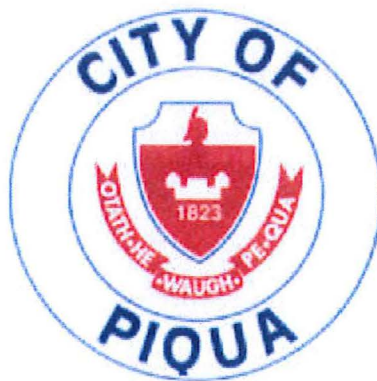


**Comprehensive Annual Financial Report  
for the year ended December 31, 2014**



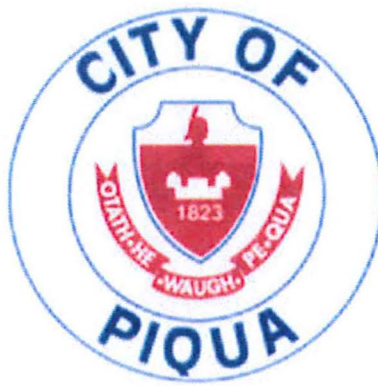
***CITY OF PIQUA, OHIO***

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Year Ended December 31, 2014**

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

# Introductory Section



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## CITY OF PIQUA, OHIO

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

June 16, 2015

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

This Comprehensive Annual Financial Report is for the year ended December 31, 2014. We believe this report, prepared by the Department of Finance, presents financial and operating information about the City's activities during the year that should be useful to citizens, taxpayers and investors. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief the enclosed data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

### **Reporting Entity**

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

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

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

The City of Piqua is a community (2010 Census 20,522) in Miami County, located in the west central part of the state, twenty-five miles north of Dayton. Inter and intra state highways I-75, Route 36 and Route 66 serve as the City's major transportation arteries. Edison Community College, with over 3,911 students, is located on the east side of the city.

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

Expansion of existing businesses and redevelopment of commercial and industrial sites continued in the City of Piqua in 2014. Harmony Systems and Service celebrated their 20th anniversary of business in Piqua with a \$545,000 warehouse expansion. Hartzell Air Movement added 30 new jobs to their manufacturing facility. Nitto Denko began construction on another 20,000 square feet expansion project. Additionally, residential construction increased from \$325,000 in 2013 to over \$2.5 million in 2014.

## **Major Initiatives**

***Current Year Projects:*** During 2014 the City continued efforts to enhance and expand services provided to local residents. The City continued supporting the Future Piqua Strategic Plan recommendations; including public access television and a quarterly community newsletter (financial support is shared between the City and the Chamber of Commerce).

The following significant events took place in 2014:

- The redevelopment of the City's downtown and surrounding areas. The redevelopment includes improved signage, sidewalks, brick pavers, traffic signals, and streetlights
- Completed Phase II street reconstruction of North 25A
- New Water Plant design, obtained EPA approval and accepted bids for construction on new Water Plant
- Applied for Downtown redevelopment grant to continue façade improvements to downtown structures
- Continued the Riverfront Redevelopment Project
- Completed redevelopment of riverfront area adjacent to Power Plant with grant assistance
- Completed beautification project on East Ash Street and US 36
- Continued ICMA performance benchmarks for all City departments
- Continued staffing for Adequate Fire and Emergency Response (SAFER) grant of over \$1 million for 2013-14
- Received the 2014 Healthiest Employer Award from the Dayton Business Journal for the 3<sup>rd</sup> Year
- Implemented the "Back Pack Food Program" for High School Students
- Installed Handicap Playground in Pitsenbarger Park
- Completed a Feasibility Study for semi-automated recycling collection
- Provided Active Shooter and Life Threats modern training to all public education facilities
- Implemented Fire Inspection Program
- Earned designation as a Trail Town
- Initiated the Historic East Piqua Master Plan
- Completed the Phase II Stormwater Master Plan Study
- Developed restoration plans for the West Interceptor to Echo Lake

***Future Projects:*** The city anticipates the following significant events to take place in 2015:

- Continue the redevelopment of the City's downtown and surrounding areas. The redevelopment includes improved signage, sidewalks, brick pavers, traffic signals, and streetlights
- Continue neighborhood improvements through the Neighborhood Associations, City's Neighborhood Improvement Team and Housing Enhancement League of Piqua (HELP)
- Begin Phase III street reconstruction of North 25A
- Begin construction on new Water Plant
- Apply for Downtown redevelopment grant to continue façade improvements to downtown structures
- Complete the Historic East Piqua Master Plan
- Begin restoration plans for the West Interceptor to Echo Lake
- Continue the Riverfront Redevelopment Project
- Continue monitoring long range financial plan
- Continue ICMA performance benchmarks for all City departments

## Financial Information

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

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

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

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

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

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

**Financial Reporting:** Beginning in 2002, the City has prepared financial statements following GASB Statement 34, "Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments." As part of this new reporting model, management is responsible for preparing a Management's Discussion and Analysis of the City. This discussion follows the Independent Auditor's Report, providing an assessment of the City's finances for 2014.

## General Government

**General Governmental Revenues:** The 2014 municipal income tax revenue of \$8,285,580 decreased 7%. Kilowatt hour tax revenues increased slightly. Interest revenue dropped and is expected to be similar in 2015 as rates remain low. Municipal income tax revenue is up slightly through May 2015 as a .25% levy was passed effective 2015. Grants were slightly higher in 2013 based on one time projects, dropped in 2014 and are expected to continue at the 2014 level in 2015.

**General Governmental Expenditures:** The 2014 General Governmental expenditures and other financing uses increased 91% compared with 2013. In 2014, more capital, community development, and public safety projects were completed as well as acquisition of the Fort Piqua Plaza.

**General Fund Balances:** Current year activity contributed to a \$449,034 increase in the unassigned fund balance from 2013.

## **Business-Type Funds**

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

**Power System:** Total customer revenues were \$27.7 million with usage up 2.3% compared to 2013 levels. Revenues remained stable based on increased industrial use. Operating and capital grants of \$.5 million were received in 2014. With operating costs slightly higher, expenses exceeded revenues in 2014 by \$45,428. A rate study, completed in 2014, and recommended slight rate increases that started in 2015.

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

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

**Water System:** Customer revenues of \$4.9 million were higher than 2013 levels due to a rate increase while usage dropped 1.7%. Operating expenses of \$3.4 million were similar to 2013 increasing the net revenue from operations to \$1,504,789. More than 8,600 accounts are serviced by Piqua's municipal water system.

**Wastewater System:** Customer revenues of \$3.5 million were similar to 2013 levels on unchanged usage. Operating expenses of \$3.5 million increased slightly. Net revenue from operations was \$41,830 in 2014.

**Refuse System:** System revenues of \$1.8 million were similar to 2013 levels. Operating expenses of \$1.7 million remained near 2013 levels. Net revenue from operations was slightly lower at \$81,689. Refuse service is provided to more than 7,800 customers.

**Stormwater System:** Customer revenues of \$989,377 represented the fourth full year of operations and were up slightly due to a rate increase. Operating expenses of \$814,109 were up significantly as staff was added. Net revenue from operations was \$185,129 in 2014. Stormwater service is provided to approximately 7,900 customers.

## **The Independent Audit**

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. The State Auditor's Office has completed an audit of the 2014 financial statements. The 2013 audit was also completed by The State Auditor's Office. All State of Ohio compliance and federal grant audit requirements are included as part of the independent annual engagement. See page 9 of the Financial Section of this report for their unmodified opinions.

## Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded for the twenty-fourth consecutive year a Certificate of Achievement for Excellence in Financial Reporting to the City of Piqua, Ohio, for its comprehensive annual financial report for the fiscal year ended December 31, 2013. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

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

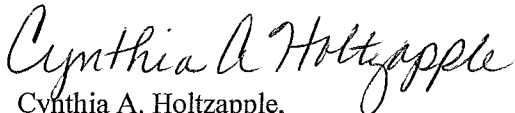
## Acknowledgments

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

Respectfully submitted,



Gary A. Huff  
City Manager



Cynthia A. Holtzapfle,  
Director of Finance

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

# **CITY OF PIQUA, OHIO**

## **CITY OFFICIALS**

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

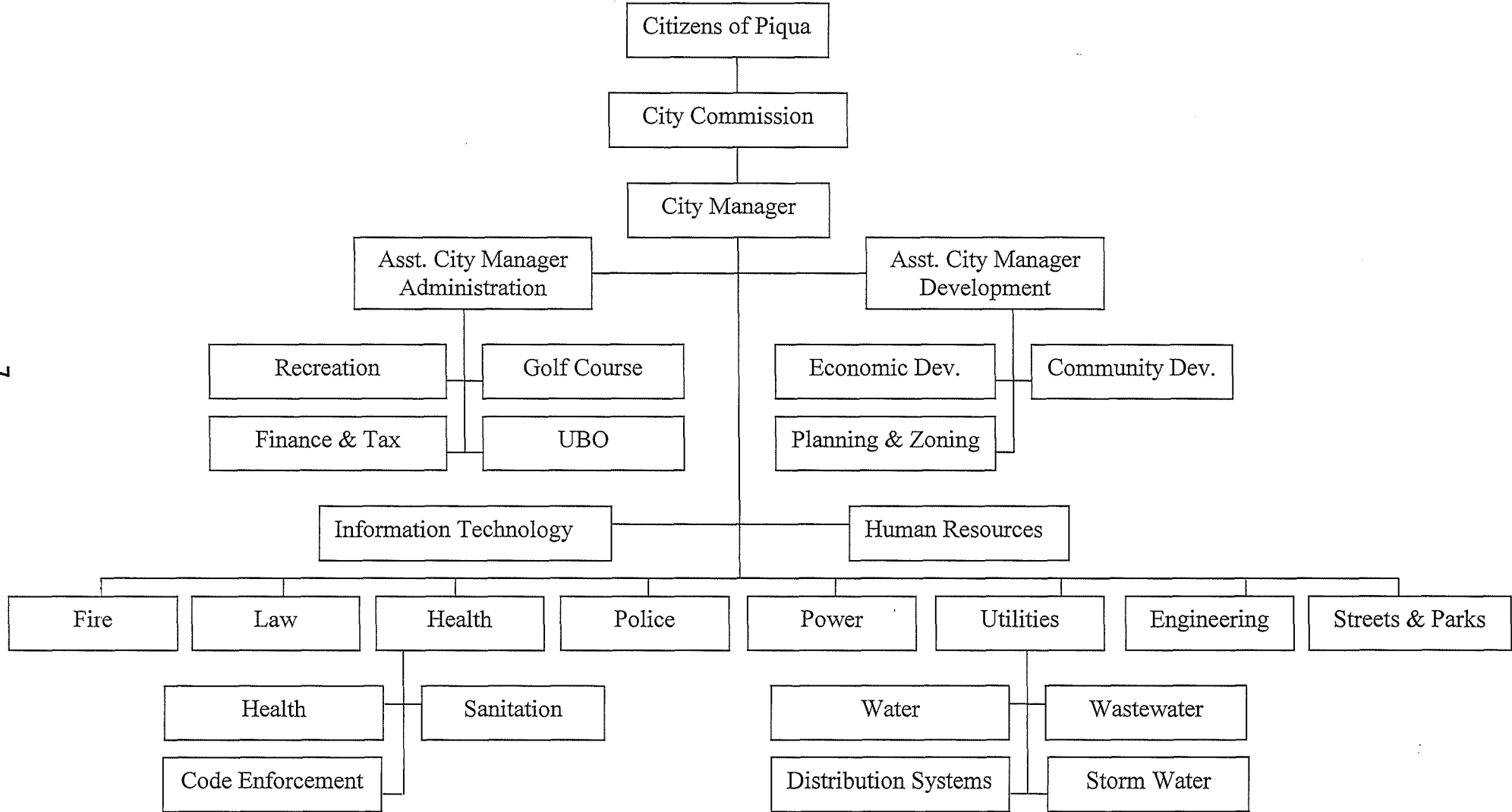
## **CITY MANAGER**

Gary A. Huff

## **INDEPENDENT AUDITORS**

Ohio Auditor of State

# City of Piqua 2014 City Organization Chart



7



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

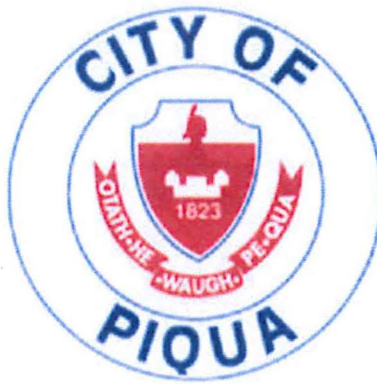
**City of Piqua**  
**Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

Executive Director/CEO

# Financial Section





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

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

To the City Commissioners:

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Piqua, Miami County, Ohio (the City), as of and for the year ended December 31, 2014, 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 that we 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 opinions.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Piqua, Miami County, Ohio, as of December 31, 2014, and the respective changes in financial position and, where applicable cash flows, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2015, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



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

June 16, 2015

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2014*  
*(Unaudited)*

The discussion and analysis of the City of Piqua's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2014. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

**Financial Highlights**

- The assets of the City exceeded its liabilities and deferred inflows of resources at December 31, 2014 by \$150.4 million (net position). Of this amount, \$39.7 million is considered unrestricted. The unrestricted net position of the City's governmental activities is \$20.0 million and may be used to meet the government's on-going obligations. The unrestricted net position of the City's business-type activities are \$19.6 million and may be used to meet the on-going obligations of the City's business-type activities, including the water, wastewater, refuse, stormwater, and electricity enterprises.
- The City's total net position decreased by \$1.1 million in 2014. Net position of the governmental activities decreased \$0.4 million, which represents a 0.6 percent decrease from 2013.
- The total cost of the City's programs increased \$6.0 million or 12.3 percent. The cost of governmental activities increased \$2.1 million or 14.6 percent, while the cost of business-type activities increased \$3.9 million or 11.3 percent.
- At the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$17.9 million. The combined governmental funds fund balance decreased \$9.9 million from the prior year's ending fund balance. Approximately \$7.4 million of the \$17.9 million fund balance is considered unassigned at December 31, 2014.
- The general fund reported a fund balance of \$10.8 million at the end of the current fiscal year. The unassigned fund balance for the general fund was \$7.4 million or 65 percent of total general fund expenditures (including transfers out). There was a \$10.1 million decrease in the total general fund balance for the year ended December 31, 2014 primarily from the acquisition of the Fort Piqua Plaza.
- The City had \$0.4 million less in debt of bonds and notes outstanding at December 31, 2014 than at December 31, 2013.
- Total costs of governmental services increased by \$2.1 million, while net costs of services for governmental activities increased by \$2.8 million.

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2014*  
*(Unaudited)*

## **Using This Annual Financial Report**

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

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

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

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

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and asks the question, "How did we do financially during 2014?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows, liabilities and deferred inflows using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

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

**CITY OF PIQUA, OHIO**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2014*  
*(Unaudited)*

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

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

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

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

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

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

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**Other information**

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

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

**The City of Piqua as a Whole**

Recall that the analysis of the Statement of Net Position looks at the City as a whole. One of the most important questions to consider is, "Is the City as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information to help answer this question. The Net Position statement shows the difference between assets with deferred outflows and liabilities with deferred inflows, which is one way to measure the City's financial position. As reviewed over time, increases or decreases in the City's net position are an indicator of whether the City's financial health is improving or deteriorating. However, other non-financial factors must also be considered such as changes in the property tax base of the city, the condition of the City's roads and neighborhoods, and the reputation of the public schools in order to assess the overall health of the City. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities for both 2014 and 2013.

The amount by which the City's assets and deferred outflows exceed its liabilities and deferred inflows is called net position. Net position may serve over time as a useful indicator of a government's financial position. At year-end, the City's net position was \$150.4 million compared to \$151.5 million in 2013, a decrease of \$1.1 million. Net Position for governmental activities decreased \$0.44 million, while business-type activities decreased \$0.62 million.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 24,710,475	\$ 35,225,516	\$ 26,040,534	\$ 25,235,559	\$ 50,751,009	\$ 60,461,075
Capital assets	55,288,659	45,872,770	62,844,170	64,810,312	118,132,829	110,683,082
<i>Total assets</i>	<u>79,999,134</u>	<u>81,098,286</u>	<u>88,884,704</u>	<u>90,045,871</u>	<u>168,883,838</u>	<u>171,144,157</u>
Total deferred outflows of resources			-	12,625	-	12,625
Long-term liabilities	2,846,739	3,220,051	10,407,463	10,605,198	13,254,202	13,825,249
Other liabilities	728,026	828,441	2,974,715	3,326,994	3,702,741	4,155,435
<i>Total liabilities</i>	<u>3,574,765</u>	<u>4,048,492</u>	<u>13,382,178</u>	<u>13,932,192</u>	<u>16,956,943</u>	<u>17,980,684</u>
Total deferred inflows of resources	1,484,684	1,667,701			1,484,684	1,667,701
Net position:						
Net investment in capital assets,	54,540,426	44,845,328	55,861,423	57,929,193	110,401,849	102,774,521
Restricted for other purpose	5,632	11,077	-	-	5,632	11,077
Restricted for debt service	375,519	439,460	-	50,000	375,519	489,460
Unrestricted	20,018,108	30,086,228	19,641,103	18,147,111	39,659,211	48,233,339
<i>Total net position</i>	<u>\$ 74,939,685</u>	<u>\$ 75,382,093</u>	<u>\$ 75,502,526</u>	<u>\$ 76,126,304</u>	<u>\$ 150,442,211</u>	<u>\$ 151,508,397</u>

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Of that amount, in 2014 approximately \$110.4 million (73%) was invested in capital assets, net of debt related to those assets. At year-end 2013 that amount was approximately \$102.8 million (68%). The largest portion of the City's net position (73%) reflects investments in net capital assets (e.g. land, construction in progress, buildings, improvements, machinery and equipment, vehicles, and infrastructure), less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

For 2014 another \$0.4 million (0.25%) was subject to legislative and external restrictions upon its use. The remaining \$39.7 million (26.4%) in 2014 was unrestricted and available for future use. For 2013 \$0.5 million (.33%) was subject to external restrictions and \$48.2 million (31.8%) was unrestricted.

At the end of the current year, the City of Piqua is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

Our total net position of the City's governmental activities decreased \$0.4 million during the current year; \$9.7 million due to an increase in net investment in capital assets and \$10.1 million due to a decrease in unrestricted net position. Restricted net position decreased slightly.

Total net position of the City's business-type activities decreased \$0.6 million during the current year; \$2.1 million due to decreased net investment in capital assets and \$1.5 million due to an increase in unrestricted net position.

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

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for Services	\$ 1,495,236	\$ 1,705,548	\$39,541,412	\$35,430,033	\$ 41,036,648	\$ 37,135,581
Operating Grants/Contributions	1,960,446	1,215,686	503,454	110,719	2,463,900	1,326,405
Capital Grants/Contributions	554,878	1,732,241	49,844	89,599	604,722	1,821,840
General revenues:						
Property Taxes	1,169,263	1,211,844			1,169,263	1,211,844
Income Taxes	8,285,580	8,935,319			8,285,580	8,935,319
Other Taxes	3,068,432	2,941,131			3,068,432	2,941,131
Investment Earnings & Misc.	95,115	84,533	48,158	54,021	143,273	138,554
<b>Total Revenues</b>	<b>16,628,950</b>	<b>17,826,302</b>	<b>40,142,868</b>	<b>35,684,372</b>	<b>56,771,818</b>	<b>53,510,674</b>
Program Expenses						
General Government	1,895,842	1,931,289			1,895,842	1,931,289
Public Safety	8,599,246	7,855,812			8,599,246	7,855,812
Street and Maintenance	5,238,564	3,340,057			5,238,564	3,340,057
Parks and Recreation	509,403	502,923			509,403	502,923
Community Development	272,904	766,933			272,904	766,933
Interest on long-term debt	49,855	61,006			49,855	61,006
Electric			28,187,077	24,897,844	28,187,077	24,897,844
Wastewater			3,479,419	3,253,677	3,479,419	3,253,677
Water			3,444,314	3,116,383	3,444,314	3,116,383
Refuse			1,701,599	1,606,035	1,701,599	1,606,035
Stormwater			814,109	707,322	814,109	707,322
Golf			589,459	678,050	589,459	678,050
Ft. Piqua Plaza			294,781	301,409	294,781	301,409
Pool			174,256	188,413	174,256	188,413
<b>Total Expenses</b>	<b>16,565,814</b>	<b>14,458,020</b>	<b>38,685,014</b>	<b>34,749,133</b>	<b>55,250,828</b>	<b>49,207,153</b>
Increase (Decrease) in Net Position before Transfers & Proceeds	63,136	3,368,282	1,457,854	935,239	1,520,990	4,303,521
Special Item			(2,587,176)		(2,587,176)	
Transfers	(505,544)	(483,403)	505,544	483,403	-	-
<b>Increase(Decrease) in Net Position</b>	<b>\$ (442,408)</b>	<b>\$ 2,884,879</b>	<b>\$ (623,778)</b>	<b>\$ 1,418,642</b>	<b>\$ (1,066,186)</b>	<b>\$ 4,303,521</b>
Net Position Beginning	75,382,093	72,497,214	76,126,304	74,707,662	151,508,397	147,204,876
Net Position Ending	\$ 74,939,685	\$ 75,382,093	\$ 75,502,526	\$ 76,126,304	\$ 150,442,211	\$ 151,508,397

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**Governmental Activities**

Governmental activities decreased the City's net position by \$442,408 in 2014 as compared to an increase of \$2,884,879 during 2013, thereby accounting for a 0.6 percent decline in total net position. Total revenues decreased by \$1,197,352 due to decreased capital grants and lower income tax collections. Our program expenses increased by \$2,107,794 due to a large street project and increased safety staffing.

Several types of revenues fund our governmental activities with city income tax being the largest contributor. The income tax revenue for 2014 was down significantly at \$8,285,580 compared to \$8,935,319 in 2013, a decrease of 7.3 percent. The City's income tax rate was 1.75 percent for 2014, the same as the prior year. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a locality that has a municipal income tax, the City provides 100 percent credit up to 1.75 percent for those who pay income tax to another city. During 2014 the citizens of Piqua passed another .25 percent income tax levy effective January 1, 2015.

General revenues from other taxes, such as Kilowatt-hour tax, Estate tax and Local Government Funds, are also revenue generators and in 2014, we received \$127,301 more than in 2013, a 4.3% increase mostly due to higher Kilowatt-hour. Effective in 2013 the State of Ohio eliminated the local estate tax so those funds will no longer be received. Program revenues saw a decrease of \$210,312 in charges for services while operating and capital grants decreased \$432,603 overall as projects were completed. Overall decreases in program revenues totaled \$642,915 or 13.82%. With the combination of program revenues, property tax, income tax, intergovernmental funding and investment earnings, all expenses in the governmental activities are funded. The City monitors its source of revenues very closely for fluctuations.

The largest program function for the City relates to Public Safety, which accounts for 51.9 percent of total program expenses. Street Maintenance accounts for 31.6 percent of total program expenses, while General Government accounts for 11.4 percent. Street and Maintenance cost of services increased as significant street projects were implemented.

