlay	0	0	16,726	0
Debt Service:				
Interest And Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>41,724</u>	<u>312,353</u>
Excess Of Revenues Over (Under) Expenditures	13,420	1,372	(21,761)	(117,815)
<u>Other Financing Sources:</u>				
Transfers - In	0	0	0	100,000
Net Change In Fund Balances	13,420	1,372	(21,761)	(17,815)
Fund Balances At Beginning Of Year	9,722	32,005	65,320	30,606
<i>Fund Balances At End Of Year</i>	<u><u>\$23,142</u></u>	<u><u>\$33,377</u></u>	<u><u>\$43,559</u></u>	<u><u>\$12,791</u></u>

<i>Park Donation Fund</i>	<i>Rockford TIF Fund</i>	<i>Lumberyard TIF Fund</i>	<i>Total</i>
\$0	\$257,339	\$0	\$257,339
0	0	0	379,398
0	36,319	0	2,108,823
0	0	0	1,429,765
0	0	0	43,787
0	0	0	23,110
0	0	3,968	16,718
0	0	0	76,812
2,220	0	0	7,470
0	0	2,702	67,571
<u>2,220</u>	<u>293,658</u>	<u>6,670</u>	<u>4,410,793</u>
0	0	0	34,901
0	0	0	22,257
0	0	0	1,573,691
0	0	0	406,703
0	0	0	1,678,274
0	295,096	0	320,094
0	0	0	342,111
<u>0</u>	<u>0</u>	<u>168,800</u>	<u>168,800</u>
<u>0</u>	<u>295,096</u>	<u>168,800</u>	<u>4,546,831</u>
2,220	(1,438)	(162,130)	(136,038)
<u>0</u>	<u>0</u>	<u>0</u>	<u>100,000</u>
2,220	(1,438)	(162,130)	(36,038)
<u>36,495</u>	<u>1,551</u>	<u>4,168,810</u>	<u>8,021,062</u>
<u><u>\$38,715</u></u>	<u><u>\$113</u></u>	<u><u>\$4,006,680</u></u>	<u><u>\$7,985,024</u></u>



City of Grove City, Ohio

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CITY OF GROVE CITY, OHIO

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.

Scioto Township Joint Economic Development District (JEDD) Fund

The Joint Economic Development District – Scioto Township Fund accounts for and reports the income tax monies received from within the Joint Economic Development District collected by the City to be disbursed to Scioto Township and the Village of Commercial Point.

CITY OF GROVE CITY, OHIO

**Combining Balance Sheet
Agency Funds**

December 31, 2016

	<i>Mayor's Court Fund</i>	<i>Section 125 Cafeteria Plan Fund</i>	<i>Deposit Trust Fund</i>
<u>Assets:</u>			
Equity In Pooled Cash And Cash Equivalents	\$17,204	\$12,463	\$1,686,742
Other Local Taxes Receivable	0	0	0
<i>Total Assets</i>	<u>\$17,204</u>	<u>\$12,463</u>	<u>\$1,686,742</u>
<u>Liabilities:</u>			
Due To Other Governments	\$0	\$0	\$0
Undistributed Assets	17,204	0	0
Deposits Held And Due To Others	0	12,463	1,686,742
<i>Total Liabilities</i>	<u>\$17,204</u>	<u>\$12,463</u>	<u>\$1,686,742</u>

<i>Convention Bureau Fund</i>	<i>Scioto Township JEDD Fund</i>	<i>Total</i>
\$28,736	\$374,419	\$2,119,564
22,464	0	22,464
<u>\$51,200</u>	<u>\$374,419</u>	<u>\$2,142,028</u>
\$22,464	\$0	\$22,464
28,736	374,419	420,359
0	0	1,699,205
<u>\$51,200</u>	<u>\$374,419</u>	<u>\$2,142,028</u>

CITY OF GROVE CITY, OHIO

**Combining Statement Of Changes In Assets And Liabilities
Agency Funds**

For The Year Ended December 31, 2016

	<u>Balance January 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2016</u>
<u>MAYOR'S COURT</u>				
<u>Assets:</u>				
Equity In Pooled Cash And Cash Equivalents	\$14,318	\$145,547	\$142,661	\$17,204
<u>Liabilities:</u>				
Undistributed Assets	\$14,318	\$145,547	\$142,661	\$17,204
<u>SECTION 125 CAFETERIA PLAN</u>				
<u>Assets:</u>				
Equity In Pooled Cash And Cash Equivalents	\$12,463	\$5,000	\$5,000	\$12,463
<u>Liabilities:</u>				
Deposits Held And Due To Others	\$12,463	\$5,000	\$5,000	\$12,463
<u>DEPOSIT TRUST</u>				
<u>Assets:</u>				
Equity In Pooled Cash And Cash Equivalents	\$1,399,611	\$1,957,027	\$1,669,896	\$1,686,742
<u>Liabilities:</u>				
Deposits Held And Due To Others	\$1,399,611	\$1,957,027	\$1,669,896	\$1,686,742
<u>CONVENTION BUREAU</u>				
<u>Assets:</u>				
Equity In Pooled Cash And Cash Equivalents	\$27,384	\$376,352	\$375,000	\$28,736
Other Local Taxes Receivable	19,418	22,464	19,418	22,464
Total Assets	\$46,802	\$398,816	\$394,418	\$51,200
<u>Liabilities:</u>				
Due To Other Governments	\$19,418	\$22,464	\$19,418	\$22,464
Undistributed Assets	27,384	376,352	375,000	28,736
Total Liabilities	\$46,802	\$398,816	\$394,418	\$51,200
<u>SCIOTO TOWNSHIP JEDD</u>				
<u>Assets:</u>				
Equity In Pooled Cash And Cash Equivalents	\$238,757	\$1,100,897	\$965,235	\$374,419
<u>Liabilities:</u>				
Undistributed Assets	\$238,757	\$1,100,897	\$965,235	\$374,419

(Continued)

CITY OF GROVE CITY, OHIO

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

For The Year Ended December 31, 2016

	<u>Balance January 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2016</u>
<u>TOTAL - ALL AGENCY FUNDS</u>				
<u>Assets:</u>				
Equity In Pooled Cash And Cash Equivalents	\$1,692,533	\$3,584,823	\$3,157,792	\$2,119,564
Other Local Taxes Receivable	19,418	22,464	19,418	22,464
<i>Total Assets</i>	<u>\$1,711,951</u>	<u>\$3,607,287</u>	<u>\$3,177,210</u>	<u>\$2,142,028</u>
<u>Liabilities:</u>				
Due To Other Governments	\$19,418	\$22,464	\$19,418	\$22,464
Undistributed Assets	280,459	1,622,796	1,482,896	420,359
Deposits Held And Due To Others	1,412,074	1,962,027	1,674,896	1,699,205
<i>Total Liabilities</i>	<u>\$1,711,951</u>	<u>\$3,607,287</u>	<u>\$3,177,210</u>	<u>\$2,142,028</u>

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, 2016

	Original Budget	Revised Budget	Budgetary Actual	Variance Positive (Negative)
<u>Revenues:</u>				
Property Taxes	\$918,739	\$918,739	\$909,182	(\$9,557)
Municipal Income Taxes	22,577,798	22,577,798	23,536,929	959,131
Other Local Taxes	650,000	650,000	752,702	102,702
Intergovernmental	1,001,484	1,001,484	1,225,942	224,458
Charges For Services	283,500	283,500	457,959	174,459
Licenses And Permits	1,234,500	1,234,500	1,445,391	210,891
Fines And Forfeitures	340,000	340,000	301,844	(38,156)
Interest	407,500	407,500	495,129	87,629
Miscellaneous	77,000	77,000	327,049	250,049
Total Revenues	27,490,521	27,490,521	29,452,127	1,961,606
<u>Expenditures:</u>				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Personal Services	8,399,902	8,550,080	8,122,843	427,237
Materials And Supplies	605,130	480,583	397,561	83,022
Contractual Services	730,634	765,634	727,059	38,575
Other Operating Charges	5,000	5,000	5,000	0
Total Police Department	9,740,666	9,801,297	9,252,463	548,834
Garage				
Personal Services	104,023	105,023	103,987	1,036
Materials And Supplies	177,085	178,200	148,779	29,421
Contractual Services	4,106	2,467	2,261	206
Other Operating Charges	1,839	1,363	1,024	339
Total Garage	287,053	287,053	256,051	31,002
Total Security Of Persons And Property	10,027,719	10,088,350	9,508,514	579,836
Public Health				
Health Department				
Contractual Services	370,692	370,692	359,375	11,317
Leisure Time Activities				
Parks And Recreation				
Personal Services	857,457	828,944	791,150	37,794
Materials And Supplies	41,652	22,859	21,024	1,835
Contractual Services	362,068	362,895	335,226	27,669
Other Operating Charges	7,150	7,150	7,109	41
Total Leisure Time Activities	\$1,268,327	\$1,221,848	\$1,154,509	\$67,339

(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, 2016

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
Community Development				
Building Department				
Personal Services	\$848,497	\$849,497	\$755,562	\$93,935
Materials And Supplies	33,194	38,194	26,310	11,884
Contractual Services	94,246	68,246	57,604	10,642
Other Operating Charges	3,740	4,740	4,735	5
Total Building Department	<u>979,677</u>	<u>960,677</u>	<u>844,211</u>	<u>116,466</u>
Development				
Personal Services	434,323	459,020	459,020	0
Materials And Supplies	9,127	11,818	11,818	0
Contractual Services	1,709,181	1,705,242	1,705,242	0
Other Operating Charges	164,664	141,215	141,215	0
Total Development	<u>2,317,295</u>	<u>2,317,295</u>	<u>2,317,295</u>	<u>0</u>
Total Community Development	<u>3,296,972</u>	<u>3,277,972</u>	<u>3,161,506</u>	<u>116,466</u>
General Government				
City Council				
Personal Services	232,705	232,705	158,648	74,057
Materials And Supplies	1,325	1,325	1,108	217
Contractual Services	21,585	21,585	13,804	7,781
Other Operating Charges	250	250	240	10
Total City Council	<u>255,865</u>	<u>255,865</u>	<u>173,800</u>	<u>82,065</u>
Communications				
Personal Services	1,366,858	1,366,858	1,351,823	15,035
Materials And Supplies	33,912	33,862	26,168	7,694
Contractual Services	33,129	33,129	26,876	6,253
Total Communications	<u>1,433,899</u>	<u>1,433,849</u>	<u>1,404,867</u>	<u>28,982</u>
Administration				
Personal Services	463,143	468,617	468,617	0
Materials And Supplies	25,161	22,094	21,668	426
Contractual Services	51,614	49,207	47,447	1,760
Other Operating Charges	120	120	120	0
Total Administration	<u>540,038</u>	<u>540,038</u>	<u>537,852</u>	<u>2,186</u>
History				
Contractual Services	<u>\$1,616</u>	<u>\$1,616</u>	<u>\$205</u>	<u>\$1,411</u>