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

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

	Total Cost of Services		Program Revenues		Net Cost of Services	
	2014	2013	2014	2013	2014	2013
General Government	\$ 1,895,842	\$ 1,931,289	\$ 376,948	\$ 503,906	\$ 1,518,894	\$ 1,427,383
Public Safety	8,599,246	7,855,812	1,535,153	1,561,795	7,064,093	6,294,017
Street and Maintenance	5,238,564	3,340,057	1,715,164	1,794,124	3,523,400	1,545,933
Parks and Recreation	509,403	502,923	87,649	64,997	421,754	437,926
Community Development	272,904	766,933	295,646	728,653	(22,742)	38,280
Interest on long-term debt	49,855	61,006	-	-	49,855	61,006
<b>Total</b>	<b>\$ 16,565,814</b>	<b>\$ 14,458,020</b>	<b>\$ 4,010,560</b>	<b>\$ 4,653,475</b>	<b>\$ 12,555,254</b>	<b>\$ 9,804,545</b>

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**Business-Type Activities**

The Business-Type activities of the City, which include the City's Electric, Wastewater, Water, Refuse and Stormwater operations as well as Golf, Pool and Fort Piqua Plaza activities, decreased the City's net position by \$623,778 in 2014.

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

	Total Cost of Services		Program Revenues		Net Revenue (Expense) from Operations	
	2014	2013	2014	2013	2014	2013
Electric	\$ 28,187,077	\$ 24,897,844	\$ 28,141,649	\$ 23,742,115	\$ (45,428)	\$ (1,155,729)
Wastewater	3,479,419	3,253,677	3,521,249	3,502,666	41,830	248,989
Water	3,444,314	3,116,383	4,949,103	4,890,863	1,504,789	1,774,480
Refuse	1,701,599	1,606,035	1,783,288	1,794,018	81,689	187,983
Stormwater	814,109	707,322	999,238	975,829	185,129	268,507
Golf	589,459	678,050	471,046	515,527	(118,413)	(162,523)
Ft. Piqua Plaza	294,781	301,409	159,099	147,131	(135,682)	(154,278)
Pool	174,256	188,413	70,038	62,202	(104,218)	(126,211)
<b>Total</b>	<b>\$ 38,685,014</b>	<b>\$ 34,749,133</b>	<b>\$ 40,094,710</b>	<b>\$ 35,630,351</b>	<b>\$ 1,409,696</b>	<b>\$ 881,218</b>

For 2014 the Wastewater, Water, Refuse and Stormwater utilities all had program revenues in excess of expenses. For the most part, increases in expenses closely parallel inflation and growth in the demand for services. Golf and Pool activity funds had expenses in excess of program revenues of \$222,631 in 2014 as compared to \$288,734 in 2013. The Ft. Piqua Plaza activity funds have expenses in excess of program revenues of \$135,682 in 2014 compared to \$154,278 in 2013. There was decreased use of the Golf Course and the Pool based on a weaker local economy and wet and cold weather. For 2014, Ft. Piqua Plaza program revenues increased while the cost of services decreased slightly.

**The City's Funds**

Information about the City's major funds starts on page 25. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues in 2014 of \$16.9 million compared to \$17.6 million in 2013. All governmental funds had expenditures in 2014 of \$16.6 million compared to \$16.5 million in 2013. The most significant fund is our general fund, which had an unassigned fund balance at year-end of \$7.4 million in 2014 compared to \$6.9 million in 2013. The General fund accounts for such activities as Police and Fire protection, and parks and recreation along with city administration. Within the General fund, revenues exceeded expenditures by \$434,248 in 2014 as compared to \$789,328 in 2013. During 2014 the City acquired the Fort Piqua Plaza as satisfaction of an economic development loan. The funds are monitored consistently with adjustments made to the budgets to accommodate yearly revenues.

Within the Street Maintenance Fund, expenditures exceeded revenues by \$79,843 in 2014 as compared to revenues exceeding expenditures by \$399,890 in 2013. Several street projects were started during 2014. Fund balance at year-end in 2014 was \$4,258,402 as compared to \$4,321,221 in 2013, a slight decline.

Within the Street Levy Construction Fund, revenues exceeded expenditures by \$478,370 in 2014 compared to \$200,014 in 2013. Fund balance at year-end in 2014 was \$2,308,637 as compared to \$2,004,021 in 2013. The City was able to increase fund balance in anticipation of street maintenance needs in 2015.

Information about the Enterprise Funds starts on the Balance Sheet on page 28. These funds are accounted for on an accrual basis. All business type funds had operating revenues of \$39.3 million in 2014 and \$35.3 million in 2013. Operating expenses were \$38.4 million in 2014 and \$34.6 million in 2013.

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The enterprise fund balances decreased \$535,110 with the Electric fund decreasing \$2.5 million based on a one-time cost of asset demolition and loss on retirement of asset, Wastewater increasing \$0.06 million, Water increasing \$1.5 million from a rate increase and Refuse \$0.1 million based on controlling costs. Stormwater increased its 2014 fund net position by \$0.2 million. The other funds were similar to 2013. The City is consistent with reviews of these funds, and the necessary adjustments are made to ensure strength in our enterprise funds.

**General Fund Budgetary Highlights**

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on the same basis as the entity reports. The most significant governmental budgeted fund is the General Fund. The Commission is provided with a detailed line item budget for all departments and after a discussion at a regularly held commission meeting, which is open to the public; the budget is adopted at an object level by City commission. Within each object, appropriations can be transferred between line items with the approval of the Finance Director and the respective department head. The Commission must approve any revisions in the budget that alter the object level totals or the total appropriations for any department or fund. During the course of fiscal 2014, the City amended its general fund budget during the middle and at the end of the fiscal year. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the 2014 general fund, original budgeted revenues were \$10.2 million. The final budgeted revenue amount was \$20.1 million. Actual revenues were \$10.9 million. Actual revenues were lower due to less capital donations. For the 2013 general fund, original budgeted revenues were \$10.3 million. The final budgeted revenue amount was \$10.5 million. Actual revenues collected were \$11.2 million.

For 2014, original general fund appropriations were budgeted at \$11.1 million. Final budgeted appropriations were \$11.4 million. Actual expenditures were \$10.5 million. This decrease was achieved through continued lower personnel costs and general government operating expenditures. For 2013, original general fund appropriations were budgeted at \$10.9 million. Final budgeted appropriations were \$11.5 million. Actual expenditures were \$10.4 million. This decrease was due to lower than expected personnel and general government operating expenditures.

**Capital Asset and Debt Administration**

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

	Governmental Activities		Business-Type Activities	
	2014	2013	2014	2013
Land and Land Improvements	\$ 4,726,277	\$ 4,571,877	\$ 1,951,391	\$ 1,965,679
Infrastructure Land	2,115,523	2,115,523	-	-
Construction in Progress	2,927,558	2,768,840	4,808,784	5,991,350
Buildings and Improvements	17,924,365	8,759,608	14,601,918	15,288,137
Furniture, Fixtures and Equipment	2,772,611	2,120,754	30,995,685	30,762,838
Infrastructure	24,822,325	25,536,168	-	-
Underground Piping			9,161,803	9,386,284
Intangible Assets	-	-	1,324,589	1,416,024
<b>Total Capital Assets</b>	<b>\$55,288,659</b>	<b>\$45,872,770</b>	<b>\$ 62,844,170</b>	<b>\$ 64,810,312</b>

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Total Capital Assets for the City of Piqua for the year ended December 31, 2014 were \$118,132,829, an increase of \$7,449,747 over 2013. Additions in 2014 were \$4,235,137 less than in 2013 based on certain large water and electric projects completed in 2013. The City is committed to a long-term goal of meeting the needs of its infrastructure and facilities. Additional information concerning the City's capital assets can be found in Note G of the financial statements.

**Debt**

At December 31, 2014, the City of Piqua had \$0.4 million less in debt of bonds and notes at \$7.7 million compared to \$8.1 million in debt outstanding at December 31, 2013.

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

	Governmental Activities		Business-type Activities	
	2014	2013	2014	2013
General Obligation Bonds	\$ 175,000	\$ 215,000	\$ 640,000	\$ 785,000
Pension Bonds	-	225,000	-	-
Special Assessment Bonds	-	86,105	-	-
State Infrastructure Bank Note	573,233	726,337	-	-
OWDA Loans	-	-	6,342,747	6,096,119
<b>Total</b>	<b>\$ 748,233</b>	<b>\$ 1,252,442</b>	<b>\$ 6,982,747</b>	<b>\$ 6,881,119</b>

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

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

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

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

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

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

During 2013, \$1,705,478 was borrowed from the Ohio Water Development Authority ("OWDA 2013") to fund the New Water Plant Engineering and Design. This loan was paid in December 2014 with the proceeds of a new OWDA Note 2014.

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During 2014, \$45,668,626 of borrowing was approved by the Ohio Water Development Authority ("OWDA 2014") for construction of a new Water Treatment Plant and to repay the design loan. Construction will be from 2015-2017.

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10.5 percent of total assessed valuation. The City's overall legal debt margin was \$29,815,014 on December 31, 2014.

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

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

The City's key objectives set for the 2015 budget were Economic development, job creation, safety, and long-term fiscal stability. With the uncertainty surrounding the economy, the City closely monitors and takes into consideration the impact on two primary revenue sources: income tax revenue and state shared revenue.

In the 2015 budget process City Commission decided that it was important to: 1) continue the City's investment in Economic development and job creation; 2) safety for the citizens of Piqua and City employees; and 3) adopt a budget designed to promote long-term fiscal stability. In order to meet the objectives of the 2015 budget, the City recognized the need to continue its pattern of cost containment while pursuing new revenue sources.

General fund expenditure appropriations for 2015 have been approved by City Commission in the amount of \$12.5 million. This appropriation level is approximately \$1.2 million more than actual 2014 general fund budgetary basis expenditures (including transfers out). The appropriation level was set based on similar estimated revenues in the General Fund compared to 2014 levels.

### **Current Financial Related Activities**

The City anticipates the following significant events to take place in 2015:

- Continue development of the Riverfront area
- Continue Community Housing Improvement and Streetscaping programs
- Begin the Miami River Siphon Construction and Engineering
- Continued implementation of a Storm Water Utility based on the feasibility study to address sanitary sewer overflow infiltration
- Complete new Water Tower Engineering and Construction
- Begin new Water Treatment Plant construction
- Begin the design phase of the Wastewater Treatment Plant expansion
- Complete phase III of North 25-A street reconstruction

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

### **Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Cynthia A. Holtzapple, CPA, Director of Finance, City of Piqua, 201 West Water Street, Piqua, Ohio 45356, (937) 778-2065.

**CITY OF PIQUA, OHIO**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2014**

	Government Activities	Business Type Activities	Total Activities
<b>ASSETS:</b>			
Equity in pooled cash and cash equivalents	\$ 17,335,956	\$ 14,821,180	\$ 32,157,136
Equity in pooled investments	3,105,552	2,669,267	5,774,819
Accounts receivable	4,454,025	5,632,719	10,086,744
Allowance for Bad Debts	-	(513,597)	(513,597)
Interfund balances	(201,024)	201,024	-
Inventories	-	864,126	864,126
Prepaid items and other assets	8,817	144,868	153,685
Loans receivable, net of allowance	7,149	-	7,149
Recoverable purchased power	-	2,220,947	2,220,947
Capital assets not being depreciated	9,769,358	6,130,776	15,900,134
Capital assets being depreciated, net	45,519,301	56,713,394	102,232,695
Total assets	<u>79,999,134</u>	<u>88,884,704</u>	<u>168,883,838</u>
<b>LIABILITIES:</b>			
Accounts payable	154,957	2,312,007	2,466,964
Salary and benefits payable	417,002	147,026	564,028
Other accruals	156,067	513,823	669,890
Unearned revenue	-	1,859	1,859
Long-term liabilities:			
Due within one year	893,474	1,133,415	2,026,889
Due in more than one year	1,953,265	9,274,048	11,227,313
Total liabilities	<u>3,574,765</u>	<u>13,382,178</u>	<u>16,956,943</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Property taxes	1,293,224	-	1,293,224
Reimbursements	191,460	-	191,460
Total deferred inflows of resources	<u>1,484,684</u>	<u>-</u>	<u>1,484,684</u>
<b>NET POSITION:</b>			
Net investment in capital assets	54,540,426	55,861,423	110,401,849
Restricted by: legislation	5,632	-	5,632
Restricted by: debt covenants	375,519	-	375,519
Unrestricted	20,018,108	19,641,103	39,659,211
Total net position	<u>\$ 74,939,685</u>	<u>\$ 75,502,526</u>	<u>\$ 150,442,211</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
<b>GOVERNMENTAL ACTIVITIES:</b>							
General government	\$ 1,895,842	\$ 368,510	\$ 5,538	\$ 2,900	\$ (1,518,894)	\$ -	\$ (1,518,894)
Public safety	8,599,246	984,214	540,079	10,860	(7,064,093)	-	(7,064,093)
Streets and maintenance	5,238,564	80,021	1,139,150	495,993	(3,523,400)	-	(3,523,400)
Parks and recreation	509,403	24,057	18,467	45,125	(421,754)	-	(421,754)
Community development	272,904	38,434	257,212	-	22,742	-	22,742
Interest on long term debt	49,855	-	-	-	(49,855)	-	(49,855)
Total governmental activities	<u>16,565,814</u>	<u>1,495,236</u>	<u>1,960,446</u>	<u>554,878</u>	<u>(12,555,254)</u>	<u>-</u>	<u>(12,555,254)</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>							
Electric	28,187,077	27,671,169	470,480	-	-	(45,428)	(45,428)
Wastewater	3,479,419	3,521,249	-	-	-	41,830	41,830
Refuse	1,701,599	1,783,288	-	-	-	81,689	81,689
Water	3,444,314	4,899,259	-	49,844	-	1,504,789	1,504,789
Storm Water	814,109	989,377	9,861	-	-	185,129	185,129
Golf	589,459	466,160	4,886	-	-	(118,413)	(118,413)
Ft. Piqua Plaza	294,781	159,099	-	-	-	(135,682)	(135,682)
Municipal Pool	174,256	51,811	18,227	-	-	(104,218)	(104,218)
Total business-type activities	<u>38,685,014</u>	<u>39,541,412</u>	<u>503,454</u>	<u>49,844</u>	<u>-</u>	<u>1,409,696</u>	<u>1,409,696</u>
Total	<u>\$ 55,250,828</u>	<u>\$ 41,036,648</u>	<u>\$ 2,463,900</u>	<u>\$ 604,722</u>	<u>\$ (12,555,254)</u>	<u>\$ 1,409,696</u>	<u>(11,145,558)</u>
			<b>GENERAL REVENUES:</b>				
			Property taxes	1,169,263	-	1,169,263	
			State shared taxes	1,856,432	-	1,856,432	
			Income tax	8,285,580	-	8,285,580	
			Locally levied taxes	1,212,000	-	1,212,000	
			Investment earnings	71,303	48,158	119,461	
			Miscellaneous	23,812	-	23,812	
			Total general revenues	<u>12,618,390</u>	<u>48,158</u>	<u>12,666,548</u>	
			Special Item	-	(2,587,176)	(2,587,176)	
			Transfers, in (out)	<u>(505,544)</u>	<u>505,544</u>	<u>-</u>	
			Change in net position	(442,408)	(623,778)	(1,066,186)	
			Total net position:				
			Beginning of year	<u>75,382,093</u>	<u>76,126,304</u>	<u>151,508,397</u>	
			End of year	<u>\$ 74,939,685</u>	<u>\$ 75,502,526</u>	<u>\$ 150,442,211</u>	

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2014**

	General Fund	Street Maintenance	Street Levy Construction	Debt Service	Other Governmental	Total Governmental
<b>ASSETS</b>						
Equity in pooled cash and cash equivalents	\$ 9,430,563	\$ 3,434,890	\$ 2,304,089	\$ 375,519	\$ 213,103	\$ 15,758,164
Equity in pooled investments	800,000	520,000	-	-	-	1,320,000
Accounts receivable	2,772,241	784,518	383,241	286,355	114,691	4,341,046
Interfund receivable	24,687	-	-	-	239	24,926
Prepaid items and other assets	5,107	-	-	-	-	5,107
Loans Receivable, net of allowance	-	-	-	-	7,149	7,149
<b>Total Assets</b>	<b>\$ 13,032,598</b>	<b>\$ 4,739,408</b>	<b>\$ 2,687,330</b>	<b>\$ 661,874</b>	<b>\$ 335,182</b>	<b>\$ 21,456,392</b>
<b>LIABILITIES</b>						
<b>CURRENT LIABILITIES:</b>						
Accounts payable	\$ 77,282	\$ 11,125	\$ 22,036	\$ -	\$ 34,083	\$ 144,526
Interfund payable	-	-	-	-	24,926	24,926
Salaries and benefits	384,828	20,157	-	-	2,842	407,827
Accruals	23,788	38	107,697	-	20,256	151,779
<b>Total Current Liabilities</b>	<b>485,898</b>	<b>31,320</b>	<b>129,733</b>	<b>-</b>	<b>82,107</b>	<b>729,058</b>
<b>LONG-TERM LIABILITIES:</b>						
Restricted deposits	25,864	-	-	-	-	25,864
<b>Total Long Term Liabilities</b>	<b>25,864</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,864</b>
<b>Total Liabilities</b>	<b>511,762</b>	<b>31,320</b>	<b>129,733</b>	<b>-</b>	<b>82,107</b>	<b>754,922</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property taxes	1,238,153	-	-	286,355	55,071	1,579,579
State shared taxes	214,357	385,286	-	-	3,334	602,977
Income taxes	280,600	64,400	57,500	-	-	402,500
Reimbursements	26,220	-	191,460	-	-	217,680
<b>Total deferred inflows of resources</b>	<b>1,759,330</b>	<b>449,686</b>	<b>248,960</b>	<b>286,355</b>	<b>58,405</b>	<b>2,802,736</b>
<b>FUND BALANCES</b>						
Nonspendable fund balance	5,107	-	-	-	7,149	12,256
Restricted fund balance	5,632	4,258,402	2,308,637	375,519	185,519	7,133,709
Assigned fund balance	3,348,931	-	-	-	3,450	3,352,381
Unassigned fund balance	7,401,836	-	-	-	(1,448)	7,400,388
<b>Total fund balances</b>	<b>10,761,506</b>	<b>4,258,402</b>	<b>2,308,637</b>	<b>375,519</b>	<b>194,670</b>	<b>17,898,734</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 13,032,598</b>	<b>\$ 4,739,408</b>	<b>\$ 2,687,330</b>	<b>\$ 661,874</b>	<b>\$ 335,182</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	55,288,659
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	1,318,052
The following long-term liabilities are not due and payable in the current period and therefore are not reported as expenditures in the funds	
Bonds and notes payable	(748,233)
Sick leave benefits	(2,072,642)
Accrued interest on bonds payable	(4,213)
Internal service funds are used to charge the costs of certain activities, such as the city's health care costs, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	3,259,328
Net position of governmental activities	<u>\$ 74,939,685</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-- GOVERNMENTAL FUNDS  
FOR THE PERIOD ENDED DECEMBER 31, 2014**

	General Fund	Street Maintenance	Street Levy Construction	Debt Service	Other Governmental	Total Governmental
<b>REVENUES:</b>						
Municipal income tax	\$ 5,961,327	\$ 1,368,173	\$ 1,221,980	\$ -	\$ -	\$ 8,551,480
Property taxes	1,074,537	-	-	42,888	51,838	1,169,263
State shared revenues	650,069	1,200,766	-	-	8,133	1,858,968
Locally levied taxes	1,212,000	-	-	-	-	1,212,000
Licenses and permits, fees	1,299,701	700	-	-	1,350	1,301,751
Grants: capital	10,860	-	495,993	-	-	506,853
Grants: operating	544,121	-	1,139,150	-	251,019	1,934,290
Investment income	45,566	5,269	503	7,666	5,227	64,231
Decrease in fair market value of investments	(808)	(20)	-	-	-	(828)
Donations:						
Capital	48,025	-	-	-	-	48,025
Operating	26,156	-	-	-	-	26,156
Other fines, rents, and reimbursements	101,404	21,403	57,918	-	60,311	241,036
<b>Total revenues</b>	<b>10,972,958</b>	<b>2,596,291</b>	<b>2,915,544</b>	<b>50,554</b>	<b>377,878</b>	<b>16,913,225</b>
<b>EXPENDITURES:</b>						
General government administration	1,283,002	-	-	-	-	1,283,002
Public safety	8,011,087	-	-	-	-	8,011,087
Public health	390,896	-	-	-	25,467	416,363
Street repairs and maintenance	-	2,413,509	1,767,577	-	-	4,181,086
Parks and recreation	451,705	-	-	-	-	451,705
Community planning and development	57,557	-	-	-	266,955	324,512
Other	-	-	-	17,050	57,515	74,565
Debt principal payment	-	-	-	504,209	-	504,209
Debt interest payment	-	-	-	51,524	-	51,524
Capital costs	344,463	262,625	669,597	-	-	1,276,685
<b>Total expenditures</b>	<b>10,538,710</b>	<b>2,676,134</b>	<b>2,437,174</b>	<b>572,783</b>	<b>349,937</b>	<b>16,574,738</b>
Excess (deficiency) of revenues over expenditures	434,248	(79,843)	478,370	(522,229)	27,941	338,487
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from sale of capital assets	44,551	17,024	-	-	-	61,575
Transfers, in	-	-	-	458,288	-	458,288
Transfers, out	(790,078)	-	(173,754)	-	-	(963,832)
<b>Total other financing sources (uses)</b>	<b>(745,527)</b>	<b>17,024</b>	<b>(173,754)</b>	<b>458,288</b>	<b>-</b>	<b>(443,969)</b>
Special Item	(9,793,197)	-	-	-	-	(9,793,197)
<b>Net change in fund balance</b>	<b>(10,104,476)</b>	<b>(62,819)</b>	<b>304,616</b>	<b>(63,941)</b>	<b>27,941</b>	<b>(9,898,679)</b>
Fund balance-beginning of year	20,865,982	4,321,221	2,004,021	439,460	166,729	27,797,413
<b>Fund balance-end of year</b>	<b>\$ 10,761,506</b>	<b>\$ 4,258,402</b>	<b>\$ 2,308,637</b>	<b>\$ 375,519</b>	<b>\$ 194,670</b>	<b>\$ 17,898,734</b>

See accompanying notes to the basic financial statements

## CITY OF PIQUA, OHIO

### RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2014

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Total net change in fund balances Governmental funds	\$ (9,898,679)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures; however in the Statement of Activities, the cost of those assets are allocated over their useful lives as depreciation expense. This is the amount by which capital outlays (\$11,069,882) exceed depreciation expense (\$1,516,222)	9,553,660
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds: (State shared taxes (\$2,536), Income taxes (\$265,900), and Ems billings (\$47,551))	(315,987)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position	504,209
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Vacation and sick leave benefits	(112,950)
Interest payable	1,669
The net book value of assets retired (the difference of original cost (\$270,757) and accumulated depreciation (\$232,994) is not recorded on the Governmental Fund Statements, but is recorded as an expense on the Statement of Activities	(37,763)
An Internal Service Fund is used by management to charge the cost of certain activities, such as the city's health care costs, to individual funds. The net revenue (expense) of the internal service fund related to governmental activities is reported with governmental activities	(136,567)
Change in the net position of governmental activities on the Statement of Activities	<u>\$ (442,408)</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