(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, 2016

	Original Budget	Revised Budget	Budgetary Actual	Variance Positive (Negative)
Finance				
Personal Services	\$389,299	\$390,692	\$390,692	\$0
Materials And Supplies	8,538	8,516	7,170	1,346
Contractual Services	671,961	630,751	607,316	23,435
Other Operating Charges	875	1,085	790	295
Total Finance	<u>1,070,673</u>	<u>1,031,044</u>	<u>1,005,968</u>	<u>25,076</u>
Law				
Contractual Services	639,565	639,565	639,092	473
Lands And Buildings				
Personal Services	1,171,827	1,177,377	1,104,495	72,882
Materials And Supplies	333,610	299,610	290,099	9,511
Contractual Services	2,083,021	2,183,404	2,170,349	13,055
Other Operating Charges	1,800	1,800	480	1,320
Total Lands And Buildings	<u>3,590,258</u>	<u>3,662,191</u>	<u>3,565,423</u>	<u>96,768</u>
General Miscellaneous				
Personal Services	579,350	452,561	435,573	16,988
Materials And Supplies	23,313	23,313	22,587	726
Contractual Services	2,173,149	2,851,414	2,846,786	4,628
Other Operating Charges	229,195	232,369	232,369	0
Total General Miscellaneous	<u>3,005,007</u>	<u>3,559,657</u>	<u>3,537,315</u>	<u>22,342</u>
Mayor's Court				
Personal Services	248,808	252,358	234,830	17,528
Materials And Supplies	24,412	24,412	22,915	1,497
Contractual Services	141,172	141,172	112,458	28,714
Other Operating Charges	500	500	210	290
Total Mayor's Court	<u>414,892</u>	<u>418,442</u>	<u>370,413</u>	<u>48,029</u>
Information System				
Personal Services	665,846	665,846	550,280	115,566
Materials And Supplies	39,861	39,903	39,835	68
Contractual Services	770,649	770,649	762,064	8,585
Total Information System	<u>1,476,356</u>	<u>1,476,398</u>	<u>1,352,179</u>	<u>124,219</u>
Public Information				
Personal Services	133,743	133,845	133,845	0
Materials And Supplies	7,491	7,388	6,832	556
Contractual Services	139,594	139,594	132,539	7,055
Total Public Information	<u>\$280,828</u>	<u>\$280,827</u>	<u>\$273,216</u>	<u>\$7,611</u>

(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, 2016

	<i>Original Budget</i>	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
Human Resources				
Personal Services	\$94,104	\$94,104	\$93,969	\$135
Contractual Services	80,252	80,253	80,253	0
Total Human Resources	174,356	174,357	174,222	135
Total General Government	12,883,353	13,473,849	13,034,552	439,297
Capital Outlay:				
Police Department	306,326	370,873	358,658	12,215
Parks And Recreation	333,934	331,900	328,387	3,513
Building Department	42,400	42,400	41,099	1,301
Lands And Buildings	525,034	378,651	376,160	2,491
City Council	3,406	3,406	841	2,565
Communication	119,630	119,680	119,680	0
General Miscellaneous	626,000	746,947	746,658	289
Information System	500,701	500,659	500,518	141
Total Capital Outlay	2,457,431	2,494,516	2,472,001	22,515
Total Expenditures	30,304,494	30,927,227	29,690,457	1,236,770
Excess Of Revenues Under Expenditures	(2,813,973)	(3,436,706)	(238,330)	3,198,376
<i>Other Financing Sources (Uses):</i>				
Proceeds From Sale Of Capital Assets	50,000	50,000	71,464	21,464
Refunding Bonds Issued	0	0	179,390	179,390
Insurance Recoveries	0	0	26,165	26,165
Refund Of Prior Year Receipts	(5,000)	(749)	(749)	0
Transfers - Out	(4,909,605)	(13,798,956)	(13,798,956)	0
Total Other Financing Sources (Uses)	(4,864,605)	(13,749,705)	(13,522,686)	227,019
Net Change In Fund Balance	(7,678,578)	(17,186,411)	(13,761,016)	3,425,395
Fund Balance At Beginning Of Year	15,530,966	15,530,966	15,530,966	0
Prior Year Encumbrances	3,823,750	3,823,750	3,823,750	0
Fund Balance At End Of Year	\$11,676,138	\$2,168,305	\$5,593,700	\$3,425,395

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, 2016

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>				
Property Taxes	\$1,148,425	\$1,148,425	\$1,136,574	(\$11,851)
Intergovernmental	150,500	150,500	137,247	(13,253)
<i>Total Revenues</i>	<u>1,298,925</u>	<u>1,298,925</u>	<u>1,273,821</u>	<u>(25,104)</u>
<u>Expenditures:</u>				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Personal Services	1,289,050	1,317,452	1,208,889	108,563
Other Operating Charges	20,000	20,000	17,598	2,402
<i>Total Expenditures</i>	<u>1,309,050</u>	<u>1,337,452</u>	<u>1,226,487</u>	<u>110,965</u>
Net Change In Fund Balance	(10,125)	(38,527)	47,334	85,861
Fund Balance At Beginning Of Year	<u>616,466</u>	<u>616,466</u>	<u>616,466</u>	<u>0</u>
<i>Fund Balance At End Of Year</i>	<u><u>\$606,341</u></u>	<u><u>\$577,939</u></u>	<u><u>\$663,800</u></u>	<u><u>\$85,861</u></u>

CITY OF GROVE CITY, OHIO

Buckeye Center 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, 2016

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>				
Revenue In Lieu Of Taxes	\$3,000,000	\$2,772,063	\$2,847,003	\$74,940
Interest	0	0	19,402	19,402
Total Revenues	3,000,000	2,772,063	2,866,405	94,342
<u>Expenditures:</u>				
Current Operations And Maintenance:				
General Government				
General Miscellaneous				
Contractual Services	10,150	10,150	500	9,650
Intergovernmental				
Other Operating Charges	1,544,630	1,744,699	1,729,381	15,318
Total General Government	1,554,780	1,754,849	1,729,881	24,968
Debt Service:				
Interest And Fiscal Charges	699,294	824,794	469,647	355,147
Total Expenditures	2,254,074	2,579,643	2,199,528	380,115
Excess Of Revenues Over Expenditures	745,926	192,420	666,877	474,457
<u>Other Financing Sources (Uses):</u>				
Payment to Refunded Bond Escrow Agenct	(535,000)	(13,432,675)	(13,384,647)	48,028
Refunding Bonds Issued	0	11,990,000	11,990,000	0
Transfers - In	0	1,237,937	0	(1,237,937)
Total Other Financing Sources (Uses)	(535,000)	(204,738)	(1,394,647)	(1,189,909)
Net Change In Fund Balance	210,926	(12,318)	(727,770)	(715,452)
Fund Balance At Beginning Of Year	3,280,811	3,280,811	3,280,811	0
Prior Year Encumbrances	150	150	150	0
Fund Balance At End Of Year	\$3,491,887	\$3,268,643	\$2,553,191	(\$715,452)

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, 2016

	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Property Taxes	\$612,493	\$606,170	(\$6,323)
Intergovernmental	85,000	121,409	36,409
Special Assessments	150,000	101,995	(48,005)
Rent	0	300,000	300,000
Miscellaneous	43,476	250	(43,226)
<i>Total Revenues</i>	<u>890,969</u>	<u>1,129,824</u>	<u>238,855</u>
<u>Expenditures:</u>			
Current Operations And Maintenance:			
General Government			
General Miscellaneous			
Contractual Services	188,356	75,260	113,096
Other Operating Charges	20,000	9,386	10,614
Total General Government	<u>208,356</u>	<u>84,646</u>	<u>123,710</u>
Debt Service:			
Principal Retirement	901,765	901,751	14
Interest And Fiscal Charges	690,600	690,600	0
Total Debt Service	<u>1,592,365</u>	<u>1,592,351</u>	<u>14</u>
<i>Total Expenditures</i>	<u>1,800,721</u>	<u>1,676,997</u>	<u>123,724</u>
Net Change In Fund Balance	(909,752)	(547,173)	362,579
Fund Balance At Beginning Of Year	1,672,196	1,672,196	0
Prior Year Encumbrances	68,265	68,265	0
<i>Fund Balance At End Of Year</i>	<u><u>\$830,709</u></u>	<u><u>\$1,193,288</u></u>	<u><u>\$362,579</u></u>

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, 2016

	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Revenue In Lieu Of Taxes	\$2,585,000	\$2,601,725	\$16,725
Intergovernmental	350,000	350,445	445
<i>Total Revenues</i>	<u>2,935,000</u>	<u>2,952,170</u>	<u>17,170</u>
<u>Expenditures:</u>			
Current Operations And Maintenance:			
General Government			
General Miscellaneous			
Contractual Services	30,000	20,500	9,500
Intergovernmental			
Other Operating Charges	555,110	416,343	138,767
Total General Government	<u>585,110</u>	<u>436,843</u>	<u>148,267</u>
Debt Service:			
Principal Retirement	500,000	500,000	0
Interest And Fiscal Charges	366,130	225,315	140,815
Total Debt Service	<u>866,130</u>	<u>725,315</u>	<u>140,815</u>
<i>Total Expenditures</i>	<u>1,451,240</u>	<u>1,162,158</u>	<u>289,082</u>
Excess Of Revenues Over Expenditures	<u>1,483,760</u>	<u>1,790,012</u>	<u>306,252</u>
<u>Other Financing Sources (Uses):</u>			
Payment to Refunded Bond Escrow Agent	(7,060,315)	(6,765,315)	295,000
Refunding Bonds Issued	6,865,000	6,865,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>(195,315)</u>	<u>99,685</u>	<u>295,000</u>
Net Change In Fund Balance	1,288,445	1,889,697	601,252
Fund Balance At Beginning Of Year	1,156,958	1,156,958	0
Prior Year Encumbrances	185,110	185,110	0
Fund Balance At End Of Year	<u><u>\$2,630,513</u></u>	<u><u>\$3,231,765</u></u>	<u><u>\$601,252</u></u>