BALANCE SHEET  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2014

	Business-type Activities									Governmental Activities - Internal Service Funds
	Electric	Wastewater	Refuse	Water	Storm Water	Golf	Ft. Piqua Plaza	Municipal Pool	Total	
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>										
<b>CURRENT ASSETS:</b>										
Equity in pooled cash and cash equivalents	\$ 4,596,409	\$ 3,116,782	\$ 985,439	\$ 5,077,914	\$ 970,609	\$ 59,354	\$ 599	\$ 14,074	\$ 14,821,180	\$ 1,577,792
Equity in pooled investments	1,800,000	557,447	311,820	-	-	-	-	-	2,669,267	1,785,552
Accounts receivable	4,058,545	504,799	244,238	718,600	64,770	-	23,540	18,227	5,632,719	112,979
Allowance for uncollectible accounts	(316,894)	(74,559)	(40,540)	(70,980)	(10,624)	-	-	-	(513,597)	-
Inventories	705,583	-	-	123,927	7,300	27,316	-	-	864,126	-
Prepaid items and other assets	5,888	5,201	68,000	61,779	4,000	-	-	-	144,868	3,710
<b>Total Current Assets</b>	<b>10,849,531</b>	<b>4,109,670</b>	<b>1,568,957</b>	<b>5,911,240</b>	<b>1,036,055</b>	<b>86,670</b>	<b>24,139</b>	<b>32,301</b>	<b>23,618,563</b>	<b>3,480,033</b>
<b>NONCURRENT ASSETS:</b>										
Recoverable purchased power	2,220,947	-	-	-	-	-	-	-	2,220,947	-
Capital assets not being depreciated	1,178,761	574,061	17,949	3,616,590	373,071	370,344	-	-	6,130,776	11,200
Capital assets being depreciated	34,335,509	9,842,489	564,601	10,395,013	413,947	1,042,349	-	119,486	56,713,394	429,339
<b>Total Noncurrent Assets</b>	<b>37,735,217</b>	<b>10,416,550</b>	<b>582,550</b>	<b>14,011,603</b>	<b>787,018</b>	<b>1,412,693</b>	<b>-</b>	<b>119,486</b>	<b>65,065,117</b>	<b>440,539</b>
<b>Total Assets and deferred outflows of resources</b>	<b>\$ 48,584,748</b>	<b>\$ 14,526,220</b>	<b>\$ 2,151,507</b>	<b>\$ 19,922,843</b>	<b>\$ 1,823,073</b>	<b>\$ 1,499,363</b>	<b>\$ 24,139</b>	<b>\$ 151,787</b>	<b>\$ 88,683,680</b>	<b>\$ 3,920,572</b>

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See accompanying notes to the basic financial statements

Continued

CITY OF PIQUA, OHIO

BALANCE SHEET  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2014

Business-type Activities

	Electric	Wastewater	Refuse	Water	Storm Water	Golf	Ft. Piqua Plaza	Municipal Pool	Total	Governmental Activities - Internal Service Funds
<b>LIABILITIES</b>										
<b>CURRENT LIABILITIES:</b>										
Accounts payable	\$ 1,979,832	\$ 57,083	\$ 73,443	\$ 159,949	\$ 7,367	\$ 4,511	\$ 22,839	\$ 6,983	\$ 2,312,007	\$ 10,431
Salaries and benefits	57,453	29,505	15,543	29,829	7,357	7,339	-	-	147,026	9,175
Accrued vacation, personal, and sick leave	204,316	83,209	37,574	79,478	15,815	9,354	-	-	429,746	80,219
Accruals and prepaid memberships	435,080	1,671	-	71,316	1,215	4,946	1,300	154	515,682	75
Current portion of long term debt	300,000	181,341	-	72,328	-	142,800	-	7,200	703,669	-
<b>Total Current Liabilities</b>	<b>2,976,681</b>	<b>352,809</b>	<b>126,560</b>	<b>412,900</b>	<b>31,754</b>	<b>168,950</b>	<b>24,139</b>	<b>14,337</b>	<b>4,108,130</b>	<b>99,900</b>
<b>LONG-TERM LIABILITIES:</b>										
Accrued vacation, personal, and sick leave	329,182	150,233	71,560	193,905	22,266	6,877	-	-	774,023	32,691
Long term liabilities	1,920,947	3,792,681	-	2,296,397	-	466,480	-	23,520	8,500,025	-
<b>Total Long-Term Liabilities</b>	<b>2,250,129</b>	<b>3,942,914</b>	<b>71,560</b>	<b>2,490,302</b>	<b>22,266</b>	<b>473,357</b>	<b>-</b>	<b>23,520</b>	<b>9,274,048</b>	<b>32,691</b>
<b>Total Liabilities</b>	<b>5,226,810</b>	<b>4,295,723</b>	<b>198,120</b>	<b>2,903,202</b>	<b>54,020</b>	<b>642,307</b>	<b>24,139</b>	<b>37,857</b>	<b>13,382,178</b>	<b>132,591</b>
<b>NET POSITION</b>										
Net investment in capital assets	35,514,270	6,442,528	582,550	11,642,878	787,018	803,413	-	88,766	55,861,423	440,539
Unrestricted	7,843,668	3,787,969	1,370,837	5,376,763	982,035	53,643	-	25,164	19,440,079	3,347,442
<b>Total Net Position</b>	<b>43,357,938</b>	<b>10,230,497</b>	<b>1,953,387</b>	<b>17,019,641</b>	<b>1,769,053</b>	<b>857,056</b>	<b>-</b>	<b>113,930</b>	<b>75,301,502</b>	<b>3,787,981</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 48,584,748</b>	<b>\$ 14,526,220</b>	<b>\$ 2,151,507</b>	<b>\$ 19,922,843</b>	<b>\$ 1,823,073</b>	<b>\$ 1,499,363</b>	<b>\$ 24,139</b>	<b>\$ 151,787</b>		<b>\$ 3,920,572</b>
Adjustment to consolidate the internal service fund activities									201,024	
Total net position per the government-wide Statement of Net Position									<u>\$ 75,502,526</u>	

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See accompanying notes to the basic financial statements

Concluded

CITY OF PIQUA, OHIO

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014

	Business-type Activities									Governmental Activities- Internal Service Funds
	Electric	Wastewater	Refuse	Water	Storm Water	Golf	Ft. Piqua Plaza	Municipal Pool	Total	
<b>OPERATING REVENUES:</b>										
Customer services	\$ 27,334,135	\$ 3,481,621	\$ 1,757,090	\$ 4,764,890	\$ 982,582	\$ 461,638	\$ 159,098	\$ 51,659	\$ 38,992,713	\$ 795,131
Penalty charges	162,221	37,136	21,225	50,365	5,574	-	-	-	276,521	-
Total operating revenues	27,496,356	3,518,757	1,778,315	4,815,255	988,156	461,638	159,098	51,659	39,269,234	795,131
<b>OPERATING EXPENSES:</b>										
Fossil fuels used for production	104,579	-	-	-	-	-	-	-	104,579	-
Purchased power	21,631,957	-	-	-	-	-	-	-	21,631,957	-
Salaries and employee benefits	2,052,035	1,093,416	484,480	1,209,569	327,374	177,440	-	61,747	5,406,061	448,328
Depreciation	1,817,463	940,944	49,629	411,463	32,907	105,557	-	34,945	3,392,908	117,636
Materials and supplies	384,703	259,324	67,000	310,818	238,728	112,375	19,462	15,638	1,408,048	17,751
Utilities	72,503	200,326	6,399	249,716	23,252	46,765	42,857	24,999	666,817	32,806
Outside services	1,298,888	531,308	927,139	645,959	131,323	61,454	220,221	5,966	3,822,258	143,994
Billing costs	459,007	236,259	105,270	291,852	32,404	-	-	-	1,124,792	-
Chemicals	-	10,943	-	216,945	-	50,688	-	14,177	292,753	-
Other	292,755	39,464	10,351	119,775	27,686	22,233	12,241	2,137	526,642	286,358
Total operating expenses	28,113,890	3,311,984	1,650,268	3,456,097	813,674	576,512	294,781	159,609	38,376,815	1,046,873
Operating income (loss)	(617,534)	206,773	128,047	1,359,158	174,482	(114,874)	(135,683)	(107,950)	892,419	(251,742)
<b>NON-OPERATING REVENUES (EXPENSES):</b>										
Interest on debt	-	(151,659)	-	(6,199)	-	(40,999)	-	(2,068)	(200,925)	-
Interest income	21,219	4,558	3,594	882	10	44	-	2	30,309	26,753
Net (decrease) in fair market value of investments	(717)	(20)	-	(20)	-	-	-	-	(757)	(247)
Other, net	174,813	2,492	4,973	84,004	1,221	4,522	1	152	272,178	-
Operating grants	470,480	-	-	-	9,861	4,886	-	18,227	503,454	-
Net non-operating revenues (expenses)	665,795	(144,629)	8,567	78,667	11,092	(31,547)	1	16,313	604,259	26,506
Special Item	(2,587,176)	-	-	-	-	-	-	-	(2,587,176)	-
Capital grants	-	-	-	49,844	-	-	-	-	49,844	-
Transfers, in	-	-	-	-	-	305,000	124,044	76,500	505,544	-
Change in net position	(2,538,915)	62,144	136,614	1,487,669	185,574	158,579	(11,638)	(15,137)	(535,110)	(225,236)
Total net position-beginning of year	45,896,853	10,168,353	1,816,773	15,531,972	1,583,479	698,477	11,638	129,067		4,013,217
Total net position-end of year	\$ 43,357,938	\$ 10,230,497	\$ 1,953,387	\$ 17,019,641	\$ 1,769,053	\$ 857,056	\$ -	\$ 113,930		\$ 3,787,981
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds									(88,668)	
Change in net position of business-type activities									\$ (623,778)	

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014

	Business-type Activities								Governmental Activities- Internal Service Funds	
	Electric	Wastewater	Refuse	Water	Storm Water	Golf	Ft. Piqua Plaza	Municipal Pool		Total
<b>OPERATING ACTIVITIES:</b>										
Cash received for services	\$ 27,789,815	\$ 3,519,597	\$ 1,792,388	\$ 4,893,724	\$ 992,149	\$ 482,208	\$ 148,359	\$ 52,216	\$ 39,670,456	\$ 833,796
Cash paid to suppliers for goods or services	(26,983,864)	(1,152,986)	(1,120,987)	(2,082,315)	(448,656)	(316,936)	(287,652)	(56,895)	(32,450,291)	(480,289)
Cash paid to employees for services	(2,064,743)	(1,326,169)	(497,617)	(1,216,476)	(316,278)	(214,620)	-	(61,746)	(5,697,649)	(427,529)
Net cash provided by (used in) operating activities	(1,258,792)	1,040,442	173,784	1,594,933	227,215	(49,348)	(139,293)	(66,425)	1,522,516	(74,022)
<b>NONCAPITAL FINANCING ACTIVITIES:</b>										
Transfers, in	-	-	-	-	-	305,000	124,045	76,500	505,545	-
Net cash provided by (used in) noncapital financing activities	-	-	-	-	-	305,000	124,045	76,500	505,545	-
<b>CAPITAL AND RELATED FINANCING ACTIVITIES:</b>										
Recoverable purchased power contract	178,329	-	-	-	-	-	-	-	178,329	-
Proceeds from issuance of bonds and notes	-	461,729	-	2,837,210	-	-	-	-	3,298,939	-
Principal paid on bonds and notes	(178,329)	(665,046)	-	(2,387,264)	-	(138,040)	-	(6,960)	(3,375,639)	-
Interest paid on bonds and notes	-	(151,659)	-	(6,198)	-	(29,635)	-	(1,494)	(188,986)	-
Acquisition and construction of capital & AMP regulatory assets	(1,524,736)	(124,275)	(144,481)	(1,076,067)	(53,579)	(178,471)	-	-	(3,101,609)	(17,627)
Proceeds from the sale of capital assets	1,652,511	4,790	8,610	776	-	8,159	-	-	1,674,846	-
Net cash provided by (used in) capital & related financing activities	127,775	(474,461)	(135,871)	(631,543)	(53,579)	(337,987)	-	(8,454)	(1,514,120)	(17,627)
<b>INVESTING ACTIVITIES:</b>										
Purchases of investment securities	-	(457,446)	(111,820)	-	-	-	-	-	(569,266)	(955,552)
Proceeds from sale or maturity of investment securities	843,699	476,288	110,634	23,701	-	-	-	-	1,454,322	1,460,410
Interest received	23,619	7,174	4,217	949	10	43	-	2	36,014	34,075
Net cash provided by (used in) investing activities	867,318	26,016	3,031	24,650	10	43	-	2	921,070	538,933
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(263,699)	591,997	40,944	988,040	173,646	(82,292)	(15,248)	1,623	1,435,011	447,284
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	4,860,108	2,524,785	944,495	4,089,874	796,963	141,646	15,847	12,451	13,386,169	1,130,508
<b>CASH AND CASH EQUIVALENTS - End of year</b>	\$ 4,596,409	\$ 3,116,782	\$ 985,439	\$ 5,077,914	\$ 970,609	\$ 59,354	\$ 599	\$ 14,074	\$ 14,821,180	1,577,792
<b>OPERATING INCOME (LOSS)</b>	\$ (617,534)	\$ 206,773	\$ 128,047	\$ 1,359,158	\$ 174,482	\$ (114,874)	\$ (135,683)	\$ (107,950)	\$ 892,419	(251,742)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:										
Depreciation	1,817,463	940,944	49,629	411,463	32,907	105,557	-	34,945	3,392,908	117,636
(Increase)/Decrease in Accounts Receivable	(439,777)	(6,442)	490	(56,155)	(7,090)	2,331	(10,740)	(17,822)	(535,205)	38,248
(Increase)/Decrease in Inventory	12,407	-	-	2,486	1,683	(3,437)	-	-	13,139	-
(Increase)/Decrease in Prepaids	(522)	(421)	-	(5,474)	-	-	-	-	(6,417)	(364)
Increase/(Decrease) in Accounts Payable	(76,238)	(59,149)	3,782	(243,486)	3,055	(11,824)	7,130	6,023	(370,707)	1,401
Increase/(Decrease) in Accrued Wages and Benefits	(12,708)	(43,755)	(13,137)	(6,907)	11,096	(37,181)	-	-	(102,592)	20,799
Increase/(Decrease) in Deferred Revenues	-	-	-	-	-	672	-	-	672	-
Net (Increase)/Decrease in Other Operating Net Position	(1,941,883)	2,492	4,973	133,848	11,082	9,408	-	18,379	(1,761,701)	-
Net cash provided by (used in) operating activities	<u>\$ (1,258,792)</u>	<u>\$ 1,040,442</u>	<u>\$ 173,784</u>	<u>\$ 1,594,933</u>	<u>\$ 227,215</u>	<u>\$ (49,348)</u>	<u>\$ (139,293)</u>	<u>\$ (66,425)</u>	<u>\$ 1,522,516</u>	<u>\$ (74,022)</u>
<b>SUPPLEMENTAL INFORMATION:</b>										
Noncash activities:										
Donated Capital			\$ -	\$ 49,844		\$ -	\$ -	\$ -	\$ 49,844	\$ -
Change in fair value of investments	<u>\$ (717)</u>	<u>\$ (20)</u>	<u>\$ -</u>	<u>\$ (20)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (757)</u>	<u>\$ (247)</u>
Recoverable purchased power contract	<u>\$ (178,329)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (178,329)</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2014**

<b>ASSETS:</b>	<u>Private Purpose Centennial Trust</u>	<u>Agency Funds</u>
Equity in pooled cash and cash equivalents	\$ 467	\$ 20,187
Total Assets	<u>\$ 467</u>	<u>\$ 20,187</u>
 <b>LIABILITIES:</b>		
Withholdings payable		\$ 4,449
Undistributed monies		<u>15,738</u>
Total Liabilities		<u>\$ 20,187</u>
 <b>NET POSITION</b>		
Held in trust for other purposes	<u>\$ 467</u>	

**STATEMENT OF CHANGES IN  
FIDUCIARY NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2014**

<b>ADDITIONS</b>	
Interest income	<u>\$ 1</u>
Total additions	<u>1</u>
Change in net position	1
Total net position-beginning of year	<u>466</u>
Total net position-end of year	<u>\$ 467</u>

See accompanying notes to the basic financial statements

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2014**

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

***BASIS OF PRESENTATION***

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

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

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

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2014**

The City reports the following major governmental funds:

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

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

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

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

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

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

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

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

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

Government-wide and proprietary type fund financial statements measure and report all assets (both financial and capital), deferred outflows of resources, liabilities, deferred inflows of resources, revenues, expenses, gains and losses using the economic resources measurements focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2014**

cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

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

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

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

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

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

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

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

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2014**

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

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

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

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

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

The City applies restricted resources first when expenditures are incurred for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The City has not adopted a formal fund balance policy.

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

***Deferred Outflows/Inflows of Resources***— In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure) until that time.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance 2015 operations. These amounts have been recorded as a deferred inflow and reimbursements on both the government-wide statement of net position and the governmental fund balance sheet. Unavailable revenue is reported on the governmental

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2014**

funds balance sheet and represents receivables which will not be collected within the available period. For the city unavailable revenue includes property and income taxes and intergovernmental reimbursements. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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

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

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

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

**Deposits**—Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the City. At December 31, 2014 the City had cash on hand in the amount of \$4,675.

At December 31, 2014, the carrying amount of the City's deposits was \$37,525,984 while the balance as shown by the bank statements was \$38,146,857. As of December 31, 2014, \$31,622,039 of the City's bank balance was exposed to custodial risk as discussed above, while \$6,524,818 was covered by Federal Deposit Insurance.

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

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the Securities Exchange Commission as an investment company but does operate in a manner similar to rule 2a7 of the Investment

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2014**

Company Act of 1940. Investments in STAR Ohio are valued at the pool's share price, which is the price for which the investment could be sold for on December 31, 2014.

**Custodial Credit Risk** – Custodial credit risk is the risk that, in the event of a failure of a depository institution or counterparty to a transaction, the City will be unable to recover the value of deposits, investments or collateral securities in the possession of an outside party. Except in regards to repurchase agreements, the City's investment policy does not address custodial credit risk. At December 31, 2014, all investments were registered in the name of the City.

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

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

<u>Investment Type</u>	<u>Quality Rating</u>	<u>Fair Value</u>
STAR Ohio	AAAm	421,950
Total		<u>\$ 421,950</u>

**Concentration of Credit Risk** – Concentration of credit risk is the risk of inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party caused by lack of diversification. The following table includes the percentage to total of each investment type held by the City at December 31, 2014.

<u>Investment Type</u>	<u>Fair Value</u>	<u>% of Total</u>
STAR Ohio	421,950	100.00%
Total	<u>\$ 421,950</u>	<u>100.00%</u>

Except for investments in STAR Ohio, no more than 15% of the City's total investment portfolio will be invested in a single security type or with a single financial institution.

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

<u>Investment Type</u>	<u>Investment Maturities (in years)</u>			<u>Total Fair Value</u>
	<u>Less than 1</u>	<u>1 - 5</u>	<u>Greater than 5</u>	
STAR Ohio	421,950	-	-	421,950
Total	<u>\$ 421,950</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 421,950</u>

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2014**

**C. PROPERTY TAXES**

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

The property tax calendar is as follows:

Levy date	January 1, 2013
Lien date	January 1, 2014
Tax bill mailed	January 20, 2014
First installment payment due	February 20, 2014
Second installment payment due	July 20, 2014

The assessed values for the City at January 1, 2014 are as follows:

Real estate	\$ 285,104,680
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The County Treasurer collects property taxes on behalf of taxing districts, including the City of Piqua. The County Auditor periodically remits to the City its portion of taxes collected. Property taxes may be paid on either an annual or semiannual basis. Although total property tax collections for the next fiscal year are measurable, amounts to be received are not available at December 31, 2014, nor are they intended to finance 2014 operations. Therefore, the City has recorded property taxes receivable with a corresponding amount as deferred inflows of resources.

Ohio law prohibits taxation of property in excess of \$10 per \$1,000 (10.0 mills) of assessed value without a vote of the citizens. The City's share is currently \$3.70 (3.70 mills) of assessed value. In 2014, the City also received an additional 0.60 mills to fund safety pension costs.

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

**D. INCOME TAXES**

The City levies a 1.75% income tax on all income earned within the City. Income tax in excess of 1% is voter approved. During 2014, the citizens of Piqua passed an additional .25% income tax levy effective January 1, 2015. Income tax is allocated by fund in accordance with voter and commission authorizations. In addition, City residents pay City tax on income earned outside the City; however, a credit is allowed for income taxes paid to other municipalities.

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

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2014**

**E. OTHER TAXES**

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

Estate taxes	\$ 10,629
Local government revenue assistance	436,073
Gasoline taxes	700,866
Vehicle license taxes	514,825
Miscellaneous other taxes	<u>194,039</u>
	<u>\$ 1,856,432</u>

The City has two locally issued taxes; a KWH tax totaling \$1,144,883 which is recognized based upon sales of electrical services, and a hotel/motel tax totaling \$67,117 which is recognized based upon 3% of gross receipts.

**F. RECEIVABLES**

Governmental receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, accrued interest on investment, accounts and notes receivable. Loans receivable represent real estate second mortgages which are partially forgivable over five to fifteen year periods netted by an estimated allowance for forgiveness or amounts uncollectible. The real estate second mortgages are \$876,502 with an estimated allowance for forgiveness of \$869,353.