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, 2016

	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Intergovernmental	\$500,000	\$671,775	\$171,775
Interest	0	16,475	16,475
Contributions and Donations	1,270,000	1,271,951	1,951
<i>Total Revenues</i>	1,770,000	1,960,201	190,201
<u>Expenditures:</u>			
Capital Outlay: Infrastructure	34,174,875	34,174,875	0
Excess Of Revenues Under Expenditures	(32,404,875)	(32,214,674)	190,201
<u>Other Financing Sources (Uses):</u>			
Refunding Bonds Issued	2,350,000	2,350,610	610
Transfers - Out	(133,238)	(133,238)	0
Transfers - In	13,680,000	13,698,956	18,956
<i>Total Other Financing Sources (Uses)</i>	15,896,762	15,916,328	19,566
Net Change In Fund Balance	(16,508,113)	(16,298,346)	209,767
Fund Balance At Beginning Of Year	679,250	679,250	0
Prior Year Encumbrances	16,197,959	16,197,959	0
<i>Fund Balance At End Of Year</i>	<u>\$369,096</u>	<u>\$578,863</u>	<u>\$209,767</u>

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, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Charges For Services	\$600,000	\$436,689	(\$163,311)
Tap-In Fees	0	178,202	178,202
<i>Total Revenues</i>	<u>600,000</u>	<u>614,891</u>	<u>14,891</u>
<u>Expenses:</u>			
Contractual Services	267,805	252,072	15,733
Materials And Supplies	3,000	0	3,000
Capital Outlay	359,073	127,452	231,621
Debt Service:			
Principal Retirement	132,313	132,313	0
Interest And Fiscal Charges	94,200	94,200	0
<i>Total Expenses</i>	<u>856,391</u>	<u>606,037</u>	<u>250,354</u>
Net Change In Fund Equity	(256,391)	8,854	265,245
Fund Equity At Beginning Of Year	2,342,763	2,342,763	0
Prior Year Encumbrances	<u>66,875</u>	<u>66,875</u>	<u>0</u>
<i>Fund Equity At End Of Year</i>	<u><u>\$2,153,247</u></u>	<u><u>\$2,418,492</u></u>	<u><u>\$265,245</u></u>

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, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Charges For Services	\$500,000	\$515,154	\$15,154
Tap-In Fees	485,000	700,952	215,952
<i>Total Revenues</i>	985,000	1,216,106	231,106
<u>Expenses:</u>			
Personal Services	522,781	497,202	25,579
Contractual Services	1,016,539	760,046	256,493
Materials And Supplies	84,419	43,736	40,683
Capital Outlay	455,897	338,035	117,862
Debt Service:			
Principal Retirement	58,671	58,358	313
Interest And Fiscal Charges	7,729	7,711	18
<i>Total Expenses</i>	2,146,036	1,705,088	440,948
Net Change In Fund Equity	(1,161,036)	(488,982)	672,054
Fund Equity At Beginning Of Year	918,826	918,826	0
Prior Year Encumbrances	288,964	288,964	0
<i>Fund Equity At End Of Year</i>	\$46,754	\$718,808	\$672,054

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, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Intergovernmental	\$1,569,000	\$1,480,190	(\$88,810)
Interest	9,000	5,758	(3,242)
Miscellaneous	10,000	32,530	22,530
<i>Total Revenues</i>	<u>1,588,000</u>	<u>1,518,478</u>	<u>(69,522)</u>
<u>Expenditures:</u>			
Current Operations And Maintenance:			
Transportation			
Street Maintenance			
Personal Services	1,163,545	1,087,331	76,214
Materials And Supplies	466,688	402,166	64,522
Contractual Services	206,325	178,148	28,177
Other Operating Charges	17,111	4,695	12,416
Total Transportation	1,853,669	1,672,340	181,329
Capital Outlay:			
Engineering	341,811	328,794	13,017
<i>Total Expenditures</i>	<u>2,195,480</u>	<u>2,001,134</u>	<u>194,346</u>
Net Change In Fund Balance	(607,480)	(482,656)	124,824
Fund Balance At Beginning Of Year	466,048	466,048	0
Prior Year Encumbrances	232,994	232,994	0
<i>Fund Balance At End Of Year</i>	<u><u>\$91,562</u></u>	<u><u>\$216,386</u></u>	<u><u>\$124,824</u></u>

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, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Intergovernmental	\$120,000	\$120,015	\$15
Interest	5,000	5,033	33
Miscellaneous	0	9,672	9,672
<i>Total Revenues</i>	<u>125,000</u>	<u>134,720</u>	<u>9,720</u>
<u>Expenditures:</u>			
Current Operations And Maintenance:			
Transportation			
Street Maintenance			
Materials And Supplies	121,345	114,040	7,305
Contractual Services	60,000	57,518	2,482
<i>Total Expenditures</i>	<u>181,345</u>	<u>171,558</u>	<u>9,787</u>
Net Change In Fund Balance	(56,345)	(36,838)	19,507
Fund Balance At Beginning Of Year	474,381	474,381	0
Prior Year Encumbrances	11,345	11,345	0
<i>Fund Balance At End Of Year</i>	<u><u>\$429,381</u></u>	<u><u>\$448,888</u></u>	<u><u>\$19,507</u></u>

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, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Intergovernmental	\$10,000	\$0	(\$10,000)
Charges For Services	1,158,000	1,221,690	63,690
Rent	40,000	49,700	9,700
Miscellaneous	0	3,495	3,495
<i>Total Revenues</i>	<u>1,208,000</u>	<u>1,274,885</u>	<u>66,885</u>
<u>Expenditures:</u>			
Current Operations And Maintenance:			
Leisure Time Activities			
Recreation			
Personal Services	869,268	869,268	0
Materials And Supplies	275,742	275,742	0
Contractual Services	226,812	214,000	12,812
<i>Total Expenditures</i>	<u>1,371,822</u>	<u>1,359,010</u>	<u>12,812</u>
Excess of Revenues Under Expenditures	(163,822)	(84,125)	79,697
<u>Other Financing Uses:</u>			
Refund Of Prior Year Receipts	(17,000)	(16,292)	708
Net Change In Fund Balance	(180,822)	(100,417)	80,405
Fund Balance At Beginning Of Year	617,636	617,636	0
Prior Year Encumbrances	64,579	64,579	0
<i>Fund Balance At End Of Year</i>	<u><u>\$501,393</u></u>	<u><u>\$581,798</u></u>	<u><u>\$80,405</u></u>

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, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Intergovernmental	\$180,000	\$193,279	\$13,279
Interest	2,500	4,744	2,244
<i>Total Revenues</i>	<u>182,500</u>	<u>198,023</u>	<u>15,523</u>
<u>Expenditures:</u>			
Current Operations And Maintenance:			
Transportation			
Street Maintenance			
Materials And Supplies	53,300	25,000	28,300
Capital Outlay			
Engineering	250,000	205,300	44,700
<i>Total Expenditures</i>	<u>303,300</u>	<u>230,300</u>	<u>73,000</u>
Net Change In Fund Balance	(120,800)	(32,277)	88,523
Fund Balance At Beginning Of Year	353,211	353,211	0
Prior Year Encumbrances	3,300	3,300	0
<i>Fund Balance At End Of Year</i>	<u><u>\$235,711</u></u>	<u><u>\$324,234</u></u>	<u><u>\$88,523</u></u>

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, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Intergovernmental	\$90,000	\$95,197	\$5,197
Interest	0	2,049	2,049
<i>Total Revenues</i>	<u>90,000</u>	<u>97,246</u>	<u>7,246</u>
<u>Expenditures:</u>			
Current Operations And Maintenance:			
Transportation			
Street Maintenance			
Materials And Supplies	50,000	46,752	3,248
Capital Outlay			
Community Development			
Engineering	205,031	205,031	0
<i>Total Expenditures</i>	<u>255,031</u>	<u>251,783</u>	<u>3,248</u>
Net Change In Fund Balance	(165,031)	(154,537)	10,494
Fund Balance At Beginning Of Year	165,829	165,829	0
Prior Year Encumbrances	195,031	195,031	0
<i>Fund Balance At End Of Year</i>	<u><u>\$195,829</u></u>	<u><u>\$206,323</u></u>	<u><u>\$10,494</u></u>

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, 2016

	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Charges For Services	\$23,732	\$23,732	\$0
<u>Expenditures:</u>			
Current Operations And Maintenance:			
Public Health			
Other Public Health Services			
Other Operating Charges	<u>22,501</u>	<u>22,501</u>	<u>0</u>
Net Change In Fund Balance	1,231	1,231	0
Fund Balance At Beginning Of Year	<u>3,445</u>	<u>3,445</u>	<u>0</u>
<i>Fund Balance At End Of Year</i>	<u><u>\$4,676</u></u>	<u><u>\$4,676</u></u>	<u><u>\$0</u></u>

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, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Intergovernmental	\$30,000	\$0	(\$30,000)
Fines And Forfeitures	10,000	1,775	(8,225)
Interest	0	4,865	4,865
Miscellaneous	0	10,442	10,442
<i>Total Revenues</i>	<u>40,000</u>	<u>17,082</u>	<u>(22,918)</u>
<u>Expenditures:</u>			
Current Operations And Maintenance:			
Security Of Persons And Property			
Police Department			
Materials And Supplies	44,800	35,647	9,153
Capital Outlay	30,000	28,125	1,875
<i>Total Expenditures</i>	<u>74,800</u>	<u>63,772</u>	<u>11,028</u>
Net Change In Fund Balance	(34,800)	(46,690)	(11,890)
Fund Balance At Beginning Of Year	512,150	512,150	0
Prior Year Encumbrances	800	800	0
<i>Fund Balance At End Of Year</i>	<u><u>\$478,150</u></u>	<u><u>\$466,260</u></u>	<u><u>(\$11,890)</u></u>