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

**CITY OF PIQUA, OHIO**  
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**G. CAPITAL ASSETS**

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

	Beginning Balance	Increases	Decreases	Construction In Progress Placed in Service	Ending Balance
Capital assets not being depreciated:					
Land and licenses	\$ 4,571,877	\$ 154,400	\$ -	\$ -	\$ 4,726,277
Infrastructure land	2,115,523	-	-	-	2,115,523
Construction in progress	<u>2,768,840</u>	<u>688,085</u>	<u>-</u>	<u>(529,367)</u>	<u>2,927,558</u>
Assets not depreciated	<u>9,456,240</u>	<u>842,485</u>	<u>-</u>	<u>(529,367)</u>	<u>9,769,358</u>
Capital assets being depreciated:					
Buildings and improvements	12,295,967	9,430,797	-	-	21,726,764
Furniture, fixtures and equipment	11,077,699	814,228	(270,757)	463,100	12,084,270
Infrastructure	<u>35,379,627</u>	<u>-</u>	<u>-</u>	<u>66,267</u>	<u>35,445,894</u>
Depreciated capital assets	58,753,293	10,245,025	(270,757)	529,367	69,256,928
Accumulated depreciation:					
Buildings and improvements	(3,536,359)	(266,040)	-	-	(3,802,399)
Furniture, fixtures and equipment	(8,956,945)	(587,708)	232,994	-	(9,311,659)
Infrastructure	<u>(9,843,459)</u>	<u>(780,110)</u>	<u>-</u>	<u>-</u>	<u>(10,623,569)</u>
Total accumulated depreciation	<u>(22,336,763)</u>	<u>(1,633,858)</u>	<u>232,994</u>	<u>-</u>	<u>(23,737,627)</u>
Net capital assets being depreciated	<u>\$ 36,416,530</u>	<u>\$ 8,611,167</u>	<u>\$ (37,763)</u>	<u>\$ 529,367</u>	<u>\$ 45,519,301</u>
Net capital assets	<u>\$ 45,872,770</u>	<u>\$ 9,453,652</u>	<u>\$ (37,763)</u>	<u>\$ -</u>	<u>\$ 55,288,659</u>

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

General governmental	\$ 192,954
Public safety	242,145
Street repairs and maintenance	1,021,599
Parks	<u>59,524</u>
Governmental functions depreciation expense	1,516,222
Information technology (internal service fund)	<u>117,636</u>
Total depreciation expense	<u>\$1,633,858</u>

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

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Construction In Progress Placed in Service</b>	<b>Ending Balance</b>
Capital assets not being depreciated:					
Land and licenses	\$ 1,321,992	\$ -	\$ -	\$ -	\$ 1,321,992
Construction in progress	<u>5,991,350</u>	<u>2,368,979</u>	<u>-</u>	<u>(3,551,545)</u>	<u>4,808,784</u>
Assets not depreciated	<u>7,313,342</u>	<u>2,368,979</u>	<u>-</u>	<u>(3,551,545)</u>	<u>6,130,776</u>
Capital assets being depreciated:					
Land improvements	1,071,014	-	-	-	1,071,014
Buildings and improvements	30,563,672	21,747	-	-	30,585,419
Underground piping	24,868,266	-	(1,846)	383,794	25,250,214
Furniture, fixtures and equipment	78,805,376	710,883	(5,814,619)	3,167,751	76,869,391
Intangible assets	<u>2,665,281</u>	<u>-</u>	<u>(23,281)</u>	<u>-</u>	<u>2,642,000</u>
Depreciated capital assets	137,973,609	732,630	(5,839,746)	3,551,545	136,418,038
Accumulated depreciation:					
Land improvements	(427,327)	(14,288)	-	-	(441,615)
Buildings and improvements	(15,275,535)	(707,966)	-	-	(15,983,501)
Underground piping	(15,481,982)	(607,499)	1,070	-	(16,088,411)
Furniture, fixtures and equipment	(48,042,538)	(1,984,783)	4,153,615	-	(45,873,706)
Intangible assets	<u>(1,249,257)</u>	<u>(78,372)</u>	<u>10,218</u>	<u>-</u>	<u>(1,317,411)</u>
Total accumulated depreciation	<u>(80,476,639)</u>	<u>(3,392,908)</u>	<u>4,164,903</u>	<u>-</u>	<u>(79,704,644)</u>
Net capital assets being depreciated	<u>\$ 57,496,970</u>	<u>\$ (2,660,278)</u>	<u>\$ (1,674,843)</u>	<u>\$ 3,551,545</u>	<u>\$ 56,713,394</u>
Net capital assets	<u>\$ 64,810,312</u>	<u>\$ (291,299)</u>	<u>\$ (1,674,843)</u>	<u>\$ -</u>	<u>\$ 62,844,170</u>

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

Electric	\$ 1,817,463
Water	411,463
Wastewater	940,944
Refuse	49,629
Storm Water	32,907
Golf	105,557
Municipal Pool	34,945
Total depreciation expense	<u>\$ 3,392,908</u>

Capitalized interest was recorded in the amount of \$89,707 for the fiscal year 2014.

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**H. LONG-TERM LIABILITIES**

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

Long-term liability activity for the year ended December 31, 2014 was as follows:

	<b>Maturity</b>	<b>Beginning</b>			<b>Ending</b>	<b>Amounts</b>
	<b>Dates</b>	<b>Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance</b>	<b>Due Within</b>
						<b>One Year</b>
<b>Governmental Activities:</b>						
Ohio Capital Asset Series 2009 3.53%	12/1/2018	\$ 215,000	\$ -	\$ 40,000	\$ 175,000	\$ 40,000
Total governmental general obligation bonds		215,000	-	40,000	175,000	40,000
Special assessment bonds, 9%	12/15/2022	86,105	-	86,105	-	-
State Infrastructure Bank Note, 3%	4/29/2020	726,337	-	153,104	573,233	157,731
Compensated absences		1,942,309	152,281	21,948	2,072,642	695,743
Restricted deposits		25,300	564	-	25,864	-
Other -- Pension refunding bonds, 6.25%	12/1/2020	225,000	-	225,000	-	-
Total governmental long-term liabilities		<u>\$ 3,220,051</u>	<u>\$ 152,845</u>	<u>\$ 526,157</u>	<u>\$ 2,846,739</u>	<u>\$ 893,474</u>
<b>Business-Type Activities:</b>						
OWDA Loan-1995, 4.56%	1/1/2015	\$ 489,924	\$ -	\$ 489,924	\$ -	\$ -
OWDA Loan-2009, 3.52%	1/1/2030	3,687,415	-	175,122	3,512,293	181,341
OWDA Loan-2012, 2.44%	1/1/2022	-	461,729	-	461,729	-
OWDA Loan-2005, 3.5%	7/1/2015	192,458	-	127,190	65,268	65,268
OWDA Loan-2006, 3.25%	7/1/2015	20,844	-	13,784	7,060	7,060
OWDA Loan-2013, 4.82%	12/31/2014	1,705,478	485,813	2,191,291	-	-
OWDA Loan-2014, 2.54%-3.54%	7/1/2047	-	2,351,397	55,000	2,296,397	-
Recreational facility bonds G.O., 2.0%-4.1%	11/15/2018	785,000	-	145,000	640,000	150,000
AMP-Ohio stranded cost payable		2,399,276	-	178,329	2,220,947	300,000
Compensated Absences		1,324,803	170,845	291,879	1,203,769	429,746
Total Business-type long-term liabilities		<u>\$ 10,605,198</u>	<u>\$ 3,469,784</u>	<u>\$ 3,667,519</u>	<u>\$ 10,407,463</u>	<u>\$ 1,133,415</u>

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

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

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Ohio Water Development Authority (“OWDA 1995”) Wastewater Sewer Project Notes are issued under a cooperative agreement for construction, maintenance and operation of a state sewer project. The total principal and interest remaining to be paid on the notes is \$0.00. Principal and interest paid for the current year and total customer net revenues were \$506,537 and \$1,154,767, respectively.

Ohio Water Development Authority (“OWDA 2009”) Wastewater Sewer Project Notes are issued under a cooperative agreement for construction, maintenance and operation of a state sewer project. Payments to the OWDA will be made from the utility’s pledged future revenues. The total principal and interest payments remaining to be paid on the note is \$4,550,877. Principal and interest paid for the current year and total customer net revenues were \$303,392 and \$1,154,767, respectively.

Ohio Water Development Authority (“OWDA 2005” & “OWDA 2006”) drinking water assistance notes are issued under a cooperative agreement for construction maintenance and operation of the City’s Hydropillar Water Tower. Payments to the OWDA will be made from the utility’s pledged future revenues. The total principal and interest remaining to be paid on the notes is \$73,586. Principal and interest paid for the current year and total customer net revenues were \$147,172 and \$1,855,507, respectively.

Ohio Water Development Authority (“OWDA 2013”) Water Engineering Design Project note was issued under a cooperative agreement to design a new raw water treatment plant. The note balance of \$2,191,291 was paid in December 2014 with the proceeds from a new OWDA Note 2014 which was issued under a cooperative agreement to finance construction of a new water treatment plant. Payment on this loan is presently deferred until January 2018.

Ohio Water Development Authority (OWDA 2014) Water Plant Construction note in the overall amount of \$45,668,626 was issued under a cooperative agreement to construct a 7 million gallon per day raw water treatment plant. Payments to the OWDA will be made from the utility’s pledged future revenues. Total outstanding principal and interest to be repaid is \$3,254,689. Within the terms of the loan were included the repayment of the OWDA 2013 note and a one-time principal only payment of \$55,000 at the beginning of the new contract. Construction on the new water plant will start in February 2015 and continue through 2017. Future payments of principal and interest have been deferred until January 2018. Net revenues used to make this payment were \$1,855,507.

Ohio Water Development Authority (OWDA 2012) Wastewater Engineering Design note was issued under a cooperative agreement to design an expansion of the existing wastewater treatment plant. Payments to the OWDA will be made from the utilities pledged future revenues. Total principal and interest remaining to be repaid is \$ 487,399. Payments of principal and interest have been deferred until July 2017.

State Infrastructure Bank Revenue Note was issued to finance a joint city/county road widening project. The city’s .25% income tax revenues from the Street construction fund and county highway use funds have been pledged for a ten year period ending in 2020. The total principal and interest remaining to be paid on the note is \$608,140. The city’s .25% income tax levy will pay two thirds of the principal and interest with the remaining one third from county highway use funds. The estimated annual principal and interest payments of \$173,754 represent 13.6% of the estimated net revenues from this tax levy.

The Special Assessment Bonds which are held for investment by other City funds were issued annually to finance the public’s costs associated with various street reconstruction projects. The total principal and interest remaining to be paid on the bonds is \$0.00. Principal and interest paid for the current year and total net revenue were \$93,854 and \$33,415 respectively.

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

**AMP Ohio Stranded Cost** – The City is a participant in both American Municipal Power (AMP) and the American Municipal Power Generating Station Project (AMPGS). This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The AMPGS Project required participants to sign “take or pay” contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. The City’s share of the project was 20,000 kW of a total capacity of 771,281 kW, giving the City a 2.59 percent share of the project. In November 2009, the 81 member participants in the project voted to terminate the development of the plant due to projected escalating costs. These costs were therefore deemed impaired and the participants are obligated to reimburse AMP under the take or pay contract costs already incurred.

In prior years, the payment of these costs was not considered probable due to AMP’s pursuit of legal action to void them. As a result of a March 31, 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City’s estimated share at March 31, 2014 of the impaired costs is \$3,446,911. The City received a credit of \$1,067,635 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of \$904,497 related to the AMPGS costs deemed to have future benefit for the project participants, leaving a net impaired cost estimate of \$1,494,779. Because payment is now probable and reasonably estimable, the City is reporting a payable to AMP in its business-type activities and in its electric enterprise fund for these impaired costs. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City’s liability. These amounts will be recorded as they become estimable. The City made payments in 2014 totaling \$200,000 leaving a net impaired cost estimate of \$1,312,313 including interest.

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

The annual requirements to pay principal and interest on long-term obligations at December 31, 2014 are listed as follows:

Year Ending	General Obligation Bonds				Notes Payable			
	Governmental Activities		Business Type Activities		Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
December 31								
2015	\$ 40,000	\$ 7,562	\$ 150,000	\$ 25,620	\$ 157,731	\$ 16,023	\$ 253,669	\$ 123,308
2016	45,000	5,963	155,000	19,770	162,499	11,255	187,780	115,611
2017	45,000	4,050	165,000	13,570	167,410	6,344	340,902	114,214
2018	45,000	2,025	170,000	6,970	85,593	1,285	342,233	167,128
2019	-	-	-	-	-	-	352,894	156,468
2020-2024	-	-	-	-	-	-	1,634,898	619,469
2025-2029	-	-	-	-	-	-	1,705,417	353,990
2030-2034	-	-	-	-	-	-	369,329	173,119
2035-2039	-	-	-	-	-	-	419,028	123,420
2040-2044	-	-	-	-	-	-	475,391	67,058
2045-2049	-	-	-	-	-	-	261,206	10,019
	<u>\$ 175,000</u>	<u>\$ 19,600</u>	<u>\$ 640,000</u>	<u>\$ 65,930</u>	<u>\$ 573,233</u>	<u>\$ 34,907</u>	<u>\$ 6,342,747</u>	<u>\$ 2,023,804</u>

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

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

**I. INTERFUND TRANSACTIONS**

During the course of normal operations, the City has numerous transactions among funds which caused interfund balances from the timing differences between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund receivable and payable balances at December 31, 2014 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 24,687	\$ -
Non-major Governmental Funds	<u>239</u>	<u>24,926</u>
	<u>\$ 24,926</u>	<u>\$ 24,926</u>

Transfers are used to move revenues; from the fund that statute or budget requires to collect them, to the fund that the statute or budget requires to expend them; or moving unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; or to provide additional resources for current operations or debt service. Interfund transfers for the year ended December 31, 2014 consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
<b>Governmental</b>		
General Fund	\$ -	\$ 790,078
Street Levy Construction	-	173,754
Debt Service	458,288	-
<b>Proprietary</b>		
Golf	305,000	-
Fort Piqua Plaza	124,044	-
Municipal Pool	<u>76,500</u>	<u>-</u>
	<u>\$ 963,832</u>	<u>\$ 963,832</u>

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

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**J. PENSION PLAN OBLIGATIONS**

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

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

From January thru June 2014 plan members were required to contribute 10.75% and from July thru December 2014 were required to contribute 11.5% of their annual covered salary, while employers are required to contribute 19.5% and 24.0%, respectively for police officers and firefighters. The contribution requirements for the years ended December 31, 2014, 2013, and 2012 were \$1,493,103, \$1,393,471 and \$1,338,231, which consisted of \$988,798, \$944,005 and \$915,816 from the City and \$504,305, \$449,466 and \$422,415 from the employees, respectively, or 74% of the required contributions for 2013 and 53% of the required contributions for 2012 and 57% of the required contributions for 2011. The unpaid portion of \$48,992 is reported as liability in the respective funds.

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

OPERS administers three separate pension plans as described below:

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

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

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

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

The Ohio Revised Code also provides statutory authority for member and employer contributions. For 2014, member and employer contribution rates were consistent across all three plans (TP, MD, and CO). Plan members are required to contribute 10% of their annual covered salary and the City is required to contribute

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14%. The City's contributions to the plan for the years ending December 31, 2014, 2013 and 2012 were \$1,784,301, \$1,708,216 and \$1,669,558 respectively. The unpaid portion of \$53,446 is reported as a liability in the respective funds.

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

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

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

The Ohio Revised Code provides the statutory authority allowing OP&F's Board of Trustees to offer health care coverage to all eligible employees and is administrated as an Internal Revenue Code 401(h) account within the defined benefit pension plan. Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 0.5% of covered payroll for 2014 and 4.69% of covered payroll from January 1 2013 thru May 31, 2013 and 2.85 % of covered payroll for the rest of 2013 respectively. Beginning in 2001, active members do not make contributions to the OPEB, all retirees and survivors make monthly health care contributions.

The City's contributions that were used to pay post-employment benefits by Ohio Police and Fire for the years ended December 31, 2014, 2013 and 2012 were \$22,711, \$157,168, and \$285,130 respectively.

***Public Employees Retirement System OPEB***— OPERS provides post-retirement health care coverage to age and service retirees with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the Retirement System is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 45. A portion of each employer's contribution to OPERS (See Note J) is set aside for the funding of post-retirement health care. The Ohio Revised Code provides the statutory authority for employer contributions and for requiring public employers to fund pension and post-retirement health care through their contributions to OPERS. The 2014 employer contribution rate for local government employer units was 14% of covered payroll, of which 2.0% was used to fund health care for the year ended 2014.

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

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

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*Health Care:* OPERS post-employment health care plan was established under, and is administrated in accordance with internal revenue code 401(h). Each year, the OPERS Board of Trustee determines the portion of the employer contribution rate (14% in 2014) that will be set aside for funding of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 2.0% for the year ended December 31, 2014. The portion of employer contribution allocated to health care for members in the Combined Plan was 2.0% for year ended December 31, 2014. The OPERS board of trustee is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. The City's contributions that were used to pay post-employment benefits by Ohio Public Employee Retirement System for the years ended December 31, 2014, 2013 and 2012 were \$148,692, \$71,176, and \$278,322 respectively.

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

**L. OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM**

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

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

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

**N. CONTINGENCIES**

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

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

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2014**

**O. RISK MANAGEMENT**

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

The City pays an annual member contributions premium to MVRMA for this coverage. The agreement provides that MVRMA will be self-sustaining through member contributions premiums and the purchase of excess insurance and reinsurance. The city's deductible per occurrence for all types of claims is \$2,500. During 2014, MVRMA'S per-occurrence retention limit for property was \$500,000, with the exception of boiler and machinery for which there was a \$10,000 per occurrence retention limit.

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

General Liability (including law enforcement)	\$10,000,000 per occurrence/ excess \$500,000 sir
Automobile Liability	\$10,000,000 per occurrence/excess \$500,000 sir
Police Professional Liability	\$10,000,000 excess \$1,000,000 (\$10,000,000 aggregate per city)
Boiler and Machinery	\$100,000,000 per occurrence
Property	\$1,000,000,000 per occurrence
Flood and Earthquake	\$25,000,000 per occurrence and annual aggregate
Employment Practices Liability and Public Officials Liability	\$10,000,000 excess \$500,000 sir (\$10,000,000 annual combined aggregate per city)
Cyber Liability	\$1,000,000 annual aggregate; \$100,000 sir
Pollution Liability	\$1,000,000 annual aggregate; \$75,000 sir

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has been no significant reduction in coverage from the prior year.

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

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

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2014**

**P. PURCHASED POWER**

The City's electric distribution system during 2014 purchased wholesale electric power from American Municipal Power (AMP). AMP provides this power through a mixture of long term take or pay purchase contracts with the City. Included in these contracts with AMP are; the Prairie State Energy Campus Project (20 megawatts) generation started during 2012, Fremont Natural Gas Energy Center (13 megawatts) generation started in 2012, and the Ohio River Hydroelectric Project (8 megawatts) generation to start during 2015. AMP provides the remaining power requirements with market based purchases from various sources including New York Power Authority, Blue Creek Wind Farm, and other pooled market sources.

**Q. FUND BALANCE COMPONENTS**

Under the guidelines of GASB statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions" the City has reported non-spendable fund balance of \$12,256. This is comprised of amounts in non-spendable form for non-current loans receivable for low income mortgage assistance loans of \$7,149, and prepaid items of \$5,107. The City reported restricted fund balance of \$7,133,709, which is comprised of debt restrictions of \$375,519, donor restrictions of \$12,813, grant restrictions of \$140,876, and legislative restrictions of \$6,604,501. The City reported assigned fund balance of \$3,352,381, which is comprised of encumbrances of \$7,943, and managerially assigned assets of \$3,344,438. The City reported unassigned fund balance of \$7,400,388.

**R. CHANGE IN ACCOUNTING PRINCIPLES**

During the year ended December 31, 2014, the City implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 69, *Government Combinations and Disposals of Government Operations*, and GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. Neither of these Statements required the City to restate any prior year balances or impacted the City's financial statements for the current year.

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

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

**T. SPECIAL ITEM – ELECTRIC FUND**

During 2014 the Electric utility completed the Piqua Powerhouse Demolition Project which removed the Power Bag house reclaiming the site as a riverfront lookout. The cost of the demolition project was \$1,022,610. The loss on the retirement of the asset was \$1,564,566 for a total special item of \$2,587,176.

**CITY OF PIQUA, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2014**

**U. SPECIAL ITEM – GENERAL FUND**

During 2014 the City of Piqua acquired the historic Fort Piqua Plaza, as satisfaction of an economic development loan of \$9,793,197. The plaza, an anchor of the downtown district, houses the library, a conference/banquet center, restaurant and coffee shop.

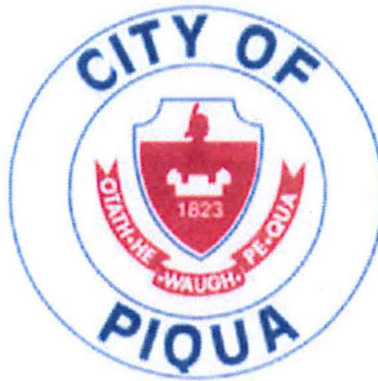
**V. SUBSEQUENT EVENTS**

On January 29, 2015, the City borrowed \$3,979,402 from Ohio Water Development Authority Fresh Water Fund for the construction of raw and finished water lines. The interest rate is 2.53% for a term of 30 years. Payments will be made from the water utility's pledged future revenues.

On February 25, 2015, the City issued \$165,000 of bonds with an interest rate of 3% to be used for the purchase of the Zollinger building. The Zollinger building purchase was completed April 16, 2015. It is expected that the City will sell this property to a developer prior to the end of 2015. The proceeds would then be used to retire the bonds.

On April 29, 2015, the City borrowed \$1,395,100 from Ohio Water Development Authority, Water Pollution Control Loan Fund, for Sanitary Sewer Overflow Elimination Collection System Improvement design. The interest rate is 2.03% for a term of 5 years. Payments will be made from the wastewater utility's pledged future revenues.

# Required Supplemental Information



**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND  
FOR YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Municipal income tax	\$ 5,228,571	\$ 5,395,680	\$ 5,961,327	\$ 565,647
Property taxes	1,081,365	1,074,538	1,074,537	(1)
State shared revenues	610,479	654,156	650,069	(4,087)
Locally levied taxes	1,173,774	1,173,774	1,212,000	38,226
Licenses and permits, fees	1,288,581	1,301,993	1,299,701	(2,292)
Grants-capital	62,085	10,860	10,860	-
Grants-operating	607,750	568,377	544,121	(24,256)
Interest income	52,123	52,123	45,566	(6,557)
Decrease in fair value of investments	-	-	(808)	(808)
Donations:				
Capital	20,000	9,818,322	48,025	(9,770,297)
Operating	-	26,156	26,156	-
Other fines, rents, and reimbursements	54,999	67,351	101,404	34,053
Total revenues	<u>10,179,727</u>	<u>20,143,330</u>	<u>10,972,958</u>	<u>(9,170,372)</u>
<b>EXPENDITURES:</b>				
<b>GENERAL GOVERNMENT ADMINISTRATION:</b>				
City building:				
Personal services/administrative support	-	-	-	-
Operating expenditures	<u>91,164</u>	<u>114,664</u>	<u>83,660</u>	<u>31,004</u>
Total city building	<u>91,164</u>	<u>114,664</u>	<u>83,660</u>	<u>31,004</u>
City commission:				
Personal services/administrative support	34,618	34,968	34,863	105
Operating expenditures	<u>52,097</u>	<u>52,097</u>	<u>27,721</u>	<u>24,376</u>
Total city commission	<u>86,715</u>	<u>87,065</u>	<u>62,584</u>	<u>24,481</u>
Office of city manager:				
Personal services/administrative support	63,137	63,137	60,723	2,414
Operating expenditures	<u>8,211</u>	<u>8,211</u>	<u>5,909</u>	<u>2,302</u>
Total office of city manager	<u>71,348</u>	<u>71,348</u>	<u>66,632</u>	<u>4,716</u>
Purchasing department:				
Personal services/administrative support	1,871	1,871	1,816	55
Operating expenditures	<u>111</u>	<u>111</u>	<u>98</u>	<u>13</u>
Total purchasing department	<u>1,982</u>	<u>1,982</u>	<u>1,914</u>	<u>68</u>
Law department:				
Personal services/administrative support	87,420	87,420	84,276	3,144
Operating expenditures	<u>7,691</u>	<u>7,691</u>	<u>4,971</u>	<u>2,720</u>
Total law department	<u>95,111</u>	<u>95,111</u>	<u>89,247</u>	<u>5,864</u>
Finance department:				
Personal services/administrative support	152,662	152,662	146,747	5,915
Operating expenditures	<u>8,332</u>	<u>8,332</u>	<u>5,896</u>	<u>2,436</u>
Total finance department	<u>160,994</u>	<u>160,994</u>	<u>152,643</u>	<u>8,351</u>

See notes to required supplemental information

(Continued)

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND  
FOR YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
Human resources department:				
Personal services/administrative support	22,820	22,819	21,723	1,096
Operating expenditures	<u>2,802</u>	<u>3,343</u>	<u>2,931</u>	<u>412</u>
Total human resources department	<u>25,622</u>	<u>26,162</u>	<u>24,654</u>	<u>1,508</u>
Engineering department:				
Personal services/administrative support	51,929	53,403	50,087	3,316
Operating expenditures	4,941	5,172	4,527	645
Capital	<u>17,500</u>	<u>15,795</u>	<u>15,795</u>	<u>-</u>
Total engineering department	<u>74,370</u>	<u>74,370</u>	<u>70,409</u>	<u>3,961</u>
Income tax department:				
Personal services/administrative support	185,581	185,581	175,266	10,315
Operating expenditures	<u>275,957</u>	<u>275,957</u>	<u>166,255</u>	<u>109,702</u>
Total income tax department	<u>461,538</u>	<u>461,538</u>	<u>341,521</u>	<u>120,017</u>
Planning and zoning:				
Personal services/administrative support	184,611	187,811	178,667	9,144
Operating expenditures	<u>70,783</u>	<u>70,783</u>	<u>39,444</u>	<u>31,339</u>
Total planning and zoning	<u>255,394</u>	<u>258,594</u>	<u>218,111</u>	<u>40,483</u>
General government:				
Operating expenditures	279,883	279,983	167,681	112,302
Capital	<u>-</u>	<u>102,042</u>	<u>99,287</u>	<u>2,755</u>
Total general government	<u>279,883</u>	<u>382,025</u>	<u>266,968</u>	<u>115,057</u>
Civil Service Commission:				
Operating expenditures	<u>16,292</u>	<u>20,000</u>	<u>19,741</u>	<u>259</u>
Total civil service commission	<u>16,292</u>	<u>20,000</u>	<u>19,741</u>	<u>259</u>
Pro Piqua:				
Operating expenditures	<u>62,000</u>	<u>62,000</u>	<u>57,557</u>	<u>4,443</u>
Total pro piqua	<u>62,000</u>	<u>62,000</u>	<u>57,557</u>	<u>4,443</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<u>1,682,413</u>	<u>1,815,853</u>	<u>1,455,641</u>	<u>360,212</u>
<b>PUBLIC SAFETY:</b>				
Fire department:				
Personal services/administrative support	3,395,984	3,600,000	3,580,183	19,817
Operating expenditures	416,708	425,500	380,922	44,578
Capital	<u>170,000</u>	<u>6,000</u>	<u>5,635</u>	<u>365</u>
Total fire department	<u>3,982,692</u>	<u>4,031,500</u>	<u>3,966,740</u>	<u>64,760</u>
Police department:				
Personal services/administrative support	3,682,921	3,682,921	3,516,530	166,391
Operating expenditures	660,024	683,024	533,452	149,572
Capital	<u>118,243</u>	<u>97,243</u>	<u>97,165</u>	<u>78</u>
Total police department	<u>4,461,188</u>	<u>4,463,188</u>	<u>4,147,147</u>	<u>316,041</u>
<b>TOTAL PUBLIC SAFETY</b>	<u>8,443,880</u>	<u>8,494,688</u>	<u>8,113,887</u>	<u>380,801</u>

See notes to required supplemental information

(Continued)

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND  
FOR YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
<b>NEIGHBORHOOD IMPROVEMENT TEAM:</b>				
Personal services/administrative support	10,713	10,713	7,645	3,068
Operating expenditures	29,575	47,000	46,678	322
Total neighborhood improvement team	<u>40,288</u>	<u>57,713</u>	<u>54,323</u>	<u>3,390</u>
<b>HEALTH:</b>				
Personal services/administrative support	253,758	263,758	251,848	11,910
Operating expenditures	111,050	111,050	84,725	26,325
Total health department	<u>364,808</u>	<u>374,808</u>	<u>336,573</u>	<u>38,235</u>
<b>PARKS AND RECREATION:</b>				
Personal services/administrative support	243,269	255,300	233,628	21,672
Operating expenditures	223,725	243,275	218,077	25,198
Capital	151,000	151,000	126,581	24,419
Total parks and recreation	<u>617,994</u>	<u>649,575</u>	<u>578,286</u>	<u>71,289</u>
Total expenditures	<u>11,149,383</u>	<u>11,392,637</u>	<u>10,538,710</u>	<u>853,927</u>
Excess of revenues over expenditures	<u>(969,656)</u>	<u>8,750,693</u>	<u>434,248</u>	<u>(8,316,445)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from sale of capital assets	-	23,135	44,551	21,416
Transfers out	(643,125)	(923,125)	(790,078)	133,047
Total other financing sources (uses)	<u>(643,125)</u>	<u>(899,990)</u>	<u>(745,527)</u>	<u>154,463</u>
Special Item	-	(11,400,000)	(9,793,197)	1,606,803
Net change in fund balance	(1,612,781)	(3,549,297)	(10,104,476)	(6,555,179)
Fund balance- January 1, 2014	<u>20,865,982</u>	<u>20,865,982</u>	<u>20,865,982</u>	-
Fund balance December 31, 2014	<u>\$ 19,253,201</u>	<u>\$ 17,316,685</u>	<u>\$ 10,761,506</u>	<u>\$ (6,555,179)</u>

See notes to required supplemental information

(Concluded)

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE  
STREET MAINTENANCE FUND  
FOR YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Municipal income tax	\$ 1,200,000	\$ 1,200,000	\$ 1,368,173	\$ 168,173
State shared revenues	1,108,614	1,108,614	1,200,766	92,152
Licenses and permits, fees	600	600	700	100
Interest income	5,827	5,827	5,269	(558)
Decrease in fair value of investments	-	-	(20)	(20)
Other fines, rents, and reimbursements	14,560	31,584	21,403	(10,181)
Total revenues	<u>2,329,601</u>	<u>2,346,625</u>	<u>2,596,291</u>	<u>249,666</u>
<b>EXPENDITURES:</b>				
Personal services/administrative support	919,531	1,004,531	934,162	70,369
Operating expenditures	1,817,470	1,817,470	1,479,347	338,123
Capital costs	256,500	290,183	262,625	27,558
Total expenditures	<u>2,993,501</u>	<u>3,112,184</u>	<u>2,676,134</u>	<u>436,050</u>
Excess (deficiency) of revenues over expenditures	(663,900)	(765,559)	(79,843)	685,716
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from sale of capital assets	-	17,024	17,024	-
Total other financing sources (uses)	<u>-</u>	<u>17,024</u>	<u>17,024</u>	<u>-</u>
Net change in fund balance	(663,900)	(748,535)	(62,819)	685,716
Fund balance- January 1, 2014	<u>4,321,221</u>	<u>4,321,221</u>	<u>4,321,221</u>	<u>-</u>
Fund balance December 31, 2014	<u>\$ 3,657,321</u>	<u>\$ 3,572,686</u>	<u>\$ 4,258,402</u>	<u>\$ 685,716</u>

See notes to required supplemental information

**CITY OF PIQUA, OHIO**

**REQUIRED SUPPLEMENTAL INFORMATION  
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE  
STREET LEVY CONSTRUCTION FUND  
FOR YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Municipal income tax	\$ 1,071,429	\$ 1,071,429	\$ 1,221,980	\$ 150,551
Grants-capital	2,174,678	725,994	495,993	(230,001)
Grants-operating	774,334	1,124,888	1,139,150	14,262
Interest income	837	837	503	(334)
Other fines, rents , and reimbursements	57,918	57,918	57,918	-
Total revenues	<u>4,079,196</u>	<u>2,981,066</u>	<u>2,915,544</u>	<u>(65,522)</u>
<b>EXPENDITURES:</b>				
Operating expenditures	2,037,590	2,074,590	1,767,577	307,013
Capital costs	<u>1,956,221</u>	<u>1,919,211</u>	<u>669,597</u>	<u>1,249,614</u>
Total expenditures	<u>3,993,811</u>	<u>3,993,801</u>	<u>2,437,174</u>	<u>1,556,627</u>
Excess of revenues over expenditures	<u>85,385</u>	<u>(1,012,735)</u>	<u>478,370</u>	<u>1,491,105</u>
<b>OTHER FINANCING (USES):</b>				
Transfers out	<u>(173,754)</u>	<u>(173,754)</u>	<u>(173,754)</u>	<u>-</u>
Total other financing(uses)	<u>(173,754)</u>	<u>(173,754)</u>	<u>(173,754)</u>	<u>-</u>
Net change in fund balance	(88,369)	(1,186,489)	304,616	1,491,105
Fund balance January 1, 2014	<u>2,004,021</u>	<u>2,004,021</u>	<u>2,004,021</u>	<u>-</u>
Fund balance December 31, 2014	<u>\$ 1,915,652</u>	<u>\$ 817,532</u>	<u>\$ 2,308,637</u>	<u>\$ 1,491,105</u>

See notes to required supplemental information

**CITY OF PIQUA, OHIO**  
**Notes to the Required Supplemental Information**  
**December 31, 2014**

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

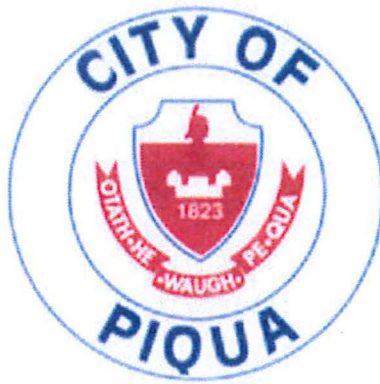
- The City must submit a budget of estimated revenues and expenditures for all governmental funds to the County Budget Commission by July 20 of each year for the following calendar year.
- The County Budget Commission certifies its actions by September 1, and issues a “Certificate of Resources” limiting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

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

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

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

# Supplemental Data



# CITY OF PIQUA, OHIO

## NON-MAJOR FUNDS

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

# CITY OF PIQUA, OHIO

## NON-MAJOR INTERNAL SERVICE/FIDUCIARY FUNDS

### Internal Service Funds

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

### Fiduciary Funds

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

**CITY OF PIQUA, OHIO**

**COMBINING BALANCE SHEET- NON MAJOR FUNDS  
DECEMBER 31, 2014**

<b>ASSETS:</b>	Revolving Loan/Federal Program Income	Community Development	Trust
Equity in pooled cash and cash equivalents	\$ 140,468	\$ 34,888	\$ 27,416
Accounts receivable	437	46,353	-
Interfund receivable	-	239	-
Loans receivable, net of allowance	7,149	-	-
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 148,054</u>	<u>\$ 81,480</u>	<u>\$ 27,416</u>
 <b>LIABILITIES:</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	32	34,051	-
Interfund payable	-	9,516	-
Salaries and benefits	-	2,842	-
Accruals	-	20,256	-
Total Current Liabilities	<hr/> 32	<hr/> 66,665	<hr/> -
Total Liabilities	32	66,665	-
 <b>DEFERRED INFLOWS OF RESOURCES:</b>			
Property taxes	-	-	-
State shared taxes	-	-	-
Total deferred inflows of resources	<hr/> -	<hr/> -	<hr/> -
 <b>FUND BALANCES:</b>			
Nonspendable fund balance	7,149	-	-
Restricted fund balance	140,873	12,813	27,416
Assigned fund balance	-	3,450	-
Unassigned	-	(1,448)	-
Total fund balances	<hr/> 148,022	<hr/> 14,815	<hr/> 27,416
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 148,054</u>	<u>\$ 81,480</u>	<u>\$ 27,416</u>

(Continued)

**CITY OF PIQUA, OHIO**

**COMBINING BALANCE SHEET- NON MAJOR FUNDS  
DECEMBER 31, 2014**

<b>ASSETS:</b>	<u>Conservancy</u>	<u>Federal Grants</u>	<u>Total Non major Funds</u>
Equity in pooled cash and cash equivalents	\$ 3,736	\$ 6,595	\$ 213,103
Accounts receivable	59,083	8,818	114,691
Interfund receivable	-	-	239
Loans receivable, net of allowance	-	-	7,149
<b>Total Assets</b>	<u>62,819</u>	<u>15,413</u>	<u>335,182</u>
<b>LIABILITIES:</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	-	-	34,083
Interfund payable	-	15,410	24,926
Salaries and benefits	-	-	2,842
Accruals	-	-	20,256
<b>Total Current Liabilities</b>	<u>-</u>	<u>15,410</u>	<u>82,107</u>
<b>Total Liabilities</b>	<u>-</u>	<u>15,410</u>	<u>82,107</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Property taxes	55,071	-	55,071
State shared taxes	3,334	-	3,334
<b>Total deferred inflows of resources</b>	<u>58,405</u>	<u>-</u>	<u>58,405</u>
<b>FUND BALANCES:</b>			
Nonspendable fund balance	-	-	7,149
Restricted fund balance	4,414	3	185,519
Assigned fund balance	-	-	3,450
Unassigned	-	-	(1,448)
<b>Total fund balances</b>	<u>4,414</u>	<u>3</u>	<u>194,670</u>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<u>\$ 62,819</u>	<u>\$ 15,413</u>	<u>\$ 335,182</u>

(Concluded)

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN  
FUND BALANCE NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2014**

	Revolving Loan/Federal Program Income	Community Development	Trust
<b>REVENUES:</b>			
Property taxes	\$ -	\$ 4,335	\$ -
State shared revenues	-	-	-
Licenses and permits, fees	1,350	-	-
Grants: operating	-	-	-
Investment income	5,224	-	-
Other fines, rents, and reimbursements	37,084	-	23,227
Total revenues	<u>43,658</u>	<u>4,335</u>	<u>23,227</u>
<b>EXPENDITURES:</b>			
Personal services/administrative support	892	-	-
Operation and maintenance	15,045	3,334	27,227
Total expenditures	<u>15,937</u>	<u>3,334</u>	<u>27,227</u>
Excess (deficiency) of revenues over expenditures	<u>27,721</u>	<u>1,001</u>	<u>(4,000)</u>
Net change in fund balance	27,721	1,001	(4,000)
Fund balance January 1, 2014	<u>120,301</u>	<u>13,814</u>	<u>31,416</u>
Fund balance December 31, 2014	<u>\$ 148,022</u>	<u>\$ 14,815</u>	<u>\$ 27,416</u>

(Continued)

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN  
FUND BALANCE NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2014**

	<u>Conservancy</u>	<u>Federal Grants</u>	<u>Total Non major Funds</u>
<b>REVENUES:</b>			
Property taxes	\$ 47,503	\$ -	\$ 51,838
State shared revenues	8,133	-	8,133
Licenses and permits, fees	-	-	1,350
Grants; operating	-	251,019	251,019
Investment income	3	-	5,227
Other fines, rents, and reimbursements	-	-	60,311
Total revenues	<u>55,639</u>	<u>251,019</u>	<u>377,878</u>
<b>EXPENDITURES:</b>			
Personal services/administrative support	-	2,365	3,257
Operation and maintenance	52,420	248,654	346,680
Total expenditures	<u>52,420</u>	<u>251,019</u>	<u>349,937</u>
Excess (deficiency) of revenues over expenditures	<u>3,219</u>	<u>-</u>	<u>27,941</u>
Net change in fund balance	3,219	-	27,941
Fund balance January 1, 2014	<u>1,195</u>	<u>3</u>	<u>166,729</u>
Fund balance December 31, 2014	<u>\$ 4,414</u>	<u>\$ 3</u>	<u>\$ 194,670</u>

(Concluded)

**CITY OF PIQUA, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2014**

	Revolving Loan / Federal Program Income			Community Development		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ 4,334	\$ 4,335	\$ 1
State shared revenues	-	-	-	-	-	-
Licenses and permits, fees	1,770	1,350	(420)	-	-	-
Grants: operating	-	-	-	-	-	-
Investment Income	4,820	5,224	404	-	-	-
Other	27,500	37,084	9,584	-	-	-
Total revenues	<u>34,090</u>	<u>43,658</u>	<u>9,568</u>	<u>4,334</u>	<u>4,335</u>	<u>1</u>
<b>EXPENDITURES:</b>						
Personal services	3,870	892	2,978	-	-	-
Operation and maintenance	<u>113,982</u>	<u>15,045</u>	<u>98,937</u>	<u>16,514</u>	<u>3,334</u>	<u>13,180</u>
Total expenditures	<u>117,852</u>	<u>15,937</u>	<u>101,915</u>	<u>16,514</u>	<u>3,334</u>	<u>13,180</u>
Excess (deficiency) of revenues over expenditures	<u>(83,762)</u>	<u>27,721</u>	<u>111,483</u>	<u>(12,180)</u>	<u>1,001</u>	<u>13,181</u>
Net change in fund balance	(83,762)	27,721	111,483	(12,180)	1,001	13,181
Fund balance January 1, 2014	<u>120,301</u>	<u>120,301</u>	-	<u>13,814</u>	<u>13,814</u>	-
Fund balance December 31, 2014	<u>\$ 36,539</u>	<u>\$ 148,022</u>	<u>\$ 111,483</u>	<u>\$ 1,634</u>	<u>\$ 14,815</u>	<u>\$ 13,181</u>

(Continued)

**CITY OF PIQUA, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2014**

	Trust			Conservancy		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ 47,503	\$ 47,503	\$ -
State shared revenues	-	-	-	8,133	8,133	-
Licenses and permits, fees	-	-	-	-	-	-
Grants: operating	-	-	-	-	-	-
Investment Income	-	-	-	-	3	3
Other	59,396	23,227	(36,169)	-	-	-
Total revenues	<u>59,396</u>	<u>23,227</u>	<u>(36,169)</u>	<u>55,636</u>	<u>55,639</u>	<u>3</u>
<b>EXPENDITURES:</b>						
Personal services	-	-	-	-	-	-
Operation and maintenance	76,500	27,227	49,273	52,620	52,420	200
Total expenditures	<u>76,500</u>	<u>27,227</u>	<u>49,273</u>	<u>52,620</u>	<u>52,420</u>	<u>200</u>
Excess (deficiency) of revenues over expenditures	<u>(17,104)</u>	<u>(4,000)</u>	<u>13,104</u>	<u>3,016</u>	<u>3,219</u>	<u>203</u>
Net change in fund balance	(17,104)	(4,000)	13,104	3,016	3,219	203
Fund balance January 1, 2014	<u>31,416</u>	<u>31,416</u>	<u>-</u>	<u>1,195</u>	<u>1,195</u>	<u>-</u>
Fund balance December 31, 2014	<u>\$ 14,312</u>	<u>\$ 27,416</u>	<u>\$ 13,104</u>	<u>\$ 4,211</u>	<u>\$ 4,414</u>	<u>\$ 203</u>

(Continued)

**CITY OF PIQUA, OHIO**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS  
FOR YEAR ENDED DECEMBER 31, 2014**

	Federal Grants			Totals		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ 51,837	\$ 51,838	\$ 1
State shared revenues	-	-	-	8,133	8,133	-
Licenses and permits, fees	-	-	-	1,770	1,350	(420)
Grants: operating	675,527	251,019	(424,508)	675,527	251,019	(424,508)
Investment Income	-	-	-	4,820	5,227	407
Other	-	-	-	86,896	60,311	(26,585)
Total revenues	<u>675,527</u>	<u>251,019</u>	<u>(424,508)</u>	<u>828,983</u>	<u>377,878</u>	<u>(451,105)</u>
<b>EXPENDITURES:</b>						
Personal services	2,365	2,365	-	6,235	3,257	2,978
Operation and maintenance	673,162	248,654	424,508	932,778	346,680	586,098
Total expenditures	<u>675,527</u>	<u>251,019</u>	<u>424,508</u>	<u>939,013</u>	<u>349,937</u>	<u>589,076</u>
Excess (deficiency) of revenues over expenditures	-	-	-	(110,030)	27,941	137,971
Net change in fund balance	-	-	-	(110,030)	27,941	137,971
Fund balance January 1, 2014	3	3	-	166,729	166,729	-
Fund balance December 31, 2014	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 56,699</u>	<u>\$ 194,670</u>	<u>\$ 137,971</u>

(Concluded)

**CITY OF PIQUA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (GAAP BUDGET)-DEBT SERVICE FUND  
FOR YEAR ENDED DECEMBER 31, 2014**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES:</b>			
Property taxes	\$ 45,246	\$ 42,888	\$ (2,358)
Investment income	6,066	7,666	1,600
Total revenues	<u>51,312</u>	<u>50,554</u>	<u>(758)</u>
<b>EXPENDITURES:</b>			
Operating expenditures	36,355	17,050	19,305
Debt principal payment	504,209	504,209	-
Debt interest payment	51,527	51,524	3
Total expenditures	<u>592,091</u>	<u>572,783</u>	<u>19,308</u>
Excess (deficiency) of revenues over expenditures	<u>(540,779)</u>	<u>(522,229)</u>	<u>18,550</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	<u>458,288</u>	<u>458,288</u>	<u>-</u>
Total other financing sources	<u>458,288</u>	<u>458,288</u>	<u>-</u>
Net change in fund balance	(82,491)	(63,941)	18,550
Fund balance January 1, 2014	<u>439,460</u>	<u>439,460</u>	<u>-</u>
Fund balance December 31, 2014	<u>\$ 356,969</u>	<u>\$ 375,519</u>	<u>\$ 18,550</u>

**CITY OF PIQUA, OHIO**

**COMBINING BALANCE SHEET- INTERNAL SERVICE FUNDS  
DECEMBER 31, 2014**

<b>ASSETS:</b>	<u>Workers Compensation</u>	<u>Liability Insurance</u>	<u>Health Insurance</u>	<u>Information Technology</u>	<u>Total</u>
<b>Current assets:</b>					
Equity in pooled cash and cash equivalents	\$ 629,779	\$ 351,443	\$ 181,333	\$ 415,237	\$ 1,577,792
Equity in pooled investments	754,137	-	1,031,415	-	1,785,552
Accounts receivable	856	102,394	9,729	-	112,979
Prepaid items and other assets	-	-	3,710	-	3,710
Total Current Assets	<u>1,384,772</u>	<u>453,837</u>	<u>1,226,187</u>	<u>415,237</u>	<u>3,480,033</u>
<b>Noncurrent assets:</b>					
Capital assets not being depreciated	-	-	-	11,200	11,200
Capital assets being depreciated	-	-	-	429,339	429,339
Total Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>440,539</u>	<u>440,539</u>
Total Assets	<u>\$ 1,384,772</u>	<u>\$ 453,837</u>	<u>\$ 1,226,187</u>	<u>\$ 855,776</u>	<u>\$ 3,920,572</u>
<b>LIABILITIES:</b>					
<b>CURRENT LIABILITIES:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 10,431	\$ 10,431
Salaries and benefits	-	-	-	9,175	9,175
Accrued vacation, personal and sick leave	-	-	-	80,219	80,219
Accruals	-	-	-	75	75
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,900</u>	<u>99,900</u>
<b>NONCURRENT LIABILITIES:</b>					
Accrued vacation, personal and sick leave	-	-	-	32,691	32,691
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,691</u>	<u>32,691</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,591</u>	<u>132,591</u>
<b>NET POSITION:</b>					
Net investment in capital assets				440,539	440,539
Unrestricted	<u>1,384,772</u>	<u>453,837</u>	<u>1,226,187</u>	<u>282,646</u>	<u>3,347,442</u>
Total Net Position	<u>1,384,772</u>	<u>453,837</u>	<u>1,226,187</u>	<u>723,185</u>	<u>3,787,981</u>
Total Liabilities and Net Position	<u>\$ 1,384,772</u>	<u>\$ 453,837</u>	<u>\$ 1,226,187</u>	<u>\$ 855,776</u>	<u>\$ 3,920,572</u>