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, 2016

	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Contributions And Donations	\$0	\$250	\$250
<u>Expenditures:</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change In Fund Balance	0	250	250
Fund Balance At Beginning Of Year	<u>13,543</u>	<u>13,543</u>	<u>0</u>
<i>Fund Balance At End Of Year</i>	<u><u>\$13,543</u></u>	<u><u>\$13,793</u></u>	<u><u>\$250</u></u>

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, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Other Local Taxes	\$325,000	\$376,352	\$51,352
Rent	0	25,647	25,647
Contributions and Donations	0	5,000	5,000
Miscellaneous	24,000	0	(24,000)
<i>Total Revenues</i>	<u>349,000</u>	<u>406,999</u>	<u>57,999</u>
<u>Expenditures:</u>			
Current Operations And Maintenance:			
Community Development			
Personal Services	113,264	112,532	732
Materials And Supplies	7,345	4,806	2,539
Contractual Services	2,900	0	2,900
Other Operating Charges	354,002	312,672	41,330
<i>Total Expenditures</i>	<u>477,511</u>	<u>430,010</u>	<u>47,501</u>
Net Change In Fund Balance	(128,511)	(23,011)	105,500
Fund Balance At Beginning Of Year	268,041	268,041	0
Prior Year Encumbrances	23,746	23,746	0
<i>Fund Balance At End Of Year</i>	<u><u>\$163,276</u></u>	<u><u>\$268,776</u></u>	<u><u>\$105,500</u></u>

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, 2016

	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Intergovernmental	\$0	\$680	\$680
Licenses And Permits	50,000	43,787	(6,213)
<i>Total Revenues</i>	<u>50,000</u>	<u>44,467</u>	<u>(5,533)</u>
<u>Expenditures:</u>			
Current Operations And Maintenance:			
Community Development			
Materials And Supplies	30,146	14,884	15,262
Contractual Services	112,070	9,500	102,570
<i>Total Expenditures</i>	<u>142,216</u>	<u>24,384</u>	<u>117,832</u>
Net Change In Fund Balance	(92,216)	20,083	112,299
Fund Balance At Beginning Of Year	229,887	229,887	0
Prior Year Encumbrances	1,016	1,016	0
<i>Fund Balance At End Of Year</i>	<u><u>\$138,687</u></u>	<u><u>\$250,986</u></u>	<u><u>\$112,299</u></u>

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, 2016

	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Intergovernmental	\$0	\$4,880	\$4,880
<u>Expenditures:</u>			
Current Operations And Maintenance:			
Security Of Persons And Property			
Police Department			
Contractual Services	<u>3,850</u>	<u>0</u>	<u>3,850</u>
Net Change In Fund Balance	(3,850)	4,880	8,730
Fund Balance At Beginning Of Year	992	992	0
Prior Year Encumbrances	<u>3,850</u>	<u>3,850</u>	<u>0</u>
<i>Fund Balance At End Of Year</i>	<u><u>\$992</u></u>	<u><u>\$9,722</u></u>	<u><u>\$8,730</u></u>

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, 2016

	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Fines And Forfeitures	\$2,500	\$1,372	(\$1,128)
<u>Expenditures:</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change In Fund Balance	2,500	1,372	(1,128)
Fund Balance At Beginning Of Year	<u>32,005</u>	<u>32,005</u>	<u>0</u>
<i>Fund Balance At End Of Year</i>	<u><u>\$34,505</u></u>	<u><u>\$33,377</u></u>	<u><u>(\$1,128)</u></u>

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, 2016

	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Fines And Forfeitures	\$25,000	\$19,963	(\$5,037)
<u>Expenditures:</u>			
Current Operations And Maintenance:			
General Government			
Mayor's Court			
Materials And Supplies	5,650	5,650	0
Contractual Services	52,779	35,935	16,844
Total General Government	58,429	41,585	16,844
Capital Outlay			
Mayor's Court	28,102	26,726	1,376
<i>Total Expenditures</i>	86,531	68,311	18,220
Net Change In Fund Balance	(61,531)	(48,348)	13,183
Fund Balance At Beginning Of Year	33,589	33,589	0
Prior Year Encumbrances	34,131	34,131	0
<i>Fund Balance At End Of Year</i>	\$6,189	\$19,372	\$13,183

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, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Charges For Services	\$202,000	\$184,343	(\$17,657)
Rent	0	1,465	1,465
Miscellaneous	7,500	8,730	1,230
<i>Total Revenues</i>	<u>209,500</u>	<u>194,538</u>	<u>(14,962)</u>
<u>Expenditures:</u>			
Current Operations And Maintenance:			
Leisure Time Activities			
Recreation			
Personal Services	187,669	176,256	11,413
Materials And Supplies	47,257	47,257	0
Contractual Services	87,609	87,609	0
Other Operating Charges	3,716	3,716	0
<i>Total Expenditures</i>	<u>326,251</u>	<u>314,838</u>	<u>11,413</u>
Excess Of Revenues Under Expenditures	(116,751)	(120,300)	(3,549)
<u>Other Financing Sources:</u>			
Transfers - In	100,000	100,000	0
Net Change In Fund Balance	(16,751)	(20,300)	(3,549)
Fund Balance At Beginning Of Year	27,741	27,741	0
Prior Year Encumbrances	5,876	5,876	0
<i>Fund Balance At End Of Year</i>	<u><u>\$16,866</u></u>	<u><u>\$13,317</u></u>	<u><u>(\$3,549)</u></u>

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, 2016

	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Contributions And Donations	\$1,000	\$2,220	\$1,220
<u>Expenditures:</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change In Fund Balance	1,000	2,220	1,220
Fund Balance At Beginning Of Year	<u>36,495</u>	<u>36,495</u>	<u>0</u>
<i>Fund Balance At End Of Year</i>	<u><u>\$37,495</u></u>	<u><u>\$38,715</u></u>	<u><u>\$1,220</u></u>

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, 2016

	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Revenue In Lieu Of Taxes	\$257,339	\$257,339	\$0
Intergovernmental	36,319	36,319	0
<i>Total Revenues</i>	293,658	293,658	0
<u>Expenditures:</u>			
Current Operations And Maintenance:			
General Government			
General Miscellaneous			
Other Operating Charges	295,100	295,096	4
Net Change In Fund Balance	(1,442)	(1,438)	4
Fund Balance At Beginning Of Year	1,551	1,551	0
<i>Fund Balance At End Of Year</i>	<u>\$109</u>	<u>\$113</u>	<u>\$4</u>

CITY OF GROVE CITY, OHIO

Lumberyard 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, 2016

	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Other	\$0	\$2,702	\$2,702
<u>Expenditures:</u>			
Debt Service:			
Interest And Fiscal Charges	<u>168,800</u>	<u>168,800</u>	<u>0</u>
Net Change In Fund Balance	(168,800)	(166,098)	2,702
Fund Balance At Beginning Of Year	<u>168,810</u>	<u>168,810</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$10</u></u>	<u><u>\$2,712</u></u>	<u><u>\$2,702</u></u>

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, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Revenue In Lieu Of Taxes	\$240,000	\$623,850	\$383,850
<u>Expenditures:</u>			
Current Operations And Maintenance:			
General Government			
General Miscellaneous			
Other Operating Charges	35,000	30,233	4,767
Debt Service:			
Principal Retirement	102,500	102,500	0
Interest And Fiscal Charges	152,687	152,687	0
Total Debt Service	255,187	255,187	0
<i>Total Expenditures</i>	290,187	285,420	4,767
Excess Of Revenues Over (Under) Expenditures	(50,187)	338,430	388,617
<u>Other Financing Sources:</u>			
Transfers - In	0	133,238	133,238
Net Change In Fund Balance	(50,187)	471,668	521,855
Fund Balance At Beginning Of Year	386,965	386,965	0
Fund Balance At End Of Year	\$336,778	\$858,633	\$521,855

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, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Licenses And Permits	\$150,000	\$198,361	\$48,361
Contributions And Donations	0	5,693	5,693
<i>Total Revenues</i>	150,000	204,054	54,054
<u>Expenditures:</u>			
Capital Outlay			
Parks And Recreation	624,235	579,783	44,452
Net Change In Fund Balance	(474,235)	(375,729)	98,506
Fund Balance At Beginning Of Year	582,400	582,400	0
Prior Year Encumbrances	38,885	38,885	0
<i>Fund Balance At End Of Year</i>	<u>\$147,050</u>	<u>\$245,556</u>	<u>\$98,506</u>

CITY OF GROVE CITY, OHIO

Workers' Compensation Self-Insurance Internal Service Fund
Schedule Of Revenues, Expenses And Changes In Fund Equity - Budget And Actual
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2016

	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<u>Revenues:</u>			
Charges For Services	\$250,000	\$250,000	\$0
<u>Expenses:</u>			
Contractual Services	132,982	115,893	17,089
Claims	186,658	93,757	92,901
<i>Total Expenses</i>	319,640	209,650	109,990
Net Change In Fund Equity	(69,640)	40,350	109,990
Fund Equity At Beginning Of Year	222,338	222,338	0
Prior Year Encumbrances	49,639	49,639	0
<i>Fund Equity At End Of Year</i>	\$202,337	\$312,327	\$109,990



City of Grove City, Ohio

STATISTICAL SECTION



City of Grove City, Ohio

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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.