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN NET POSITION- INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Total
<b>OPERATING REVENUES:</b>					
Customer services	\$ 140,230	\$ 113,701	\$ -	\$ 541,200	\$ 795,131
Total operating revenues	140,230	113,701	-	541,200	795,131
<b>OPERATING EXPENSES:</b>					
Salaries and Employee benefits	116,762	-	-	331,566	448,328
Depreciation	-	-	-	117,636	117,636
Materials and supplies	-	-	-	17,751	17,751
Utilities	-	-	-	32,806	32,806
Outside Services	-	-	-	143,994	143,994
Other	-	285,892	-	466	286,358
Total operating expenses	116,762	285,892	-	644,219	1,046,873
Operating income (loss)	23,468	(172,191)	-	(103,019)	(251,742)
<b>NON-OPERATING REVENUES(EXPENSES):</b>					
Interest income	17,941	1,218	7,434	160	26,753
Net increase/(decrease) in fair market value of investments	-	(247)	-	-	(247)
Net non-operating revenues(expenses)	17,941	971	7,434	160	26,506
Change in net position	41,409	(171,220)	7,434	(102,859)	(225,236)
Total net position-beginning of year	1,343,363	625,057	1,218,753	826,044	4,013,217
Total net position-end of year	<u>\$ 1,384,772</u>	<u>\$ 453,837</u>	<u>\$ 1,226,187</u>	<u>\$ 723,185</u>	<u>\$ 3,787,981</u>

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF CASH FLOWS-INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Totals
<b>OPERATING ACTIVITIES:</b>					
Receipts from interfund services	\$ 140,230	\$ 149,943	\$ 2,006	\$ 541,617	\$ 833,796
Cash paid to suppliers for goods or services	-	(285,892)	(364)	(194,033)	(480,289)
Cash paid to employees for services	(116,762)	-	-	(310,767)	(427,529)
Net cash provided by (used in) operating activities	<u>23,468</u>	<u>(135,949)</u>	<u>1,642</u>	<u>36,817</u>	<u>(74,022)</u>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Acquisition and construction of capital & AMP regulatory assets	-	-	-	(17,627)	(17,627)
Net cash provided by (used in) capital & related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,627)</u>	<u>(17,627)</u>
<b>INVESTING ACTIVITIES:</b>					
Purchases of investment securities	(254,137)	-	(701,415)	-	(955,552)
Proceeds from sale or maturity of investment securities	476,440	290,000	693,970	-	1,460,410
Interest received	20,529	2,043	11,344	159	34,075
Net cash provided by (used in) investing activities	<u>242,832</u>	<u>292,043</u>	<u>3,899</u>	<u>159</u>	<u>538,933</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>266,300</b>	<b>156,094</b>	<b>5,541</b>	<b>19,349</b>	<b>447,284</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	<b>363,479</b>	<b>195,349</b>	<b>175,793</b>	<b>395,887</b>	<b>1,130,508</b>
<b>CASH AND CASH EQUIVALENTS - End of year</b>	<b>\$ 629,779</b>	<b>\$ 351,443</b>	<b>\$ 181,334</b>	<b>\$ 415,236</b>	<b>\$ 1,577,792</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ 23,468</b>	<b>\$ (172,191)</b>	<b>\$ -</b>	<b>\$ (103,019)</b>	<b>\$ (251,742)</b>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	-	-	-	117,636	117,636
(Increase)/Decrease in Accounts Receivable	-	36,242	2,006	-	38,248
(Increase)/Decrease in Prepaids	-	-	(364)	-	(364)
Increase/(Decrease) in Accounts Payable	-	-	-	1,401	1,401
Increase/(Decrease) in Accrued Wages and Benefits	-	-	-	20,799	20,799
Net cash provided by (used in) operating activities	<u>\$ 23,468</u>	<u>\$ (135,949)</u>	<u>\$ 1,642</u>	<u>\$ 36,817</u>	<u>\$ (74,022)</u>
<b>SUPPLEMENTAL INFORMATION:</b>					
Noncash activities:					
Change in fair value of investments	<u>\$ (247)</u>	<u>\$ -</u>	<u>\$ (247)</u>	<u>\$ -</u>	<u>\$ (494)</u>

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS  
DECEMBER 31, 2014**

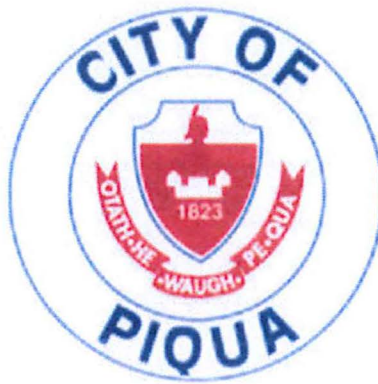
	<u>Unclaimed Funds</u>	<u>Employee Flexible Spending</u>	<u>Total</u>
<b>ASSETS:</b>			
Equity in pooled cash and cash equivalents	\$ 3,906	\$ 16,281	\$ 20,187
Total Assets	<u>\$ 3,906</u>	<u>\$ 16,281</u>	<u>\$ 20,187</u>
<b>LIABILITIES:</b>			
Withholdings payable	\$ -	\$ 4,449	\$ 4,449
Undistributed monies	<u>3,906</u>	<u>11,832</u>	<u>15,738</u>
Total Liabilities	<u>\$ 3,906</u>	<u>\$ 16,281</u>	<u>\$ 20,187</u>

**CITY OF PIQUA, OHIO**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR YEAR ENDED DECEMBER 31, 2014**

	Balance at January 1, 2014	Additions	Deductions	Balance at December 31, 2014
<b>Unclaimed Funds</b>				
<b>ASSETS</b>				
Equity in pooled cash and cash equivalents	\$ 3,767	\$ 249	\$ 110	\$ 3,906
Total Assets	<u>\$ 3,767</u>	<u>\$ 249</u>	<u>\$ 110</u>	<u>\$ 3,906</u>
<b>LIABILITIES</b>				
Undistributed monies	\$ 3,767	\$ 249	\$ 110	3,906
Total Liabilities	<u>\$ 3,767</u>	<u>\$ 249</u>	<u>\$ 110</u>	<u>\$ 3,906</u>
<b>Employee Flexible Spending</b>				
<b>ASSETS</b>				
Equity in pooled cash and cash equivalents	\$ 16,551	\$ 180,645	\$ 180,915	\$ 16,281
Total Assets	<u>\$ 16,551</u>	<u>\$ 180,645</u>	<u>\$ 180,915</u>	<u>\$ 16,281</u>
<b>LIABILITIES</b>				
Withholdings payable	\$ 4,708	\$ 180,645	\$ 180,904	\$ 4,449
Undistributed monies	11,843		11	11,832
Total Liabilities	<u>\$ 16,551</u>	<u>\$ 180,645</u>	<u>\$ 180,915</u>	<u>\$ 16,281</u>
<b>Total- All AGENCY FUNDS</b>				
<b>ASSETS</b>				
Equity in pooled cash and cash equivalents	\$ 20,318	\$ 180,894	\$ 181,025	\$ 20,187
Total Assets	<u>\$ 20,318</u>	<u>\$ 180,894</u>	<u>\$ 181,025</u>	<u>\$ 20,187</u>
<b>LIABILITIES</b>				
Withholdings payable	\$ 4,708	\$ 180,645	\$ 180,904	\$ 4,449
Undistributed monies	15,610	249	121	15,738
Total Liabilities	<u>\$ 20,318</u>	<u>\$ 180,894</u>	<u>\$ 181,025</u>	<u>\$ 20,187</u>

# Statistical Section



## Statistical Section

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

<u>Contents</u>	<u>Pages</u>
<b>Financial Trends</b>	<b>75-79</b>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>80-82</b>
These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax, and the municipal income tax.	
<b>Debt Capacity</b>	<b>83-85</b>
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<b>Economic and Demographic Information</b>	<b>86-88</b>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<b>Operating Information</b>	<b>89-92</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

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

CITY OF PIQUA, OHIO

Table 1

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

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Government Activities</b>										
Net investment in capital assets	\$ 54,540,426	\$ 44,845,328	\$ 42,875,580	\$ 41,507,824	\$ 41,743,160	\$ 41,217,679	\$ 41,291,151	\$ 41,254,589	\$ 36,547,835	\$ 35,515,425
Restricted for other purposes	5,632	11,077	10,894	12,457	18,638	20,665	14,684	33,231	-	-
Restricted for debt service	375,519	439,460	430,978	369,253	385,122	387,228	394,408	394,825	418,841	740,702
Unrestricted	20,018,108	30,086,228	29,179,762	27,851,846	25,776,868	24,580,004	23,791,114	20,257,699	18,315,439	12,523,508
Total government activities net position	74,939,685	75,382,093	72,497,214	69,741,380	67,923,788	66,205,576	65,491,357	61,940,344	55,282,115	48,779,635
<b>Business-Type Activities</b>										
Net investment in capital assets	55,861,423	57,929,193	55,839,322	49,929,517	48,473,160	49,657,889	50,518,920	50,298,375	49,706,237	49,323,165
Restricted for other purposes	-	-	-	-	-	-	-	727	-	-
Restricted for debt service	-	50,000	50,000	50,000	50,000	50,000	50,000	50,000	58,910	66,588
Unrestricted	19,641,103	18,147,111	18,818,340	20,506,796	20,726,170	17,278,974	14,078,814	12,979,243	13,427,481	10,750,998
Total business-type activities net position	75,502,526	76,126,304	74,707,662	70,486,313	69,249,330	66,986,863	64,647,734	63,328,345	63,192,628	60,140,751
<b>Primary government</b>										
Net investment in capital assets	110,401,849	102,774,521	98,714,902	91,437,341	90,216,320	90,875,568	91,810,071	91,552,964	86,254,072	84,838,590
Restricted for other purposes	5,632	11,077	10,894	12,457	18,638	20,665	14,684	33,958	-	-
Restricted for debt service	375,519	489,460	480,978	419,253	435,122	437,228	444,408	444,825	477,751	807,290
Unrestricted	39,659,211	48,233,339	47,998,102	48,358,642	46,503,038	41,858,978	37,869,928	33,236,942	31,742,920	23,274,506
Total primary government activities net position	\$ 150,442,211	\$ 151,508,397	\$ 147,204,876	\$ 140,227,693	\$ 137,173,118	\$ 133,192,439	\$ 130,139,091	\$ 125,268,689	\$ 118,474,743	\$ 108,920,386

Source: City of Piqua Finance Department

CITY OF PIQUA, OHIO

Table 2

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

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Expenses</b>										
<b>Government activities</b>										
General government	\$ 1,895,842	\$ 1,931,289	\$ 1,878,876	\$ 1,804,464	\$ 1,893,928	\$ 2,099,961	\$ 2,960,257	\$ 2,891,558	\$ 2,252,448	\$ 1,985,407
Public safety	8,599,246	7,855,812	7,778,195	7,655,764	7,797,867	7,859,160	7,796,876	7,878,066	7,784,475	7,667,665
Streets and maintenance	5,238,564	3,340,057	3,081,248	3,166,350	3,250,497	3,574,236	5,143,056	3,168,720	2,855,826	3,456,870
Parks and recreation	509,403	502,923	475,706	425,013	548,724	685,518	915,284	702,284	741,577	716,795
Community development	272,904	766,933	1,944,480	393,106	628,434	242,528	618,328	343,948	617,750	1,287,935
Interest on long term debt	49,855	61,006	68,013	190,218	250,261	271,155	289,387	197,747	184,603	216,710
Total governmental activities expenses	16,565,814	14,458,020	15,226,518	13,634,915	14,369,711	14,732,558	17,723,188	15,182,323	14,436,679	15,331,382
<b>Business-type Activities</b>										
Electric	25,599,901	24,897,844	22,146,622	23,673,009	22,492,488	22,301,713	23,945,553	22,469,419	15,836,216	16,937,470
Wastewater	3,479,419	3,253,677	3,369,098	3,307,060	2,986,688	2,855,462	2,843,279	2,829,263	2,996,458	2,839,982
Refuse	1,701,599	1,606,035	1,594,550	1,593,925	1,512,243	1,481,691	1,523,263	1,440,545	1,429,689	1,363,145
Water	3,444,314	3,116,383	3,051,979	3,300,788	2,920,323	2,793,284	2,850,285	2,754,437	2,564,675	2,589,854
Stormwater	814,109	707,322	398,234	419,626	414,092	n/a	n/a	n/a	n/a	n/a
Golf	589,459	678,050	683,046	702,282	609,278	654,306	685,305	726,395	707,818	696,389
Fort Piqua Plaza	294,781	301,409	277,319	280,600	229,821	42,372	42,372	n/a	n/a	n/a
Municipal Pool	174,256	188,413	203,742	177,970	170,387	190,003	199,122	191,007	171,005	175,789
Total business-type activities expenses	36,097,838	34,749,133	31,724,590	33,455,260	31,335,320	30,461,666	32,089,179	30,411,066	23,705,861	24,602,629
Total Primary Government activities expenses	\$ 52,663,652	\$ 49,207,153	\$ 46,951,108	\$ 47,090,175	\$ 45,705,031	\$ 45,194,224	\$ 49,812,367	\$ 45,593,389	\$ 38,142,540	\$ 39,934,011
<b>Program revenues</b>										
<b>Government activities</b>										
<b>Charges for Services:</b>										
General government	\$ 368,510	\$ 433,122	\$ 427,061	\$ 412,803	\$ 630,460	\$ 692,334	\$ 624,510	\$ 465,664	\$ 1,436,056	\$ 298,340
Public safety	984,214	1,103,529	1,042,684	1,083,295	800,027	876,722	772,244	909,784	566,672	311,871
Streets and maintenance	80,021	90,011	118,891	98,951	68,198	33,705	93,392	28,295	63,390	49,462
Parks and recreation	24,057	35,797	21,190	22,258	31,297	109,577	88,900	25,355	31,346	31,798
Community development	38,434	43,089	37,036	36,826	18,152	20,681	26,146	19,974	7,042	67,397
Operating grants and contributions	1,960,446	1,215,686	2,052,279	778,247	1,414,559	460,718	1,219,765	2,301,314	3,208,242	739,860
Capital grants and contributions	554,878	1,732,241	1,890,719	109,763	392,849	534,122	1,822,124	3,978,896	859,305	60,487
Total governmental activities program revenues	4,010,560	4,653,475	5,589,860	2,542,143	3,355,542	2,727,859	4,647,081	7,729,282	6,172,053	1,559,215
<b>Business-type Activities</b>										
<b>Charges for Services:</b>										
Electric	25,083,993	23,631,871	23,730,966	23,709,030	23,124,555	23,374,930	24,242,210	21,135,872	18,181,498	18,415,430
Wastewater	3,521,249	3,501,363	3,461,648	3,422,060	3,470,636	3,258,977	3,098,853	2,715,642	2,698,928	2,671,979
Refuse	1,783,288	1,794,018	1,770,367	1,762,814	1,757,375	1,767,803	1,659,648	1,530,335	1,408,455	1,340,537
Water	4,899,259	4,890,863	4,260,723	3,322,920	3,335,091	3,180,412	3,051,532	2,791,370	2,722,614	2,586,120
Stormwater	989,377	887,558	819,584	819,270	651,694	n/a	n/a	n/a	n/a	n/a
Golf	466,160	515,527	563,553	470,297	533,600	594,230	605,828	625,414	599,742	623,714
Fort Piqua Plaza	159,099	147,131	109,010	106,192	129,689	63,946	18,200	n/a	n/a	n/a
Municipal Pool	51,811	61,702	74,927	80,060	74,220	79,048	92,746	89,109	89,373	95,138
Operating grants and contributions	503,454	110,719	142,603	240,032	97,588	155	-	2,548	261	271
Capital grants and contributions	49,844	89,599	540,523	112,500	-	65,000	-	726,507	688,466	13,073
Total business-type activities program revenues	37,507,534	35,630,351	35,473,904	34,045,175	33,174,448	32,384,501	32,769,017	29,616,797	26,389,337	25,746,262
Total primary government program revenues	\$ 41,518,094	\$ 40,283,826	\$ 41,063,764	\$ 36,587,318	\$ 36,529,990	\$ 35,112,360	\$ 37,416,098	\$ 37,346,079	\$ 32,561,390	\$ 27,305,477
<b>Net revenue (expense)</b>										
Governmental activities	\$ (12,555,254)	\$ (9,804,545)	\$ (9,636,658)	\$ (11,092,772)	\$ (11,014,169)	\$ (12,004,699)	\$ (13,076,107)	\$ (7,453,041)	\$ (8,264,626)	\$ (13,772,167)
Business-type activities	\$1,409,696	881,218	3,749,314	589,915	1,839,128	1,922,835	679,838	(794,269)	2,683,476	1,143,633
Total primary government net revenue(expense)	\$ (11,145,558)	\$ (8,923,327)	\$ (5,887,344)	\$ (10,502,857)	\$ (9,175,041)	\$ (10,081,864)	\$ (12,396,269)	\$ (8,247,310)	\$ (5,581,150)	\$ (12,628,534)

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

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>General revenues and other changes in net position</b>										
Governmental activities										
Property taxes	\$ 1,169,263	\$ 1,211,844	\$ 1,271,907	\$ 1,289,519	\$ 1,402,952	\$ 1,349,521	\$ 1,452,709	\$ 1,466,214	\$ 1,505,317	\$ 1,525,944
State Shared taxes	1,856,432	1,752,553	2,187,917	2,597,120	2,992,428	3,404,050	3,443,434	2,522,305	2,953,529	3,280,931
Income tax	8,285,580	8,935,319	8,024,044	8,209,488	7,256,729	6,999,179	10,275,491	8,351,952	8,611,614	8,378,103
Locally levied taxes	1,212,000	1,188,578	1,185,433	1,180,220	1,173,438	1,123,045	1,259,107	1,291,091	1,309,110	1,249,360
Investment earnings	71,303	82,596	97,667	129,378	159,445	134,406	388,469	661,171	578,256	289,066
Miscellaneous	23,812	1,937	18,808	6,500	56,482	9,515	1,852	18,468	6,383	385,572
Transfers	(505,544)	(483,403)	(393,284)	(501,861)	(309,093)	(300,798)	(193,942)	(199,931)	(197,103)	(136,609)
Total governmental activities general revenues and other changes in net position	12,112,846	12,689,424	12,392,492	12,910,364	12,732,381	12,718,918	16,627,120	14,111,270	14,767,106	14,972,367
Business-type Activities										
Investment earnings	48,158	54,021	78,751	145,207	114,246	115,496	445,609	730,055	603,404	287,164
Special item	(2,587,176)	-	-	-	-	-	-	-	(432,106)	(604,824)
Transfers	505,544	483,403	393,284	501,861	309,093	300,798	193,942	199,931	197,103	136,609
Total business-type activities general revenues and other changes in net position	(2,033,474)	537,424	472,035	647,068	423,339	416,294	639,551	929,986	368,401	(181,051)
Total primary government general revenues and other changes in net position	10,079,372	13,226,848	12,864,527	13,557,432	13,155,720	13,135,212	17,266,671	15,041,256	15,135,507	14,791,316
<b>Change in net position</b>										
Governmental activities	(442,408)	2,884,879	2,755,834	1,817,592	1,718,212	714,219	3,551,013	6,658,229	6,502,480	1,200,200
Business-type activities	(623,778)	1,418,642	4,221,349	1,236,983	2,262,467	2,339,129	1,319,389	135,717	3,051,877	962,582
Total primary government activities	\$ (1,066,186)	\$ 4,303,521	\$ 6,977,183	\$ 3,054,575	\$ 3,980,679	\$ 3,053,348	\$ 4,870,402	\$ 6,793,946	\$ 9,554,357	\$ 2,162,782

Electric, Wastewater, Golf and Pool Expenses restated in years 2011 through 2005 to reflect accounting changes of GASB 65

Source: City of Piqua Finance Department

Fort Piqua Plaza enterprise began in October 2008

Storm Water enterprise began in April 2010

CITY OF PIQUA, OHIO

Table 3

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

	2014	2013	2012	2011 (1)	2010	2009	2008	2007	2006	2005
<b>General Fund</b>										
Nonspendable	\$ 5,107	\$ 9,800,116	\$ 9,800,153	\$ 9,801,232	\$ 12,515,872	\$ 12,514,073	\$ -	\$ -	\$ -	\$ -
Restricted	5,632	11,077	10,894	12,457	18,638	20,665	-	-	-	-
Assigned	3,348,931	4,101,987	4,129,242	3,343,766	2,638,668	2,138,600	-	-	-	-
Reserved	-	-	-	-	-	-	10,834,537	9,926,096	4,039,446	413,703
Unassigned	7,401,836	6,952,802	6,718,592	7,037,036	5,346,681	5,294,013	7,987,100	6,674,596	8,594,514	7,675,124
<b>Total General Fund</b>	<b>10,761,506</b>	<b>20,865,982</b>	<b>20,658,881</b>	<b>20,194,491</b>	<b>20,519,859</b>	<b>19,967,351</b>	<b>18,821,637</b>	<b>16,600,692</b>	<b>12,633,960</b>	<b>8,088,827</b>
<b>Street Maintenance Fund</b>										
Restricted	4,258,402	4,321,221	3,918,551	3,270,045	2,518,751	1,984,235	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	-	359,365	50,166	163,780	10,766
Unassigned	-	-	-	-	-	-	1,374,925	1,433,773	1,003,903	610,379
<b>Total Street Maintenance Fund</b>	<b>4,258,402</b>	<b>4,321,221</b>	<b>3,918,551</b>	<b>3,270,045</b>	<b>2,518,751</b>	<b>1,984,235</b>	<b>1,734,290</b>	<b>1,483,939</b>	<b>1,167,683</b>	<b>621,145</b>
<b>Street Levy Fund</b>										
Restricted	2,308,637	2,004,021	1,977,761	1,795,964	1,560,389	1,357,286	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	-	197,384	409,802	45,903	86,492
Unassigned	-	-	-	-	-	-	1,145,679	384,273	410,922	227,390
<b>Total Street Levy Fund</b>	<b>2,308,637</b>	<b>2,004,021</b>	<b>1,977,761</b>	<b>1,795,964</b>	<b>1,560,389</b>	<b>1,357,286</b>	<b>1,343,063</b>	<b>794,075</b>	<b>456,825</b>	<b>313,882</b>
<b>Other Governmental Funds</b>										
Nonspendable	7,149	7,149	7,150	7,150	7,150	7,150	-	-	-	-
Restricted	185,519	158,579	191,923	166,859	115,427	511,724	-	-	-	-
Assigned	3,450	-	4,389	3,039	3	65,522	-	-	-	-
Reserved	-	-	-	-	-	-	1,025,223	949,265	863,657	642,604
Unassigned reported in:										
Revolving Loan/Program Income	-	-	-	-	-	-	33,117	72,554	49,165	52,846
Community Development	(1,448)	1,001	-	-	-	(19,999)	(130,314)	11,504	17,092	461,290
Trust	-	-	-	-	-	-	3,172	22,417	27,974	-
Conservancy	-	-	-	-	-	-	42,144	40,625	41,127	-
Safety Pension	-	-	-	-	-	-	-	72,456	60,676	39,106
Federal Grants	-	-	-	-	-	(40,320)	4,109	(103,727)	(5,410)	(152,714)
<b>Total Other Governmental Funds</b>	<b>194,670</b>	<b>166,729</b>	<b>203,462</b>	<b>177,048</b>	<b>122,580</b>	<b>524,077</b>	<b>977,451</b>	<b>1,065,094</b>	<b>1,054,281</b>	<b>1,043,132</b>
<b>Governmental Funds</b>										
Nonspendable	12,256	9,807,265	9,807,303	9,808,382	12,523,022	12,521,223	-	-	-	-
Restricted	6,758,190	6,494,898	6,099,129	5,245,325	4,213,205	3,873,910	-	-	-	-
Assigned	3,352,381	4,101,987	4,133,631	3,346,805	2,638,671	2,204,122	-	-	-	-
Reserved	-	-	-	-	-	-	12,416,509	11,335,329	5,112,786	1,153,565
Unassigned	7,400,388	6,953,803	6,718,592	7,037,036	5,346,681	5,233,694	10,459,932	8,608,471	10,199,963	8,913,421
<b>Total Governmental Funds</b>	<b>\$ 17,523,215</b>	<b>\$ 27,357,953</b>	<b>\$ 26,758,655</b>	<b>\$ 25,437,548</b>	<b>\$ 24,721,579</b>	<b>\$ 23,832,949</b>	<b>\$ 22,876,441</b>	<b>\$ 19,943,800</b>	<b>\$ 15,312,749</b>	<b>\$ 10,066,986</b>