<u>CONTENTS</u>	<u>PAGES</u>
Financial Trends	S2-S13
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	S14-S15
These schedules contain information to help the reader assess the City’s most significant local revenue source, income taxes.	
Debt Capacity	S16-S23
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	S24-S25
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	S26-S31
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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Governmental Activities:				
Net Investment in Capital Assets	\$168,161,058	\$167,879,891	\$166,657,938	\$163,869,512
Restricted	14,298,277	12,590,123	15,397,778	11,461,552
Unrestricted	<u>23,175,029</u>	<u>25,969,379</u>	<u>21,423,364</u>	<u>27,264,790</u>
<i>Total Governmental Activities Net Position</i>	<u>205,634,364</u>	<u>206,439,393</u>	<u>203,479,080</u>	<u>202,595,854</u>
Business-Type Activities:				
Net Investment in Capital Assets	44,685,691	46,348,281	48,035,646	48,673,020
Unrestricted	<u>5,828,721</u>	<u>5,584,954</u>	<u>5,092,413</u>	<u>4,541,683</u>
<i>Total Business-Type Activities</i>	<u>50,514,412</u>	<u>51,933,235</u>	<u>53,128,059</u>	<u>53,214,703</u>
Primary Government:				
Net Investment in Capital Assets	212,846,749	214,228,172	214,693,584	212,542,532
Restricted	14,298,277	12,590,123	15,397,778	11,461,552
Unrestricted	<u>29,003,750</u>	<u>31,554,333</u>	<u>26,515,777</u>	<u>31,806,473</u>
<i>Total Primary Government Net Position</i>	<u>\$256,148,776</u>	<u>\$258,372,628</u>	<u>\$256,607,139</u>	<u>\$255,810,557</u>

Note: The City reported the impact of GASB Statement No. 68 beginning in 2014.

<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
\$162,830,578	\$162,890,495	\$160,689,457	\$171,227,624	\$171,710,057	\$172,924,846
16,546,091	13,686,260	15,548,854	13,130,033	13,109,015	20,551,330
31,427,237	33,191,429	39,259,309	14,535,958	14,800,413	4,106,181
210,803,906	209,768,184	215,497,620	198,893,615	199,619,485	197,582,357
49,743,812	48,637,873	50,096,009	50,080,698	49,710,060	49,794,978
4,032,238	4,194,165	4,099,848	3,880,094	3,535,616	3,430,097
53,776,050	52,832,038	54,195,857	53,960,792	53,245,676	53,225,075
212,574,390	211,528,368	210,785,466	221,308,322	221,420,117	222,719,824
16,546,091	13,686,260	15,548,854	13,130,033	13,109,015	20,551,330
35,459,475	37,385,594	43,359,157	18,416,052	18,336,029	7,536,278
<u>\$264,579,956</u>	<u>\$262,600,222</u>	<u>\$269,693,477</u>	<u>\$252,854,407</u>	<u>\$252,865,161</u>	<u>\$250,807,432</u>

CITY OF GROVE CITY, OHIO

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

TABLE 2

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Program Revenues:				
Governmental Activities:				
Charges For Services:				
Security Of Persons And Property	\$354,699	\$366,995	\$501,803	\$530,829
Public Health	19,729	19,130	20,382	14,120
Leisure Time Activities	1,487,945	1,360,982	1,282,747	1,262,195
Community Development	737,648	934,693	517,533	515,390
Transportation	172,461	222,796	14,882	6,505
General Government:				
Primary Government	46,774	84,162	68,116	103,944
Operating Grants, Contributions And Interest	1,947,050	2,199,449	2,356,379	2,365,700
Capital Grants, Contributions And Interest	11,960,441	2,615,098	4,375,488	5,540,039
<i>Total Governmental Activities Program Revenues</i>	<u>16,726,747</u>	<u>7,803,305</u>	<u>9,137,330</u>	<u>10,338,722</u>
Business-Type Activities:				
Charges For Services:				
Water	766,940	597,413	547,349	568,136
Sewer	492,827	484,305	383,003	851,101
Operating Grants, Contributions And Interest	0	0	77,660	0
Capital Grants, Contributions And Interest	1,807,587	1,184,776	2,088,853	1,054,812
<i>Total Business-Type Activities Program Revenues</i>	<u>3,067,354</u>	<u>2,266,494</u>	<u>3,096,865</u>	<u>2,474,049</u>
<i>Total Primary Government Program Revenues</i>	<u>19,794,101</u>	<u>10,069,799</u>	<u>12,234,195</u>	<u>12,812,771</u>
Expenses:				
Governmental Activities:				
Security Of Persons And Property	9,680,259	9,650,994	10,347,861	10,424,348
Public Health	240,079	267,967	291,792	270,134
Leisure Time Activities	2,461,442	2,386,376	2,285,671	2,163,037
Community Development:				
Primary Development	1,208,483	1,186,822	1,429,804	1,361,073
Conveyance Of Property	0	0	610,120	0
Transportation	11,221,371	9,682,153	9,680,587	11,164,223
General Government:				
Primary Government	8,042,295	9,110,413	9,829,703	10,808,491
Intergovernmental	0	0	1,191,288	1,370,473
Interest And Fiscal Charges	1,855,328	1,776,351	1,712,001	1,661,545
<i>Total Governmental Activities Expenses</i>	<u>34,709,257</u>	<u>34,061,076</u>	<u>37,378,827</u>	<u>39,223,324</u>
Business-Type Activities:				
Water	673,536	713,101	618,490	685,866
Sewer	1,363,050	1,341,553	1,559,323	1,739,989
<i>Total Business-Type Activities Expenses</i>	<u>2,036,586</u>	<u>2,054,654</u>	<u>2,177,813</u>	<u>2,425,855</u>
<i>Total Primary Government Expenses</i>	<u>\$36,745,843</u>	<u>\$36,115,730</u>	<u>\$39,556,640</u>	<u>\$41,649,179</u>

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$566,733	\$602,168	\$571,728	\$496,633	\$342,053	\$311,576
13,259	21,326	14,903	0	15,706	23,732
1,238,995	1,410,897	1,532,906	1,524,146	1,760,584	1,655,559
425,657	1,066,282	1,222,734	1,268,464	1,601,181	2,339,184
88,253	90,159	91,882	90,333	0	0
91,144	145,320	66,416	59,283	22,103	19,963
2,151,053	2,079,841	2,026,074	2,359,537	2,216,828	2,183,308
14,025,253	5,552,767	5,934,265	4,832,467	2,028,528	2,798,696
<u>18,600,347</u>	<u>10,968,760</u>	<u>11,460,908</u>	<u>10,630,863</u>	<u>7,986,983</u>	<u>9,332,018</u>
522,772	572,457	628,579	582,330	658,422	619,476
775,672	889,260	1,210,868	1,032,880	1,190,021	1,223,163
0	0	0	0	0	0
1,626,267	0	0	1,117,000	626,564	125,996
<u>2,924,711</u>	<u>1,461,717</u>	<u>1,839,447</u>	<u>2,732,210</u>	<u>2,475,007</u>	<u>1,968,635</u>
<u>21,525,058</u>	<u>12,430,477</u>	<u>13,300,355</u>	<u>13,363,073</u>	<u>10,461,990</u>	<u>11,300,653</u>
10,076,469	10,358,551	10,422,055	10,514,010	10,797,554	12,313,322
279,720	298,971	296,632	295,393	333,594	364,968
2,363,655	2,252,647	2,485,159	2,549,756	3,185,644	3,964,411
1,518,564	1,407,341	1,394,651	1,439,527	2,142,864	2,014,290
0	0	0	0	0	0
12,999,424	10,296,802	8,002,807	10,814,145	9,519,363	8,581,839
11,360,425	10,960,934	13,593,216	13,548,037	11,035,775	16,154,050
1,716,884	4,339,240	317,549	1,768,750	2,015,679	2,041,575
1,608,154	1,958,510	1,494,774	1,409,039	1,825,761	1,826,381
<u>41,923,295</u>	<u>41,872,996</u>	<u>38,006,843</u>	<u>42,338,657</u>	<u>40,856,234</u>	<u>47,260,836</u>
910,913	737,766	1,124,767	1,405,681	1,020,631	1,060,606
1,452,673	1,638,542	1,334,128	1,606,285	2,510,008	1,719,511
<u>2,363,586</u>	<u>2,376,308</u>	<u>2,458,895</u>	<u>3,011,966</u>	<u>3,530,639</u>	<u>2,780,117</u>
<u>\$44,286,881</u>	<u>\$44,249,304</u>	<u>\$40,465,738</u>	<u>\$45,350,623</u>	<u>\$44,386,873</u>	<u>\$50,040,953</u>

(Continued)

CITY OF GROVE CITY, OHIO

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

TABLE 2

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Net (Expense) / Revenues:				
Governmental Activities	(\$17,982,510)	(\$26,257,771)	(\$28,241,497)	(\$28,884,602)
Business-Type Activities	1,030,768	211,840	919,052	48,194
<i>Total Primary Government Net Expense/Revenue</i>	<u>(16,951,742)</u>	<u>(26,045,931)</u>	<u>(27,322,445)</u>	<u>(28,836,408)</u>
General Revenues and Transfers:				
Governmental Activities:				
Property Taxes Levied For General Purposes	1,133,738	841,433	879,784	1,050,517
Property Taxes Levied For Police	1,048,565	1,004,047	818,385	1,072,050
Property Taxes Levied For Debt Service	810,143	788,411	1,032,886	849,758
Revenue In Lieu Of Taxes	3,230,374	3,478,111	4,106,367	4,020,452
Other Local Taxes	1,028,325	710,029	1,086,044	1,116,660
Municipal Income Taxes Levied For General Purposes	16,397,634	17,308,542	15,303,978	17,237,914
Grants And Entitlements Not Restricted To Specific Programs	2,402,645	2,094,050	2,038,934	1,970,289
Interest	2,166,402	1,850,905	932,125	649,141
Miscellaneous	273,432	194,255	95,224	72,916
Transfers	(50,000)	(1,206,983)	(284,129)	(38,321)
<i>Total Governmental Activities General Revenues And Transfers</i>	<u>28,441,258</u>	<u>27,062,800</u>	<u>26,009,598</u>	<u>28,001,376</u>
Business-Type Activities:				
Interest	236	0	0	0
Miscellaneous	0	0	4,013	129
Transfers	50,000	1,206,983	284,129	38,321
<i>Total Business-Type Activities General Revenues And Transfers</i>	<u>50,236</u>	<u>1,206,983</u>	<u>288,142</u>	<u>38,450</u>
Restatement of Governmental-Type Net Position	10,032,492	0	(728,414)	0
Restatement of Business-Type Net Position	(41,190)	0	(12,370)	0
Change In Net Position:				
Governmental Activities	20,491,240	805,029	(2,960,313)	(883,226)
Business-Type Activities	1,039,814	1,418,823	1,194,824	86,644
<i>Total Primary Government</i>	<u>\$21,531,054</u>	<u>\$2,223,852</u>	<u>(\$1,765,489)</u>	<u>(\$796,582)</u>