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Source: City of Piqua Finance Department

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

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

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>REVENUES</b>										
Municipal income tax	\$ 8,551,480	\$ 8,657,319	\$ 7,748,219	\$ 8,382,273	\$ 7,374,993	\$ 7,002,778	\$ 10,267,939	\$ 8,260,918	\$ 8,300,977	\$ 8,378,103
Property taxes	1,169,263	1,211,844	1,271,907	1,289,519	1,402,952	1,349,521	1,452,709	1,466,214	1,505,317	1,525,944
State shared revenues	1,858,968	1,866,329	2,253,099	2,585,245	2,764,569	3,781,537	3,199,733	2,530,167	3,192,533	3,086,008
Locally levied taxes	1,212,000	1,188,578	1,185,433	1,180,220	1,173,438	1,123,045	1,259,107	1,291,091	1,309,110	1,249,360
Licenses and permits, fees	1,301,751	1,334,105	1,330,355	1,333,529	1,054,458	1,020,519	949,578	1,073,084	574,837	314,412
Grants: capital	506,853	1,717,264	1,482,076	109,763	392,849	512,522	1,766,624	3,975,696	208,958	3,365
Grants: operating	1,934,290	1,172,917	2,023,736	683,653	863,231	372,788	765,164	1,954,777	600,798	713,537
Investment income	64,231	77,179	115,681	141,194	157,392	109,066	253,369	492,617	420,761	249,393
Increase (decrease) in fair market value of investments	(828)	(4,518)	(32,643)	(34,239)	(22,878)	(11,293)	55,323	12,071	18,769	(33,256)
Donations: capital	48,025	14,977	408,643	-	-	21,600	55,500	3,200	650,347	57,122
Donations: operating	26,156	42,769	28,543	94,594	551,328	180,976	361,555	346,537	2,607,444	26,321
Other fines, rents, and reimbursements	241,036	297,672	321,165	322,528	524,995	716,342	657,330	325,783	1,518,010	444,458
<b>Total revenues</b>	<b>16,913,225</b>	<b>17,576,435</b>	<b>18,136,214</b>	<b>16,088,279</b>	<b>16,237,327</b>	<b>16,179,401</b>	<b>21,043,931</b>	<b>21,732,155</b>	<b>20,907,861</b>	<b>16,014,767</b>
<b>EXPENDITURES</b>										
General government administration	1,283,002	1,300,112	1,310,975	1,210,761	1,278,817	1,287,163	1,501,156	1,694,424	1,356,040	1,115,766
Public safety	8,011,087	7,571,496	7,375,404	7,192,718	7,464,385	7,506,391	7,775,613	7,676,395	7,567,735	7,117,151
Public health	416,363	492,373	312,330	329,242	360,499	435,469	496,914	521,419	393,863	331,834
Street repairs and maintenance	4,181,086	2,270,611	1,934,451	2,060,615	2,192,766	2,639,293	4,137,209	2,221,531	1,936,590	2,591,792
Parks and recreation	451,705	472,183	418,280	361,895	461,977	609,908	828,421	633,438	661,920	637,044
Community planning and development	324,512	671,117	1,973,099	378,885	610,155	321,094	942,424	544,972	749,395	1,281,353
Other	74,565	46,393	58,726	63,174	55,043	55,521	112,288	78,846	106,092	160,982
Capital costs	1,276,685	3,370,293	2,704,350	1,132,280	1,240,777	2,123,231	1,581,034	5,093,251	1,991,144	1,306,288
Debt service:										
Principal	504,209	239,313	221,476	2,010,985	871,353	802,604	737,596	683,457	524,404	805,840
Interest	51,524	61,293	69,815	201,592	248,969	273,818	293,522	192,915	184,195	217,845
<b>Total expenditures</b>	<b>16,574,738</b>	<b>16,495,184</b>	<b>16,378,906</b>	<b>14,942,147</b>	<b>14,784,741</b>	<b>16,054,492</b>	<b>18,406,177</b>	<b>19,340,648</b>	<b>15,471,378</b>	<b>15,565,895</b>
Excess (deficiency) of revenues over expenditures	338,487	1,081,251	1,757,308	1,146,132	1,452,586	124,909	2,637,754	2,391,507	5,436,483	448,872
<b>OTHER FINANCING SOURCES (USES):</b>										
Issuance of debt	-	-	-	49,329	73,777	1,122,882	486,977	2,421,007	-	474,842
Disposal of capital assets	61,575	9,932	18,808	6,500	56,482	9,515	1,852	18,468	6,383	385,572
Transfers in	458,288	279,730	277,793	2,157,880	1,057,569	1,024,720	1,051,982	689,718	657,677	899,980
Transfers out	(963,832)	(763,133)	(671,077)	(2,659,741)	(1,366,662)	(1,325,518)	(1,245,924)	(889,649)	(854,780)	(1,036,588)
<b>Total other financing sources (uses)</b>	<b>(443,969)</b>	<b>(473,471)</b>	<b>(374,476)</b>	<b>(446,032)</b>	<b>(178,834)</b>	<b>831,599</b>	<b>294,887</b>	<b>2,239,544</b>	<b>(190,720)</b>	<b>723,806</b>
Special Item	(9,793,197)	-	-	-	-	-	-	-	-	-
<b>Net change in fund balances</b>	<b>\$ (9,898,679)</b>	<b>\$ 607,780</b>	<b>\$ 1,382,832</b>	<b>\$ 700,100</b>	<b>\$ 1,273,752</b>	<b>\$ 956,508</b>	<b>\$ 2,932,641</b>	<b>\$ 4,631,051</b>	<b>\$ 5,245,763</b>	<b>\$ 1,172,678</b>
Debt service as a percentage of Noncapital expenditures	3.6%	2.3%	2.1%	16.0%	8.3%	7.7%	6.1%	6.2%	5.3%	7.2%

Source: City of Piqua Finance Department

CITY OF PIQUA, OHIO

Table 5

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

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Net Profits	Percentage of Taxes from Net Profits	Taxes from Individuals	Percentage of Taxes from Individuals
2014	1.75%	\$ 8,520,480	\$ 6,933,846	81%	\$ 945,168	11%	\$ 641,466	8%
2013	1.75%	\$ 8,440,440	\$ 6,606,944	78%	\$ 1,200,848	14%	\$ 632,648	8%
2012	1.75%	\$ 8,147,450	\$ 6,628,606	82%	\$ 845,855	10%	\$ 672,989	8%
2011	1.75%	\$ 8,184,808	\$ 6,258,548	77%	\$ 1,276,083	16%	\$ 650,177	7%
2010	1.75%	\$ 7,531,133	\$ 5,910,484	79%	\$ 1,004,631	13%	\$ 616,018	8%
2009	1.75%	\$ 8,772,129	\$ 6,659,669	76%	\$ 533,486	6%	\$ 1,578,974	18%
2008	1.75%	\$ 9,299,939	\$ 6,635,823	71%	\$ 1,070,972	12%	\$ 1,593,144	17%
2007	1.75%	\$ 8,278,497	\$ 6,441,487	78%	\$ 1,279,369	15%	\$ 557,641	7%
2006	1.75%	\$ 8,304,428	\$ 6,300,579	76%	\$ 1,458,825	18%	\$ 545,024	6%
2005	1.75%	\$ 8,285,031	\$ 6,394,175	77%	\$ 1,316,266	16%	\$ 574,590	7%

Source: City of Piqua Income Tax Department

INCOME TAX COLLECTIONS BY INCOME RANGE  
LAST EIGHT YEARS

Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
2013	0-20,000	3,702	41.32%	29,751,925	8.25%
2013	20,001-40,000	2,341	26.13%	68,295,209	18.94%
2013	40,001-60,000	1,253	13.98%	61,323,105	17.00%
2013	60,001-80,000	713	7.96%	49,400,683	13.70%
2013	80,001-100,000	386	4.31%	34,520,615	9.57%
2013	over 100,000	565	6.31%	117,375,142	32.54%
	Total	8,960		360,666,679	
2012	0-20,000	3,839	43.01%	30,861,197	8.59%
2012	20,001-40,000	2,279	25.54%	66,407,419	18.48%
2012	40,001-60,000	1,221	13.68%	59,809,374	16.64%
2012	60,001-80,000	707	7.92%	49,059,853	13.65%
2012	80,001-100,000	338	3.79%	30,185,894	8.40%
2012	over 100,000	541	6.06%	123,014,948	34.23%
	Total	8,925		359,338,685	
2011	0-20,000	3,998	44.29%	32,814,422	8.91%
2011	20,001-40,000	2,275	25.20%	66,231,325	17.98%
2011	40,001-60,000	1,190	13.18%	58,199,985	15.80%
2011	60,001-80,000	691	7.65%	47,666,537	12.94%
2011	80,001-100,000	357	3.95%	31,736,996	8.62%
2011	over 100,000	516	5.72%	131,675,207	35.75%
	Total	9,027		368,324,472	
2010	0-20,000	3,686	43.45%	30,140,775	8.54%
2010	20,001-40,000	2,165	25.52%	62,966,356	17.84%
2010	40,001-60,000	1,153	13.59%	56,532,271	16.01%
2010	60,001-80,000	668	7.87%	46,150,475	13.07%
2010	80,001-100,000	354	4.17%	31,501,041	8.92%
2010	over 100,000	458	5.40%	125,718,520	35.61%
	Total	8,484		353,009,438	
2009	0-20,000	3,853	44.03%	31,893,835	9.70%
2009	20,001-40,000	2,222	25.39%	64,796,876	19.71%
2009	40,001-60,000	1,201	13.72%	58,741,763	17.87%
2009	60,001-80,000	673	7.69%	46,361,870	14.10%
2009	80,001-100,000	350	4.00%	30,959,276	9.42%
2009	over 100,000	452	5.17%	95,978,422	29.20%
	Total	8,751		328,732,042	
2008	0-20,000	3,239	40.83%	26,422,402	6.00%
2008	20,001-40,000	2,039	25.71%	59,730,456	13.57%
2008	40,001-60,000	1,154	14.55%	56,625,342	12.86%
2008	60,001-80,000	688	8.67%	47,651,794	10.82%
2008	80,001-100,000	347	4.37%	30,879,337	7.01%
2008	over 100,000	465	5.86%	218,983,220	49.74%
	Total	7,932		440,292,551	
2007	0-20,000	2,861	42.94%	22,686,532	7.99%
2007	20,001-40,000	1,629	24.45%	47,858,984	16.85%
2007	40,001-60,000	1,001	15.02%	48,988,779	17.25%
2007	60,001-80,000	545	8.18%	37,537,791	13.22%
2007	80,001-100,000	270	4.05%	23,909,330	8.42%
2007	over 100,000	357	5.36%	102,965,400	36.26%
	Total	6,663		283,946,816	
2006	0-20,000	2,887	43.04%	23,417,853	8.42%
2006	20,001-40,000	1,685	25.12%	49,085,205	17.65%
2006	40,001-60,000	996	14.85%	48,996,734	17.61%
2006	60,001-80,000	551	8.21%	37,597,868	13.52%
2006	80,001-100,000	270	4.03%	23,845,560	8.57%
2006	over 100,000	319	4.76%	95,221,726	34.23%
	Total	6,708		278,164,946	

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

CITY OF PIQUA, OHIO

Table 7

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

Levy/ Collection Year	City Millage	Total Levy	Current Year Collection	Current Year Collection as Percent of Levy	Delinquent Collections	Total Collections	Total Collection as Percent of Total Levy	Total Assessed Value	Esitmed Total Property Value of City
2013/2014	4.42	\$ 1,307,640	\$ 1,263,375	96.61	\$ 48,720	\$ 1,312,095	100.34	\$ 285,104,680	\$ 814,584,800
2012/2013	4.42	1,367,090	1,317,913	96.40	32,172	1,350,085	98.76	286,575,960	818,788,457
2011/2012	4.42	1,397,181	1,355,224	97.00	39,929	1,395,153	99.85	313,373,330	890,941,193
2010/2011	4.42	1,406,037	1,363,450	96.97	48,104	1,411,554	100.39	311,472,170	886,119,675
2009/2010	4.42	1,488,065	1,442,184	96.92	56,950	1,499,134	100.74	334,159,430	950,582,640
2008/2009	4.42	1,483,596	1,431,473	96.49	63,272	1,494,745	100.75	344,645,420	951,073,747
2007/2008	4.42	1,558,181	1,510,445	96.94	74,870	1,585,315	101.74	361,883,510	968,702,431
2006/2007	4.42	1,545,521	1,485,097	96.09	44,588	1,529,685	98.98	354,618,720	862,984,047
2005/2006	4.42	1,550,670	1,512,109	97.51	63,082	1,575,191	101.58	296,243,040	847,043,961
2004/2005	4.42	1,581,499	1,544,095	97.63	69,912	1,614,007	102.06	291,828,330	834,446,822

Source: Miami County Auditor's Office

1) Amounts do not include delinquent collections

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

Miami County does not have available delinquent collections by tax year they will schedule a revision to correct in the future.

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

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Governmental activities</b>										
General obligation bonds	\$ 175,000	\$ 215,000	\$ 255,000	\$ 290,000	\$ 325,000	\$ 875,000	\$ 1,000,000	\$ 1,455,000	\$ 1,898,347	\$ 2,315,740
Special assessment bonds	-	86,105	111,806	129,028	95,664	62,602	91,397	124,250	136,089	175,960
Pension refunding bonds	-	225,000	250,000	275,000	295,000	315,000	335,000	355,000	375,000	390,000
Taxable revenue bonds	-	-	-	-	1,800,000	2,010,000	2,210,000	2,400,000	-	-
Promissory Notes	573,233	726,337	874,949	1,019,201	1,159,221	1,209,859	486,977	-	149,000	149,000
Capital Leases	-	-	-	-	-	-	28,809	68,551	106,815	158,955
<b>Total gross governmental activities indebtedness</b>	<b>748,233</b>	<b>1,252,442</b>	<b>1,491,755</b>	<b>1,713,229</b>	<b>3,674,885</b>	<b>4,472,461</b>	<b>4,152,183</b>	<b>4,402,801</b>	<b>2,665,251</b>	<b>3,189,655</b>
<b>Business type activities</b>										
General obligation bonds	640,000	785,000	925,000	1,022,126	1,529,281	2,021,437	2,498,590	2,960,745	3,634,555	4,294,317
Promissory Notes	6,342,747	6,096,119	5,164,083	5,906,473	6,619,079	6,893,177	3,482,775	3,971,061	4,401,095	4,615,594
<b>Total gross business-type activities indebtedness</b>	<b>6,982,747</b>	<b>6,881,119</b>	<b>6,089,083</b>	<b>6,928,599</b>	<b>8,148,360</b>	<b>8,914,614</b>	<b>5,981,365</b>	<b>6,931,806</b>	<b>8,035,650</b>	<b>8,909,911</b>
<b>Total gross primary government indebtedness</b>	<b>7,730,980</b>	<b>8,133,561</b>	<b>7,580,838</b>	<b>8,641,828</b>	<b>11,823,245</b>	<b>13,387,075</b>	<b>10,133,548</b>	<b>11,334,607</b>	<b>10,700,901</b>	<b>12,099,566</b>
<b>Percent of personal income</b>	<b>1.94%</b>	<b>1.97%</b>	<b>1.88%</b>	<b>2.07%</b>	<b>2.80%</b>	<b>2.80%</b>	<b>2.09%</b>	<b>2.36%</b>	<b>2.24%</b>	<b>2.62%</b>
Per capita	\$ 376	\$ 396	\$ 369	\$ 420	\$ 575	\$ 646	\$ 489	\$ 547	\$ 516	\$ 583
<b>Less debt outside limitations:</b>										
Less debt service fund balance	54,023	53,943	53,887	3,983	4,100	52,509	71,080	82,573	77,135	66,779
Exempt se.f-supporting obligation debt:	640,000	785,000	925,000	1,022,126	1,529,281	2,021,437	2,498,590	2,960,745	3,634,555	4,294,317
Pension refunding bonds	-	225,000	250,000	275,000	295,000	315,000	335,000	355,000	375,000	390,000
Exempt se.f-supporting tax revenue bonds	-	-	-	-	1,800,000	2,010,000	2,210,000	2,400,000	-	-
Special assessment bonds	-	86,105	111,806	129,028	95,664	62,602	91,397	124,250	136,089	175,960
Exempt se.f-supporting notes	6,915,980	6,822,456	6,039,032	6,925,674	7,778,300	8,103,036	3,969,752	3,971,061	4,550,095	4,764,594
<b>Net debt within limitation for both</b>										
Voted and Unvoted debt	120,977	161,057	201,113	286,017	320,900	822,491	957,729	1,440,978	1,928,027	2,407,916
Percent of estimated actual property value	0.04%	0.06%	0.06%	0.09%	0.10%	0.24%	0.26%	0.41%	0.54%	0.67%
Per capita	\$ 6	\$ 8	\$ 10	\$ 14	\$ 16	\$ 40	\$ 46	\$ 69	\$ 93	\$ 116
<b>Debt limitation for both voted and unvoted debt</b>										
10.5% of assessed valuation	29,935,991	30,090,476	32,904,200	32,704,578	35,086,740	36,187,769	37,997,769	37,234,966	37,775,909	37,483,707
<b>Legal debt margin for voted and unvoted debt</b>	<b>29,815,014</b>	<b>29,929,419</b>	<b>32,703,087</b>	<b>32,418,561</b>	<b>34,765,840</b>	<b>35,365,278</b>	<b>37,040,040</b>	<b>35,793,988</b>	<b>35,847,882</b>	<b>35,075,791</b>
<b>Net debt within limitations for both Voted and Unvoted debt as a percentage of debt limit</b>	<b>0.40%</b>	<b>0.54%</b>	<b>0.61%</b>	<b>0.87%</b>	<b>0.91%</b>	<b>2.27%</b>	<b>2.52%</b>	<b>3.87%</b>	<b>5.10%</b>	<b>6.42%</b>
<b>Net debt within limitation for both voted and unvoted limitation</b>	<b>120,977</b>	<b>161,057</b>	<b>201,113</b>	<b>286,017</b>	<b>320,900</b>	<b>822,491</b>	<b>957,729</b>	<b>1,440,978</b>	<b>1,928,027</b>	<b>2,407,916</b>
Less voted debt	-	-	-	-	-	-	-	-	-	-
<b>Net debt with limitation for unvoted debt</b>	<b>120,977</b>	<b>161,057</b>	<b>201,113</b>	<b>286,017</b>	<b>320,900</b>	<b>822,491</b>	<b>957,729</b>	<b>1,440,978</b>	<b>1,928,027</b>	<b>2,407,916</b>
<b>Debt limitation for Unvoted debt</b>										
5.5% of assessed valuation	15,680,757	15,761,678	17,235,533	17,130,969	18,378,769	18,955,498	19,903,593	19,504,030	19,787,381	19,634,323
<b>Legal debt margin for unvoted debt</b>	<b>15,559,780</b>	<b>15,600,621</b>	<b>17,034,420</b>	<b>16,844,952</b>	<b>18,057,869</b>	<b>18,133,007</b>	<b>18,945,864</b>	<b>18,063,052</b>	<b>17,859,354</b>	<b>17,226,407</b>
<b>Net debt within limitation for unvoted debt as a percentage of debt limit</b>	<b>0.77%</b>	<b>1.02%</b>	<b>1.17%</b>	<b>1.67%</b>	<b>1.75%</b>	<b>4.34%</b>	<b>4.81%</b>	<b>7.39%</b>	<b>9.74%</b>	<b>12.26%</b>

Source: City of Piqua Finance Department

**CITY OF PIQUA, OHIO**

**Table 9**

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
DECEMBER 31, 2014**

	Total Debt <u>Outstanding</u>	Percent Applicable to City (1)	Amount Applicable To City of Piqua
<b>Direct*</b>			
City of Piqua			
Ohio Capital Asset Series	\$ 175,000	100.00%	\$ 175,000
State Infrastructure Bank Note	<u>573,233</u>	100.00	<u>573,233</u>
Total Direct Debt	748,233		748,233
<b>Overlapping**</b>			
Piqua School District	31,818,739	76.51	24,344,517
Upper Valley Joint Vocational School	3,440,000	12.40	426,560
Miami County	<u>23,084,000</u>	13.38	<u>3,088,639</u>
Total Overlapping Debt	58,342,739		27,859,716
Total Direct and Overlapping Debt	<u>\$ 59,090,972</u>		<u>\$ 28,607,949</u>

Source:

Direct\* City of Piqua Finance Department  
 Overlapping\*\* Piqua School District Treasurer  
                   Upper Valley JVS Treasurer  
                   Miami County Auditor

(1) Percentages were determined by dividing each overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2014 collection year.