Note: Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
(\$23,322,948)	(\$30,904,236)	(\$26,545,935)	(\$31,707,794)	(\$32,869,251)	(\$37,928,818)
561,125	(914,591)	(619,448)	(279,756)	(1,055,632)	(811,482)
<u>(22,761,823)</u>	<u>(31,818,827)</u>	<u>(27,165,383)</u>	<u>(31,987,550)</u>	<u>(33,924,883)</u>	<u>(38,740,300)</u>
914,945	844,540	855,786	890,504	898,319	907,759
837,166	818,161	808,395	837,795	1,151,574	1,134,794
1,053,861	912,171	921,295	955,483	632,183	605,221
4,424,227	3,699,084	5,141,680	4,967,276	5,942,633	6,329,917
1,202,117	810,105	829,400	943,324	1,052,852	1,126,977
19,436,382	19,940,544	24,245,125	20,655,547	22,231,507	24,324,866
2,711,904	1,272,509	884,553	1,864,221	1,382,795	1,375,475
807,467	612,050	15,131	545,297	323,841	503,172
142,931	852,688	545,492	257,425	319,933	374,390
0	106,662	(1,971,486)	(187,105)	(340,516)	(790,881)
<u>31,531,000</u>	<u>29,868,514</u>	<u>32,275,371</u>	<u>31,729,767</u>	<u>33,595,121</u>	<u>35,891,690</u>
0	0	0	0	0	0
222	77,241	11,781	2,218	0	0
0	(106,662)	1,971,486	187,105	340,516	790,881
<u>222</u>	<u>(29,421)</u>	<u>1,983,267</u>	<u>189,323</u>	<u>340,516</u>	<u>790,881</u>
0	0	0	0	0	0
0	0	0	0	0	0
8,208,052	(1,035,722)	5,729,436	21,793	725,870	(2,037,128)
561,347	(944,012)	1,363,819	(90,433)	(715,116)	(20,601)
<u>\$8,769,399</u>	<u>(\$1,979,734)</u>	<u>\$7,093,255</u>	<u>(\$68,640)</u>	<u>\$10,754</u>	<u>(\$2,057,729)</u>

CITY OF GROVE CITY, OHIO

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

TABLE 3

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund				
Nonspendable	\$0	\$0	\$0	\$295,345
Assigned	0	0	0	3,687,622
Unassigned	0	0	0	16,073,796
Reserved	1,716,494	886,578	5,899,172	0
Unreserved	<u>22,067,732</u>	<u>25,281,935</u>	<u>16,353,807</u>	<u>0</u>
<i>Total General Fund</i>	<u>23,784,226</u>	<u>26,168,513</u>	<u>22,252,979</u>	<u>20,056,763</u>
All Other Governmental Funds				
Nonspendable	0	0	0	50,646
Restricted	0	0	0	11,758,608
Committed	0	0	0	7,254,461
Reserved	8,315,194	4,568,489	3,942,181	0
Unreserved, Undesignated				
Reported In:				
Special Revenue Funds	4,042,465	5,148,100	5,341,385	0
Debt Service Funds	2,695,304	2,117,264	4,761,158	0
Capital Projects Funds	<u>1,066,445</u>	<u>2,628,205</u>	<u>601,775</u>	<u>0</u>
<i>Total All Other Governmental Funds</i>	<u>16,119,408</u>	<u>14,462,058</u>	<u>14,646,499</u>	<u>19,063,715</u>
<i>Total Governmental Funds</i>	<u>\$39,903,634</u>	<u>\$40,630,571</u>	<u>\$36,899,478</u>	<u>\$39,120,478</u>

(1) The City implemented GASB 54 in 2011.

<i>2011 (1)</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
\$397,901	\$405,725	\$461,172	\$379,076	\$534,537	\$537,446
2,997,481	1,668,128	2,548,647	2,558,057	3,320,516	6,373,849
21,772,230	22,405,749	18,896,479	16,920,151	17,694,558	5,557,278
0	0	0	0	0	0
0	0	0	0	0	0
<u>25,167,612</u>	<u>24,479,602</u>	<u>21,906,298</u>	<u>19,857,284</u>	<u>21,549,611</u>	<u>12,468,573</u>
122,183	110,639	15,833	99,000	157,229	104,418
12,843,216	10,004,281	11,691,472	9,468,775	13,880,520	15,039,265
5,566,525	8,259,910	10,333,890	9,122,407	17,139,599	13,394,558
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>18,531,924</u>	<u>18,374,830</u>	<u>22,041,195</u>	<u>18,690,182</u>	<u>31,177,348</u>	<u>28,538,241</u>
<u>\$43,699,536</u>	<u>\$42,854,432</u>	<u>\$43,947,493</u>	<u>\$38,547,466</u>	<u>\$52,726,959</u>	<u>\$41,006,814</u>

CITY OF GROVE CITY, OHIO

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

TABLE 4

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues:				
Property Taxes	\$3,010,739	\$2,608,543	\$2,755,244	\$2,968,884
Revenue In Lieu Of Taxes	1,198,082	1,676,004	4,106,367	4,020,452
Municipal Income Taxes	17,339,360	16,827,527	15,849,098	17,569,012
Other Local Taxes	1,004,656	702,619	1,095,826	1,109,832
Intergovernmental	5,252,502	5,028,654	5,106,258	9,060,831
Charges For Services	1,539,747	1,429,612	1,389,518	1,332,140
Licenses And Permits	904,120	1,007,622	610,029	619,645
Fines And Forfeitures	245,607	259,617	380,268	386,078
Special Assessments	76,498	51,384	23,897	118,058
Interest	2,413,869	4,137,466	1,004,641	706,200
Rent	47,028	55,005	48,784	54,681
Contributions And Donations	59,383	36,688	42,157	155,181
Miscellaneous	273,432	194,255	95,224	72,916
<i>Total Revenues</i>	<u>33,365,023</u>	<u>34,014,996</u>	<u>32,507,311</u>	<u>38,173,910</u>
Expenditures:				
Current Operations And Maintenance:				
Security Of Persons And Property	8,890,373	9,017,015	9,583,643	9,697,200
Public Health	240,079	267,967	291,792	270,134
Leisure Time Activities	1,890,187	1,965,631	1,905,279	1,902,060
Community Development:				
Primary Development	1,165,585	1,181,787	1,404,547	1,329,356
Conveyance Of Property	0	0	471,690	0
Transportation	1,282,273	1,375,437	1,432,898	1,407,756
General Government:				
Primary Government	6,488,046	6,566,892	6,211,447	7,581,627
Intergovernmental	0	0	1,191,288	1,370,473
Capital Outlay	11,802,699	7,961,859	11,081,383	9,249,404
Debt Service:				
Principal Retirement	1,054,316	1,369,052	9,111,354	1,524,318
Interest And Fiscal Charges	1,547,618	1,925,586	1,817,039	1,645,778
Issuance Costs	0	0	154,760	0
Principal Retirement - Current Refunding	0	1,945,240	0	0
<i>Total Expenditures</i>	<u>34,361,176</u>	<u>33,576,466</u>	<u>44,657,120</u>	<u>35,978,106</u>
Excess of Revenues Over (Under) Expenditures	<u>(\$996,153)</u>	<u>\$438,530</u>	<u>(\$12,149,809)</u>	<u>\$2,195,804</u>

<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
\$2,836,665	\$2,565,710	\$2,573,109	\$2,681,066	\$2,706,156	\$2,651,926
4,424,227	3,699,084	5,141,680	4,967,276	5,942,633	6,329,917
18,304,508	21,750,608	20,271,084	21,913,234	23,504,261	23,424,179
1,252,822	747,442	826,207	1,054,946	1,052,852	1,126,977
8,755,871	8,360,366	6,917,777	3,731,644	5,798,407	6,093,374
1,345,577	1,512,727	4,447,464	1,489,825	1,615,178	1,887,724
490,419	1,213,088	1,434,718	1,383,665	1,718,165	1,687,539
432,675	464,329	398,458	321,299	364,106	324,764
1,440,394	179,896	162,092	327,791	238,014	101,995
692,638	694,185	32,345	583,542	318,621	526,086
56,024	59,868	107,585	68,722	78,904	176,233
54,402	43,823	51,445	174,660	1,170,810	1,285,114
142,931	852,688	548,530	264,310	319,933	374,390
<u>40,229,153</u>	<u>42,143,814</u>	<u>42,912,494</u>	<u>38,961,980</u>	<u>44,828,040</u>	<u>45,990,218</u>
9,296,235	9,892,977	9,965,303	9,934,085	10,301,920	10,740,489
279,720	298,971	296,632	295,393	333,594	364,968
2,093,314	2,026,456	2,228,133	2,311,298	2,410,701	2,725,373
1,501,817	1,415,387	1,421,746	1,414,576	2,132,964	1,918,633
0	0	0	0	0	0
1,352,002	1,413,219	1,437,795	3,608,372	2,419,980	1,962,546
8,120,346	9,255,112	9,575,873	10,334,205	9,992,007	11,971,940
1,716,884	4,339,240	317,549	1,768,750	2,015,679	2,041,575
8,154,295	11,272,925	16,369,010	13,397,811	15,830,165	24,106,206
1,579,244	1,438,980	1,459,499	1,434,252	2,489,252	1,504,251
1,593,119	1,535,949	1,495,054	1,413,194	1,774,697	1,707,049
0	0	0	0	0	0
0	0	0	0	0	0
<u>35,686,976</u>	<u>42,889,216</u>	<u>44,566,594</u>	<u>45,911,936</u>	<u>49,700,959</u>	<u>59,043,030</u>
<u>\$4,542,177</u>	<u>(\$745,402)</u>	<u>(\$1,654,100)</u>	<u>(\$6,949,956)</u>	<u>(\$4,872,919)</u>	<u>(\$13,052,812)</u>

(Continued)

CITY OF GROVE CITY, OHIO

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

TABLE 4

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Other Financing Sources (Uses):				
Issuance Of Bond Anticipation Notes	\$9,530,240	\$7,585,000	\$0	\$0
Proceeds From Sale Of Capital Assets	0	22,519	33,010	25,196
Issuance Of OPWC Loans	57,925	265,888	802,125	0
Premium On Debt Issued	0	0	0	0
Notes Issued	0	0	0	0
General Obligation Bonds Issued	0	0	7,585,000	0
Revenue Bonds Issued	0	0	0	0
Inception Of Capital Leases	30,569	0	0	0
Proceeds Of Capital Leases	349,267	0	0	0
Current Refunding	0	(7,585,000)	0	0
Issuance Of Refunding Bonds	0	0	0	0
Payment To Refunded Bond Escrow Agent	0	0	0	0
Insurance Recoveries	0	0	0	0
Transfers - In	0	6,075,666	10,122,320	7,934,022
Transfers - Out	0	(6,075,666)	(10,123,739)	(7,934,022)
<i>Total Other Financing Sources (Uses)</i>	<u>9,968,001</u>	<u>288,407</u>	<u>8,418,716</u>	<u>25,196</u>
<i>Net Change in Fund Balances</i>	<u>\$8,971,848</u>	<u>\$726,937</u>	<u>(\$3,731,093)</u>	<u>\$2,221,000</u>
<i>Debt Service As A Percentage Of Noncapital Expenditures</i>	11.6%	20.6%	31.2%	10.5%

<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
\$0	\$0	\$0	\$0	\$0	\$0
36,881	21,277	72,197	46,740	68,394	71,464
0	0	2,675,421	3,189	0	0
0	0	0	0	224,018	0
0	0	0	1,500,000	0	0
0	0	0	0	14,000,000	0
0	0	0	0	4,760,000	0
0	0	0	0	0	0
0	0	0	0	0	0
0	1,395,000	0	0	0	21,385,000
0	(1,358,099)	0	0	0	(20,149,962)
0	0	0	0	0	26,165
791,297	7,241,725	11,064,254	8,078,675	6,834,479	13,932,194
(791,297)	(7,399,605)	(11,064,711)	(8,078,675)	(6,834,479)	(13,932,194)
<u>36,881</u>	<u>(99,702)</u>	<u>2,747,161</u>	<u>1,549,929</u>	<u>19,052,412</u>	<u>1,332,667</u>
<u>\$4,579,058</u>	<u>(\$845,104)</u>	<u>\$1,093,061</u>	<u>(\$5,400,027)</u>	<u>\$14,179,493</u>	<u>(\$11,720,145)</u>
9.7%	9.8%	9.5%	8.7%	12.4%	8.8%

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
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
2013	14,904,448	66%	1,647,080	7%	6,036,337	27%	22,587,865
2014	15,648,386	72%	2,062,756	9%	4,045,496	19%	21,756,638
2015	16,613,554	73%	2,127,576	9%	4,160,891	18%	22,902,021
2016	17,194,897	73%	2,101,555	9%	4,240,477	18%	23,536,929

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
2007 And 2015**

TABLE 6

Range Of Withholding Amount	2007		2015 (1)	
	Number Of Individual Filers	Percentage Of Individual Filers	Number Of Individual Filers	Percentage Of Individual Filers
\$200,000 and higher	130	1.18%	370	3.09%
\$150,000 - 199,999	268	2.42%	632	5.28%
\$100,000 - 149,999	1,270	11.49%	1,712	14.31%
\$75,000 - 99,999	1,440	13.03%	1,499	12.53%
\$50,000 - 74,999	1,839	16.64%	1,857	15.52%
\$25,000 - 49,999	2,566	23.21%	2,588	21.63%
\$24,999 and lower	3,542	32.03%	3,306	27.64%
Total	11,055	100.00%	11,964	100.00%

(1) This is the latest information available.

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.

CITY OF GROVE CITY, OHIO

**Computation Of Legal Debt Margin
Last Ten Years**

TABLE 7

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Total Assessed Valuation	\$837,638,956	\$847,280,806	\$864,396,724	\$875,735,620
Overall debt limitation - 10.5% of assessed valuation	<u>87,952,090</u>	<u>88,964,485</u>	<u>90,761,656</u>	<u>91,952,240</u>
Gross indebtedness authorized by Council	42,780,421	41,662,688	38,983,028	37,633,330
Less Debt Outside Limitation	<u>(21,140,181)</u>	<u>(20,807,448)</u>	<u>(20,888,028)</u>	<u>(20,263,330)</u>
Net Debt Subject to Limitation	21,640,240	20,855,240	18,095,000	17,370,000
Less amount available in the Debt Service Funds	<u>(2,346,978)</u>	0	<u>(1,183,219)</u>	<u>(892,483)</u>
Total Net Debt Subject to Limitation	<u>19,293,262</u>	<u>20,855,240</u>	<u>16,911,781</u>	<u>16,477,517</u>
Legal debt margin within 10.5% limitation	<u>\$68,658,828</u>	<u>\$68,109,245</u>	<u>\$73,849,875</u>	<u>\$75,474,723</u>
Legal Debt Margin as a Percentage of the Debt Limit	78.1%	76.6%	81.4%	82.1%

Unvoted debt limitation 5.5% of assessed valuation	\$46,070,143	\$46,600,444	\$47,541,820	\$48,165,459
Gross indebtedness authorized by Council	42,780,421	41,662,688	38,983,028	37,633,330
Less Debt Outside Limitation	<u>(21,140,181)</u>	<u>(20,807,448)</u>	<u>(20,888,028)</u>	<u>(20,263,330)</u>
Net Debt Subject to Limitation	21,640,240	20,855,240	18,095,000	17,370,000
Less amount available in the Debt Service Funds	<u>(2,346,978)</u>	0	<u>(1,183,219)</u>	<u>(892,483)</u>
Total Net Debt Subject to Limitation	<u>19,293,262</u>	<u>20,855,240</u>	<u>16,911,781</u>	<u>16,477,517</u>
Legal debt margin within 5.5% limitation	<u>\$26,776,881</u>	<u>\$25,745,204</u>	<u>\$30,630,039</u>	<u>\$31,687,942</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	58.1%	55.2%	64.4%	65.8%

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

<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
\$802,849,890	\$816,045,070	\$829,124,360	\$855,687,890	\$867,412,060	\$878,653,140
84,299,238	85,684,732	87,058,058	89,847,228	91,078,266	92,258,580
38,338,636	37,289,732	41,915,880	38,173,487	54,235,131	54,260,209
(21,733,636)	(21,279,732)	(26,590,880)	(23,383,487)	(26,010,131)	(33,255,209)
16,605,000	16,010,000	15,325,000	14,790,000	28,225,000	21,005,000
(674,099)	(666,848)	(1,410,452)	(1,982,412)	(1,740,458)	(1,249,988)
15,930,901	15,343,152	13,914,548	12,807,588	26,484,542	19,755,012
<u>\$68,368,337</u>	<u>\$70,341,580</u>	<u>\$73,143,510</u>	<u>\$77,039,640</u>	<u>\$64,593,724</u>	<u>\$72,503,568</u>
81.1%	82.1%	84.0%	85.7%	70.9%	78.6%
\$44,156,744	\$44,882,479	\$45,601,840	\$47,062,834	\$47,707,663	\$48,325,923
38,338,636	37,289,732	41,915,880	38,173,487	54,235,131	54,260,209
(21,733,636)	(21,279,732)	(26,590,880)	(23,383,487)	(26,010,131)	(33,255,209)
16,605,000	16,010,000	15,325,000	14,790,000	28,225,000	21,005,000
(674,099)	(666,848)	(1,410,452)	(1,982,412)	(1,740,458)	(1,249,988)
15,930,901	15,343,152	13,914,548	12,807,588	26,484,542	19,755,012
<u>\$28,225,843</u>	<u>\$29,539,327</u>	<u>\$31,687,292</u>	<u>\$34,255,246</u>	<u>\$21,223,121</u>	<u>\$28,570,911</u>
63.9%	65.8%	69.5%	72.8%	44.5%	59.1%

CITY OF GROVE CITY, OHIO

**Ratio Of Outstanding Debt By Type
Last Ten Years**

TABLE 8

Year	Governmental Activities						
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Bond Anticipation Notes	Capital Leases	TIF Revenue Bonds	Pinnacle Promissory Note
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
2013	15,370,864	0	5,733,112	0	0	14,030,000	0
2014	14,833,316	0	5,322,049	0	0	13,545,000	1,500,000
2015	28,482,319	0	4,907,797	0	0	17,795,000	500,000
2016	21,214,084	0	4,493,546	0	0	26,145,000	0

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

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

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

<i>Business-Type Activities</i>						
<i>OPWC Loans</i>	<i>OWDA Loans</i>	<i>Total Primary Government</i>	<i>Population (1)</i>	<i>Personal Income (2)</i>	<i>Debt Per Capita</i>	<i>Percentage Of Personal Income</i>
\$984,405	\$0	\$43,137,821	33,483	\$1,126,837	1,288	3.83%
899,251	0	41,951,139	33,699	1,185,733	1,245	3.54%
815,023	0	39,199,077	34,027	1,187,780	1,152	3.30%
731,640	158,304	37,751,316	34,280	1,199,800	1,101	3.15%
645,539	2,471,408	38,409,077	34,569	1,356,280	1,111	2.83%
556,632	2,860,910	37,338,144	35,708	1,469,598	1,046	2.54%
464,824	2,762,944	38,361,744	35,817	1,515,704	1,071	2.53%
370,023	2,646,415	38,216,803	36,079	1,560,525	1,059	2.45%
281,890	2,525,444	54,492,450	36,459	1,576,961	1,495	3.46%
216,801	2,399,862	54,469,293	36,784	1,650,425	1,481	3.30%

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

<i>Year</i>	<i>General Obligation Bonded Debt (1)</i>	<i>Estimated Actual Value Of Taxable Property (2)</i>	<i>Population (3)</i>	<i>Percentage Of Bonded Debt To Estimated Actual Value</i>	<i>Bonded Debt Per Capita</i>
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
2013	15,370,864	2,368,926,743	35,817	0.65%	429.15
2014	14,833,316	2,444,822,543	36,079	0.61%	411.13
2015	28,482,319	2,478,320,171	36,459	1.15%	781.22
2016	21,214,084	2,510,437,543	36,784	0.85%	576.72