CITY OF PIQUA, OHIO

Table 10

DEBT COVERAGE  
BUSINESS TYPE ACTIVITIES  
LAST TEN YEARS

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Power</b>										
Gross revenues	\$ 27,517,575	\$ 23,863,393	\$ 23,631,663	\$ 23,577,274	\$ 24,367,582	\$ 23,275,187	\$ 24,078,303	\$ 21,488,905	\$ 18,725,494	\$ 18,393,373
Direct operating expenses	25,651,134	23,347,871	20,110,185	21,555,462	20,803,628	20,383,460	21,765,513	20,643,787	14,259,799	15,553,778
Net revenue available for debt service	1,866,441	515,522	3,521,478	2,021,812	3,563,954	2,891,727	2,312,790	845,118	4,465,695	2,839,595
General obligation debt service requirements	-	-	-	408,430	405,590	406,690	410,259	408,495	410,539	402,880
Revenue obligation debt service requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service coverage				495	879	711	564	207	1,088	705
<b>Wastewater</b>										
Gross revenues	\$ 3,523,315	\$ 3,502,967	\$ 3,469,580	\$ 3,421,874	\$ 3,484,594	\$ 3,261,068	\$ 3,112,707	\$ 2,756,313	\$ 2,730,291	\$ 2,690,664
Direct operating expenses	2,368,548	2,128,150	2,153,425	2,128,589	1,832,970	1,864,562	1,767,872	1,678,005	1,832,516	1,629,290
Net revenue available for debt service	1,154,767	1,374,817	1,316,155	1,293,285	1,651,624	1,396,506	1,344,835	1,078,308	897,775	1,061,374
General obligation debt service requirements	-	-	-	-	-	-	-	176,963	188,925	200,888
Revenue obligation debt service requirements	\$ 816,705	\$ 809,928	\$ 809,929	\$ 809,929	\$ 781,841	\$ 506,537	\$ 506,537	\$ 506,537	\$ 506,537	\$ 820,578
Debt service coverage	141	170	163	160	211	276	265	158	129	104
<b>Water</b>										
Gross revenues	\$ 4,816,137	\$ 4,593,671	\$ 3,555,235	\$ 3,157,271	\$ 3,339,333	\$ 3,125,486	\$ 3,004,270	\$ 2,751,678	\$ 2,673,640	\$ 2,545,102
Direct operating expenses	2,960,630	2,407,410	1,938,472	2,734,125	2,515,982	2,316,503	2,321,310	2,246,806	2,109,256	2,185,363
Net revenue available for debt service	1,855,507	2,186,261	1,616,763	423,146	823,351	808,983	682,960	504,872	564,384	359,739
General obligation debt service requirements	-	-	-	-	-	-	-	50,947	52,910	50,238
Revenue obligation debt service requirements	\$ 202,172	\$ 147,172	\$ 147,172	\$ 147,172	\$ 147,172	\$ 147,172	\$ 147,172	\$ 135,122	\$ 223,753	\$ 66,411
Debt service coverage	918	1,486	1,099	288	559	550	464	271	204	308
<b>Golf</b>										
Gross revenues	\$ 461,682	\$ 512,752	\$ 557,254	\$ 471,609	\$ 536,337	\$ 596,423	\$ 608,369	\$ 623,722	\$ 600,967	\$ 625,511
Direct operating expenses	461,547	535,208	518,896	440,196	467,903	502,379	525,446	568,058	550,122	539,118
Net revenue available for debt service	135	(22,456)	38,358	31,413	68,434	94,044	82,923	55,664	50,845	86,393
General obligation debt service requirements	\$ 179,039	\$ 179,249	\$ 167,714	\$ 167,285	\$ 171,308	\$ 170,118	\$ 168,385	\$ 180,231	\$ 177,532	\$ 180,205
Debt service coverage	-	(13)	23	19	40	55	49	31	29	48
<b>Pool</b>										
Gross revenues	\$ 51,661	\$ 61,565	\$ 73,874	\$ 79,027	\$ 74,967	\$ 80,052	\$ 93,172	\$ 89,708	\$ 90,075	\$ 96,102
Direct operating expenses	124,512	151,975	161,421	136,185	131,471	148,190	155,035	150,393	130,650	134,709
Net revenue available for debt service	(72,851)	(90,410)	(87,547)	(57,158)	(56,504)	(68,138)	(61,863)	(60,685)	(40,575)	(38,607)
General obligation debt service requirements	\$ 9,028	\$ 9,037	\$ 8,456	\$ 8,435	\$ 8,637	\$ 8,577	\$ 8,490	\$ 8,622	\$ 8,493	\$ 8,603
Debt service coverage	(807)	(1,000)	(1,035)	(678)	(654)	(794)	(729)	(704)	(478)	(449)

Gross revenues include operating revenue, interest income, and non operating income  
Direct operating expenses exclude depreciation  
Annual debt service requirement includes principal and interest

Source: City of Piqua Finance Department

**CITY OF PIQUA, OHIO**

**Table 11**

**PRINCIPAL EMPLOYERS  
DECEMBER 31, 2014**

<u>NAME OF EMPLOYER</u>	<u>NATURE OF BUSINESS</u>	<u>TOTAL EMPLOYMENT</u>	<u>PERCENT OF TOTAL EMPLOYMENT</u>
Industry Products	Manufacturer of die cutting equipment	351	3.4%
Walmart Stores Inc.	Retail store	345	3.3%
Piqua City Schools	Public school district	318	3.0%
Spalding & Evenflo Company Inc.	Manufacturer of juvenile furniture	285	2.7%
Tailwind Technologies Inc.	Manufacturer of aircraft propellers	268	2.6%
Crane Pumps & Systems Inc.	Manufacturer of industrial water pumps	260	2.5%
City of Piqua	Municipal government	227	2.2%
Westcon Industries	General Contractor	225	2.2%
Upper Valley JVS	Regional joint vocational school	213	2.0%
Nitto Denko Automotive Ohio	Manufacturer of automotive gaskets	208	2.0%
Total available employment		10,432	

**PRINCIPAL EMPLOYERS  
DECEMBER 31, 2005**

<u>NAME OF EMPLOYER</u>	<u>NATURE OF BUSINESS</u>	<u>TOTAL EMPLOYMENT</u>	<u>PERCENT OF TOTAL EMPLOYMENT</u>
Spalding & Evenflo Company Inc.	Manufacturer of juvenile furniture	315	3.2%
Jackson Tube Service Inc.	Manufacturer of steel tubing	310	3.1%
Crane Pumps & Systems Inc.	Manufacturer of industrial water pumps	300	3.0%
Charter Corporation	Manufacturer of aircraft propellers	293	3.0%
Industry Products	Manufacturer of die cutting equipment	283	2.9%
City of Piqua	Municipal government	220	2.2%
Piqua City Schools	Public school district	218	2.2%
Piqua Technologies Inc.	Manufacturer of automotive gaskets	200	2.0%
Upper Valley JVS	Regional joint vocational school	185	1.9%
Total available employment		9,848	

Source: City of Piqua Income Tax Office

CITY OF PIQUA, OHIO

Table 12

PRINCIPAL PROPERTY TAXPAYERS  
DECEMBER 31, 2014  
LAST EIGHT YEARS

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Name of Taxpayer	Nature of Business	2014 Assessed Valuation	Percent of Total Assessed Valuation	2013 Assessed Valuation	2012 Assessed Valuation	2011 Assessed Valuation	2010 Assessed Valuation	2009 Assessed Valuation	2008 Assessed Valuation	2007 Assessed Valuation
Midamco	Shopping mall	\$ 4,442,650	1.56%	\$ 4,442,650	\$ 4,667,270	\$ 4,825,900	\$ 6,473,830	\$ 9,302,280	\$ 8,964,070	\$ 8,973,950
Harvey Co LLC	Shopping mall	\$ 3,516,520	1.23%	\$ 3,516,520	\$ 3,724,630	\$ 4,057,130	\$ 4,057,130	\$ 4,284,110	\$ 4,284,110	\$ 4,284,110
Walmart Stores Inc.	Retailer of consumer goods	\$ 3,021,200	1.06%	\$ 3,021,200	\$ 3,180,870	\$ 3,180,870	\$ 3,180,870	\$ 3,180,870	\$ 3,644,050	\$ 3,230,090
Spalding & Evenflo Co., Inc.	Manufacturer of juvenile furniture	\$ 3,396,650	1.19%	\$ 3,396,650	\$ 2,161,150	\$ 2,177,460	\$ 2,177,460	\$ 2,161,150	\$ 3,325,430	\$ 4,739,550
HCF Inc.	Nursing home	\$ 2,662,740	0.93%	\$ 2,662,740	\$ 2,847,210	\$ 2,822,910	\$ 2,822,910	\$ 2,822,910	\$ 2,863,080	\$ 2,863,080
Miami Valley Steel	Manufacturer of split rolled steel	\$ 2,440,590	0.86%	\$ 2,440,590	\$ 2,324,010	\$ 2,324,010	\$ 2,324,010	\$ 2,324,010	\$ 2,951,210	\$ 3,002,120
Vectren Energy Delivery	Utility of natural gas	\$ 1,819,320	0.64%	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Jideli Properties LLC	Land Holding Company	\$ 1,816,260	0.64%	\$ 2,344,060	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000
Jackson Tube Service Inc.	Manufacturer of steel tubing	\$ 1,800,160	0.63%	\$ 1,800,160	\$ 1,960,010	\$ 2,087,550	\$ 2,087,550	\$ 3,045,220	\$ 4,144,950	\$ 5,959,740
Home Depot Inc.	Hardware retailer	\$ 1,782,240	0.63%	\$ 1,794,150	\$ 2,078,140	\$ 2,096,970	\$ 2,096,970	\$ 2,084,010	\$ 2,408,880	\$ 2,819,960
TOTAL		<u>\$ 26,698,330</u>	<u>9.37%</u>	<u>\$ 25,418,720</u>	<u>\$ 25,193,290</u>	<u>\$ 25,822,800</u>	<u>\$ 27,470,730</u>	<u>\$ 31,454,560</u>	<u>\$ 34,835,780</u>	<u>\$ 38,122,600</u>
TOTAL ASSESSED VALUATION		<u>\$ 285,104,680</u>		<u>\$ 286,575,960</u>	<u>\$ 313,373,330</u>	<u>\$ 311,472,170</u>	<u>\$ 334,159,430</u>	<u>\$ 344,645,420</u>	<u>\$ 361,883,510</u>	<u>\$ 354,618,720</u>

Source: Miami County Auditor's Office

CITY OF PIQUA, OHIO

Table 13

DEMOGRAPHIC AND  
ECONOMIC STATISTICS  
LAST TEN YEARS

Year	Population <sup>1</sup>	Estimated Total Personal Income of City <sup>2</sup>	Per capita Personal Income <sup>2</sup>	Miami County Unemployment rate <sup>3</sup>	Household Median Income <sup>2</sup>	Avg Sale Price for a Single Family Home <sup>4</sup>
2014	20,552	\$ 399,099,288	\$ 19,419	4.2%	\$ 36,260	\$ 101,841
2013	20,552	\$ 413,506,240	\$ 20,120	6.7%	\$ 36,150	\$ 96,622
2012	20,552	\$ 402,634,232	\$ 19,591	6.3%	\$ 38,064	\$ 93,591
2011	20,552	\$ 416,732,904	\$ 20,277	7.4%	\$ 39,493	\$ 89,235
2010	20,552	\$ 421,768,144	\$ 20,522	9.6%	\$ 42,226	\$ 91,387
2009	20,738	\$ 478,499,000	\$ 23,074	12.2%	\$ 44,347	\$ 101,200
2008	20,738	\$ 484,937,000	\$ 23,384	8.1%	\$ 44,566	
2007	20,738	\$ 481,080,000	\$ 23,198	6.3%	\$ 44,212	
2006	20,738	\$ 477,264,000	\$ 23,014	5.4%	\$ 43,861	
2005	20,738	\$ 461,109,000	\$ 22,235	5.4%	\$ 42,378	

Source:

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

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

PROGRAM	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>GOVERNMENTAL ACTIVITIES</b>										
General Government:										
City Building	-	-	-	-	0.50	1.00	1.00	1.00	1.00	1.00
City Manager	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.25	3.25	2.25
Law Department	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.75	1.25	1.25
Planning and Zoning	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Prosecutor	-	-	-	-	-	-	-	-	1.00	0.75
Human Resources	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.75	1.75
Finance	20.00	20.00	20.00	20.00	21.00	21.00	20.00	20.00	20.00	20.00
Purchasing	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering	4.00	4.00	4.50	4.50	4.50	4.50	3.50	4.50	4.50	6.00
Hotel Project Manager	-	-	-	-	-	-	1.00	1.00	1.00	-
Health	3.50	3.60	3.50	4.00	3.50	4.50	6.00	6.00	6.00	5.00
Public Safety:										
Police	33.00	34.00	35.00	35.00	40.00	40.00	38.00	40.00	40.00	40.00
Fire	33.00	32.00	28.00	28.00	30.00	30.00	30.00	30.00	30.00	30.00
Streets:	15.00	15.00	15.00	15.00	16.00	15.00	17.00	17.00	17.00	17.00
Parks:	6.50	6.00	7.50	7.50	8.00	7.50	11.00	11.00	11.00	9.75
Community Development:	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.75	2.75	2.75
Total governmental activities	126.00	125.60	124.50	125.00	134.50	134.50	139.50	143.25	143.50	140.50
<b>BUSINESS-TYPE ACTIVITIES</b>										
Power:	26.50	26.50	25.50	25.50	26.50	26.50	26.50	33.50	33.50	37.00
Wastewater:	15.20	14.20	14.20	14.00	14.70	14.50	14.50	14.00	14.00	14.00
Water:	16.70	16.60	15.70	15.50	17.70	18.50	18.50	18.50	18.50	18.50
Stormwater	4.10	3.60	1.60	1.50	1.00	-	-	-	-	-
Refuse:	7.40	7.50	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Golf:	10.00	10.00	10.00	10.00	9.00	8.00	7.00	13.00	14.00	13.00
Pool:	18.00	16.00	16.00	16.00	16.00	16.00	14.00	15.00	14.00	15.00
Total business-type activities	97.90	94.40	91.00	90.50	92.90	91.50	88.50	102.00	102.00	105.50
Internal Service:										
Information Technology	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Totals	226.90	223.00	218.50	218.50	230.40	229.00	231.00	248.25	248.50	249.00

Source: City of Piqua 2014-2005 annual budgets

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

Count taken at December 31.

CITY OF PIQUA , OHIO

Table 15

OPERATING INDICATORS  
BY FUNCTION/PROGRAM  
LAST TEN YEARS

Function/Program	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Health Department</b>										
Restaurant inspections	439	335	357	439	750	965	536	672	702	688
Swimming pool inspections	37	44	44	42	45	64	52	70	60	42
Nuisance consultations	815	737	1,121	924	1,526	1,931	2,285	2,551	3,447	2,235
Housing/Property maintenance enforcements	203	143	119	198	618	1,888	2,016	2,910	2,501	1,395
<b>Public Works</b>										
Right of way opening permits	51	37	41	121	110	90	110	100	77	87
Subdivision construction plan approvals	0	0	0	0	0	0	0	2	2	2
Area of City (in square miles)	11.8	11.8	11.8	11.8	11.8	11.8	11.4	11.4	11.4	11.4
<b>Street Maintenance</b>										
Miles of streets	103	103	103	103	103	103	103	103	100.4	100.4
Miles of streets repaved	5.5	3.2	1.5	8.3	3.9	1.8	3.4	5.8	2.5	4.2
Cubic yards of leaves disposed of	822	1198	1267	2070	2057	1209	907	804	1555	1022
Tons of salt used	2,000	2,600	1,250	2,250	2,500	1,500	2,750	3,000	450	2,300
<b>Parks District</b>										
Number of parks	19	19	19	19	19	19	19	19	19	19
Acreage in parks	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8
Building rentals Mote Park	149	122	98	189	196	266	252	260	340	311
Building rentals all other parks	137	149	167	157	270	228	198	189	200	199
<b>Fire Department</b>										
Fire calls	547	449	447	482	474	439	540	514	500	466
Ems Response calls	3,775	3,595	3,515	3,536	3,176	3,153	3,230	3,083	3,120	2,990
Number of Sworn officers	32	32	26	27	28	29	29	29	29	29
Number of Fire houses	1	1	1	1	1	1	1	1	1	1
Number of ambulances and fire response vehicles	16	16	15	13	13	13	13	13	13	13
<b>Police Department</b>										
Calls for service	15,210	14,858	17,029	20,628	20,628	23,053	23,195	22,618	24,627	28,895
Traffic citations	1,309	797	1,082	1,299	1,299	1,666	763	1,240	2,182	1,737
Number of sworn officers	31	28	29	31	31	33	33	34	34	34
Number of police response vehicles	31	25	25	25	25	25	26	26	26	26
<b>Planning &amp; Zoning Department</b>										
Zoning Permit applications	152	159	182	179	167	99	142	152		
Commercial construction permits	84	93	109	115	82	37	40	47	62	37
Commercial construction value in (,000)	\$ 37,040	\$ 37,342	\$ 9,990	\$ 2,667	\$ 4,635	\$ 2,497	\$ 3,957	\$ 12,124	\$ 7,244	\$ 11,774
Residential construction permits	68	66	73	64	85	62	98	103	107	44
Residential construction value in (,000)	\$ 3,135	\$ 1,046	\$ 1,333	\$ 1,322	\$ 1,649	\$ 1,417	\$ 2,790	\$ 2,836	\$ 4,807	\$ 8,195

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**OPERATING INDICATORS  
BY FUNCTION/PROGRAM  
LAST TEN YEARS**

Function/Program	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Power utility</b>										
Residential KWH billed (,000)	89,289	88,325	88,836	91,442	92,475	87,344	91,290	94,310	91,042	93,113
Residential billed revenue (,000)	\$ 9,182	\$ 8,256	\$ 8,230	\$ 8,512	\$ 8,590	\$ 8,242	\$ 7,805	\$ 6,825	\$ 5,675	\$ 5,824
Commercial KWH billed (,000)	94,594	95,667	104,435	103,290	107,057	109,155	113,026	114,998	119,563	118,880
Commercial billed revenue (,000)	\$ 8,323	\$ 7,402	\$ 7,609	\$ 7,896	\$ 8,132	\$ 8,521	\$ 8,339	\$ 7,219	\$ 6,670	\$ 6,719
Industrial KWH billed (,000)	128,828	121,672	119,612	112,516	103,184	91,855	110,693	110,690	105,373	96,145
Industrial billed revenue (,000)	\$ 9,461	\$ 7,724	\$ 7,340	\$ 7,217	\$ 6,664	\$ 6,310	\$ 7,087	\$ 6,180	\$ 5,141	\$ 4,853
Customer base	10,729	10,680	10,700	10,935	10,962	10,941	11,086	11,047	11,081	11,124
Construction line vehicles	28	26	25	25	25	25	25	25	25	25
<b>Water utility</b>										
Residential gallons billed (,000)	357,623	369,493	383,528	378,982	393,495	409,533	417,479	441,838	437,129	462,664
Residential billed revenue (,000)	\$ 3,376	\$ 3,248	\$ 2,490	\$ 2,285	\$ 2,354	\$ 2,264	\$ 2,149	\$ 1,937	\$ 1,871	\$ 1,856
Commercial gallons billed (,000)	114,766	116,398	128,138	131,499	132,298	129,742	139,917	160,127	156,082	160,263
Commercial billed revenue (,000)	\$ 948	\$ 895	\$ 658	\$ 652	\$ 635	\$ 622	\$ 563	\$ 533	\$ 517	\$ 500
Industrial gallons billed (,000)	63,584	59,290	46,472	41,973	43,209	44,350	56,398	48,475	41,575	39,167
Industrial gallons revenue (,000)	\$ 336	\$ 298	\$ 186	\$ 164	\$ 169	\$ 161	\$ 179	\$ 139	\$ 120	\$ 111
Customer base	8,751	8,751	8,615	8,789	8,721	8,726	8,715	8,776	8,892	8,828
Vehicles in repair fleet	15	14	10	10	10	10	10	10	10	10
<b>Wastewater utility</b>										
Residential gallons billed (,000)	348,629	356,151	379,528	378,651	379,749	396,510	404,465	427,048	427,332	452,488
Residential billed revenue (,000)	\$ 2,636	\$ 2,623	\$ 2,637	\$ 2,595	\$ 2,602	\$ 2,451	\$ 2,287	\$ 2,002	\$ 1,960	\$ 2,035
Commercial gallons billed (,000)	142,512	130,161	115,047	113,783	115,551	124,461	127,089	129,902	134,651	135,340
Commercial billed revenue (,000)	\$ 567	\$ 546	\$ 540	\$ 555	\$ 554	\$ 544	\$ 500	\$ 436	\$ 438	\$ 438
Industrial gallons billed (,000)	57,344	62,841	47,297	47,955	47,559	49,626	63,343	60,383	57,949	53,457
Industrial billed revenue (,000)	\$ 267	\$ 275	\$ 233	\$ 234	\$ 235	\$ 225	\$ 247	\$ 196	\$ 183	\$ 171
Customer base	8,552	8,530	8,386	8,400	8,387	8,400	8,507	8,471	8,491	8,489
Vehicles in repair fleet	11	13	9	9	9	9	9	9	9	8
<b>Refuse utility</b>										
Residential customers billed	7,898	7,882	7,763	7,718	7,659	7,648	7,593	7,600	7,652	7,648
Commercial customers billed	111	110	95	98	103	99	96	97	74	75
Residential and commercial revenue billed (,000)	\$ 1,757	\$ 1,754	\$ 1,741	\$ 1,732	\$ 1,723	\$ 1,727	\$ 1,615	\$ 1,489	\$ 1,332	\$ 1,301
Tons of refuse collected	7684	7576	7535	7751	7608	7782	8484	8745	9375	9271
Tons of recycled refuse collected	1328	1342	1496	1448	1104	1189	1246	1171	1192	1069
Vehicles in service	7	7	7	7	7	7	7	7	7	7
<b>Stormwater utility</b>										
Residential ERUS billed	7424	7424	7435	7447	7430	n/a	n/a	n/a	n/a	n/a
Commercial ERUS billed	5528	5537	5654	5696	5699	n/a	n/a	n/a	n/a	n/a
Industrial ERUS billed	1423	1422	1355	1288	1288	n/a	n/a	n/a	n/a	n/a
Revenue billed (,000)	983	881	814	814	647	n/a	n/a	n/a	n/a	n/a
Vehicles in service	4	4	3	n/a	n/a	n/a	n/a	n/a	n/a	n/a

CITY OF PIQUA , OHIO

Table 15

OPERATING INDICATORS  
BY FUNCTION/PROGRAM  
LAST TEN YEARS

Function/Program	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b><u>Golf Course</u></b>										
Annual memberships	242	235	237	159	161	145	162	151	153	256
Rounds of golf played	15,866	18,121	10,597	15,205	12,800	19,018	22,969	22,750	22,965	25,033
Revenue collected (,000)	\$ 461	\$ 513	\$ 557	\$ 472	\$ 534	\$ 596	\$ 605	\$ 618	\$ 597	\$ 623
<b><u>Municipal swimming pool</u></b>										
Annual memberships	406	365	269	567	408	328	316	373	n/a	n/a
Annual attendence	7,541	7,377	15,787	9,921	15,697	13,930	19,273	18,119	20,435	21,439
Revenue collected (,000)	\$ 52	\$ 62	\$ 74	\$ 79	\$ 75	\$ 80	\$ 93	\$ 89	\$ 89	\$ 95
<b><u>Fort Piqua Plaza</u></b>										
Large room rentals	73	72	68	78	56	42	n/a	n/a	n/a	n/a
Small room rentals	74	67	28	51	71	43	n/a	n/a	n/a	n/a
Audio visual equipment rentals	n/a	139	68	129	48	27	n/a	n/a	n/a	n/a
Revenue collected (,000)	\$ 159	\$ 147	\$ 109	\$ 106	\$ 115	\$ 62	n/a	n/a	n/a	n/a
<b><u>General government information</u></b>										
Number of street lights	2,926	2,911	2,902	2,884	2,884	2,884	2,884	2,884	2,884	2,884
Number of public libraries	1	1	1	1	1	1	1	1	1	1
Volumes of books in public libraries	151,457	151,986	146,478	139,927	134,615	132,048	123,333	140,181	136,023	137,389
High school enrollment	3,572	3,705	3,708	3,638	3,692	3,737	3,737	3,766	3,792	3,922

Source: City of Piqua