(1) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

(2) Franklin County Auditor

(3) 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, 2016**

TABLE 10

<i>Jurisdiction</i>	<i>Debt Outstanding</i>	<i>Percentage Applicable To City Of Grove City (2)</i>	<i>Amount Applicable To City Of Grove City</i>
<i>Direct:</i>			
City of Grove City			
General Obligation Bonds	\$21,214,084	100.00%	\$21,214,084
TIF Revenue Bonds	26,145,000	100.00%	26,145,000
OPWC Loans	4,493,546	100.00%	4,493,546
Total Direct	<u>51,852,630</u>		<u>51,852,630</u>
<i>Overlapping:</i>			
South-Western City School District (1)			
General Obligation Bonds	185,081,271	36.08%	66,777,323
Energy Conservation Bonds	6,670,000	36.08%	2,406,536
Bond Anticipation Notes	66,666	36.08%	24,053
Franklin County			
General Obligation Bonds	250,857,000	3.30%	8,278,281
Special Obligation Bonds And Notes	22,730,000	3.30%	750,090
OPWC Loans	3,615,000	3.30%	119,296
Total Overlapping	<u>469,019,937</u>		<u>78,355,579</u>
Total Direct And Overlapping Debt	<u><u>\$520,872,567</u></u>		<u><u>\$130,208,209</u></u>

Source: Franklin County Auditor

(1) The debt outstanding for South-Western City School District is at June 30, 2016.

(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.

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CITY OF GROVE CITY, OHIO

***Pledged Revenue Coverage
Last Ten Years***

TABLE 11

Year	Revenue In Lieu Of Taxes (1)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
TIF Revenue Bonds					
2007	\$1,198,082	\$30,000	\$873,330	\$903,330	1.33
2008	2,199,203	185,000	864,575	1,049,575	2.10
2009	2,504,134	330,000	855,314	1,185,314	2.11
2010	2,796,283	395,000	838,181	1,233,181	2.27
2011	2,950,053	420,000	817,937	1,237,937	2.38
2012	1,478,740	440,000	794,135	1,234,135	1.20
2013	2,986,838	460,000	773,915	1,233,915	2.42
2014	3,070,420	485,000	751,773	1,236,773	2.48
2015	2,947,268	510,000	741,650	1,251,650	2.35
2016	2,847,003	0	469,647	469,647	6.06

(1) Tax Increment Financing Revenue Bonds are backed by the revenue in lieu of taxes of the same manner and in the same amount as real property taxes. Revenue in lieu of taxes includes only the Buckeye Center TIF as TIF Revenue Bonds outstanding pertain only to this TIF. TIF revenues may be utilized for repayment of the debt.

Note: The Tax Incremental Financing bonds were issued in 2015. The special obligation payments will be paid from tax incremental financing (TIF) revenue. Collections are expected to begin in 2016. TIF revenue collections begin, interest payments will be paid from the proceeds of the bonds.

CITY OF GROVE CITY, OHIO

**Demographic Statistics
Last Ten Years**

TABLE 12

Year	Population (1)	Personal Income (2)	Per Capita Income (3)	Unemployment Rate (4)			
				Federal	State	Franklin County	Grove City
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	1,469,598	41,156	8.1%	7.2%	6.1%	5.5%
2013	35,817	1,515,704	42,318	7.4%	7.3%	6.2%	5.7%
2014	36,079	1,560,525	43,253	6.2%	5.7%	4.8%	4.3%
2015	36,459	1,576,961	43,253	5.3%	4.9%	4.1%	3.7%
2016	36,784	1,650,425	44,868	4.9%	4.9%	4.0%	3.8%

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

CITY OF GROVE CITY, OHIO

**Principal Employers
2007 And 2016**

TABLE 13

Employer	2007			2016		
	Number Of Employees	Rank	Percentage Of Total Employment	Number Of Employees	Rank	Percentage Of Total Employment
South-Western City School District	1,305	1	8.47%	1,197	1	5.34%
Walmart Associates, Inc.	1,000	2	6.49%	1,041	2	4.64%
FedEx Ground Package Systems, Inc.	806	3	5.23%	517	3	2.31%
Halcore Group, Inc.	384	9	2.49%	442	4	1.97%
Manheim Remarketing, Inc.	N/A	N/A	N/A	402	5	1.79%
Walmart Super Center	450	7	2.92%	335	6	1.49%
Tigerpoly Manufacturing, Inc.	400	8	2.60%	303	7	1.35%
Tosoh SMD, Inc.	325	10	2.12%	301	8	1.34%
Nationwide Mutual Insurance Co.	450	6	2.93%	290	9	1.29%
The GAP, Inc.	600	4	3.90%	204	10	0.91%
Ohio Auto Auction	485	5	3.15%	N/A	N/A	N/A
Total Employees	6,205		40.30%	5,032		22.43%
All Other Employers	9,196		59.70%	17,384		77.57%
Total Employment within the City	15,401		100.00%	22,416		100.00%

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

CITY OF GROVE CITY, OHIO

**Operating Indicators By Function/Program
Last Ten Years**

TABLE 14

Function/Program	2007	2008	2009	2010
General Government:				
Active Income Tax Accounts:				
Individual	18,731	20,327	22,630	20,921
Business Net Profit	1,089	1,239	1,244	1,269
Withholding	1,539	1,883	1,910	1,902
Clerk of Courts:				
Criminal Cases	428	468	573	735
Traffic Court Cases	2,123	2,057	3,187	3,307
Parking Cases	703	731	628	545
Security Of Persons And Property:				
Police Calls	69,823	86,993	102,934	101,401
Physical Arrests	1,410	1,567	1,685	1,802
Class A Crimes	2,157	3,681	4,011	3,921
Community Development:				
Trees Planted	548	506	1,247	312
Trees Pruned	1,953	1,467	1,231	3,004
Trees Removed	407	291	265	370
Leaves Collected (in tons)	330	320	367	424
Landscape Inspections	197	206	235	127
Leisure Time Activities:				
General Recreation Revenues	\$1,059,087	\$1,049,717	\$931,986	\$882,251

Source: City Departments

<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
21,707	23,404	27,513	22,232	22,176	22,417
3,113	3,468	2,080	2,004	1,964	2,088
4,577	4,953	2,793	2,816	2,838	3,134
677	819	811	932	1,183	1,200
3,888	3,776	2,962	2,162	2,228	2,211
381	321	292	240	178	200
96,388	96,411	104,309	104,722	97,267	92,568
1,686	2,007	1,942	1,953	2,018	2,170
3,741	4,185	3,789	4,049	4,427	5,108
431	817	463	822	345	138
2,494	1,623	395	607	445	1,086
719	704	322	265	283	215
333	269	408	301	353	337
118	103	159	161	173	150
\$912,083	\$1,000,549	\$1,124,821	\$1,205,285	\$1,256,886	\$1,274,885

CITY OF GROVE CITY, OHIO

**Capital Assets Statistics By Function/Program
Last Ten Years**

TABLE 15

Function/Program	2007	2008	2009	2010
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	18 (2)	18	18	18
Park Area (acres)	440 (2)	452	461	263
Number Of Playgrounds	14 (2)	14	14	15
Number Of Swimming Pools	1	1	1	1
Number Of Tennis Courts	6	2	2	2
Number Of Community Centers	3	3	4	4
Number Of Public Libraries	1	1	1	1
Basic Utility Services:				
Miles Of Water Distribution	149.0 (3)	154.9	159.3	163.3
Miles Of Sanitary Sewers	155.1 (3)	159.9	168.0	170.1
Miles Of Storm Sewers	124.2 (3)	132.3	140.6	143.4
Transportation:				
Miles Of Streets	135.0	149.9	152.9	153.3
Number Of Street Lights	3,492	3,592	3,608	3,645
Number Of Traffic Signs	3,220	3,463	3,592	3,604
Number Of Traffic Lights	50	54	55	55

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 2007, the calculation of basic utility services was restated by EMH&T to reflect a more accurate count.

<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	4	4	4
19	20	20	20	20	21
263	294	294	300	300	364
15	15	15	15	15	15
1	1	1	1	1	1
2	2	2	2	2	2
4	4	4	5	5	5
1	1	1	1	1	1
168.2	170.3	172.3	175.2	175.6	175.6
180.2	180.3	180.3	183.7	183.8	190.9
149.4	149.8	150.5	155.9	156.1	158.0
155.8	155.8	155.8	157.4	157.4	157.4
3,651	3,655	3,700	3,750	3,800	3,850
3,700	3,750	3,800	3,845	3,900	3,925
55	55	59	75	75	75

CITY OF GROVE CITY, OHIO

**City Government Employees By Function/Program
Last Ten Years**

TABLE 16

<u>Function/Program</u>	<u>2007</u>		<u>2008</u>		<u>2009</u>		<u>2010</u>	
	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All
Security Of Persons And Property	77	83	78	83	79	84	78	85
Leisure Time Activities	21	57	21	63	22	56	22	56
Community Development	11	13	11	15	10	11	10	11
Transportation	14	23	14	19	14	19	16	20
General Government	14	25	14	25	15	23	13	24
<i>Total Number of Employees</i>	<u>137</u>	<u>201</u>	<u>138</u>	<u>205</u>	<u>140</u>	<u>193</u>	<u>139</u>	<u>196</u>

Source: City Payroll Records

<i>2011</i>		<i>2012</i>		<i>2013</i>		<i>2014</i>		<i>2015</i>		<i>2016</i>	
Full-Time	All										
80	86	79	87	80	86	81	88	83	90	83	92
24	59	22	61	22	66	23	74	23	85	23	88
10	10	11	14	11	16	12	16	13	20	16	20
13	20	14	20	15	21	17	21	16	20	15	23
11	23	13	20	13	19	13	19	13	19	15	22
<u>138</u>	<u>198</u>	<u>139</u>	<u>202</u>	<u>141</u>	<u>208</u>	<u>146</u>	<u>218</u>	<u>148</u>	<u>234</u>	<u>152</u>	<u>245</u>



City of Grove City, Ohio

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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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